

# FRIDAY ALERT



**Alliance for Retired Americans**

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## Social Security Expansion Re-Enters the 2020 Presidential Race

Social Security is getting renewed attention on both Capitol Hill and the 2020 campaign trail. Most of the Democrats running for president have endorsed or put forward a plan to expand and strengthen Social Security. This is a significant development reflecting years of advocacy by the Alliance and its allied partners.

The most recent plan comes from [Sen. Elizabeth Warren \(MA\)](#). Her proposal increases Social Security benefits immediately across the board by \$200 a month — \$2,400 a year — for every current and future Social Security beneficiary. The plan finances these changes and extends the solvency of Social Security by nearly two decades by asking the top 2% of families to contribute their fair share to the program. Her plan also repeals the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO), which currently penalizes public sector retirees, and

creates a caregiver credit for people who took time out of the workforce to care for a family member.



Several other 2020 Democratic presidential candidates also have released plans to expand earned Social Security benefits. The Social Security Expansion Act, S. 478 and H.R. 1170, introduced by [Sen. Bernie Sanders \(VT\)](#), lifts the cap on wages subject to Social Security taxes, increases Social Security benefits on average by \$65 a month or \$800 a year, adopts the

Consumer Price Index for the Elderly (CPI-E) to calculate a more accurate cost-of-living adjustment (COLA) and strengthens the Social Security Trust Fund.

Senators and 2020 presidential candidates **Cory Booker (NJ)** and **Kamala Harris (CA)** are Senate co-sponsors of Sen. Sanders' Social Security Expansion Act bill.

Currently the Social Security payroll tax only applies to wages up to \$132,900. Former Vice President [Joe Biden's expansion plan](#) lifts the cap and uses the added revenue to fund increases in the minimum benefits for low-income beneficiaries and other targeted increases. A benefit increase would go to the oldest seniors, and surviving spouses would see a 20% increase.

His plan also provides some relief to public sector retirees who are affected by the WEP and GPO.

Sen. **Amy Klobuchar** (MN) proposes lifting the cap to extend the solvency of Social Security by subjecting income above \$250,000 to the payroll tax. She favors [improving Social Security benefits for some beneficiaries](#), including a caregiver credit for people who took significant time out of the paid workforce to care for their sick family members.

Former Congressman [Beto O'Rourke's](#) (TX) plan would create a caregiver credit and scrap the payroll cap. He has said he would promote Rep. **John Larson's** (CT) bill to lift the payroll cap for those making \$400,000 or more. South Bend, Indiana Mayor [Pete Buttigieg](#) has said he supports making the wealthiest Americans pay their fair share into the system but has not released further details.

"Expanding Social Security is a top priority for the 2020 presidential election," said **Robert Roach, Jr.**, President of the Alliance. "It is important for not only current beneficiaries, but also future generations."

### **Details Emerge on House Speaker Pelosi's Plan to Lower Drug Prices**

Insiders have learned about House Speaker **Nancy Pelosi's** [drug plan](#) to lower prescription drug prices, which is still being developed. [Her draft proposal](#) is said to enable the U.S. Department of Health and Human Services (HHS) to negotiate the prices of 250 drugs, not just for Medicare and Medicaid, but for the entire private market. HHS would set the upper limit on the prices of many drugs at no more than 1.2 times their average price in six other nations. In the event that HHS cannot agree on a price with the drug company, they would be fined 75% of the previous year's gross sales of the drug in question.

The plan caps price increases on all Medicare part B and D drugs at the rate of inflation. If drug companies increase the price above the inflation rate, they would be required to lower the price or pay rebates to the Treasury. The savings generated may allow for a \$2,000 limit on out of pocket prices for those covered by Medicare, and Medicare's savings will be spent on research and development.

The plan would drastically reduce the percentage of a medication's costs paid by the government when seniors enter the catastrophic phase of the Medicare drug program, shifting more costs to health insurance plans and the drug industry. This idea has drawn bipartisan support.

"Americans pay the highest prices in the world for prescription drugs, and we need to rein in pharmaceutical corporations' outrageous pricing schemes," said **Richard Fiesta**, Executive Director of the Alliance. "We look forward to seeing Speaker Pelosi's plan, so patients can finally have the relief they have been waiting for."

Ms. Pelosi's final language is expected soon. The House Energy and Commerce and Ways and Means committees are expected to mark up the bill later this month.

The Speaker's plan is the latest in a wide array of proposals, and the pharmaceutical industry is ramping up its campaign to prevent any significant changes to the current system.

## Study Shows Racial Disparities in Time Spent Waiting to Vote

Approximately 3% of people who appear at the polls on election day leave without voting, but their demographics are not evenly distributed across racial lines. A rigorous new academic [study](#) confirms that black voters in the United States face significantly longer waits to vote. Compared to those in all-white neighborhoods, people in all-black neighborhoods are 74 percent more likely to spend 30 or more minutes at the polling place.

The study by scholars from UCLA, Carnegie Mellon University and the University of Chicago used smartphone pings to approximate how much time each smartphone holder spent at the polling place. It included data for more than 150,000 voters at over 40,000 polling locations in 2016.

In addition to skewing elections, these long lines, especially in underserved areas, undermine faith in the democratic system in areas with a history of explicit voter suppression.

“Systematic barriers remain a part of the American electoral process for minorities,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “Voter protection efforts must include solving this problem for future elections, to ensure that the results reflect the preferences of all those who attempt to cast a ballot.”

## Colorado Alliance Holds its Convention

Approximately 50 delegates and guests attended the 16th annual convention of the Colorado Alliance in Denver.

Colorado State Representatives **Shannon Bird** (HD-35) and **Mike Weissman** (HD-36) were given awards applauding their perfect voting records on retiree issues during the 2019 Colorado legislative session. They each addressed the convention.

**Ed Augden** and **Bob Knapp** were re-elected President and Secretary, respectively, by acclamation. **Brendan Kelly**, Director of Field Mobilization, spoke about national issues, including Social Security expansion and prescription drug prices, at the gathering.



## Alliance Members Celebrate Labor Day



Alliance chapters across the country celebrated Labor Day by participating in parades, barbecues, and tributes to the labor movement. At left, New York State Alliance and New York City chapter member **Donald Singer** (on the right in photo), at the New York City Central Labor Council's Labor Day Parade with Grand Marshalls **Ernie Logan** and **Liz Shuler**, in front of St. Patrick's Cathedral on Saturday, September 7.