



Alliance for Retired Americans

815 16th Street, NW, Fourth Floor • Washington, DC 20006 • 202.637.5399

www.retiredamericans.org

Spanish version: www.alianzadejubilados.org

May 12, 2023

A Possible Default on the National Debt Approaches as GOP Continues to Threaten Seniors' Programs

Congressional leaders from both parties and President **Biden** left a Tuesday White House meeting without appearing to make progress toward a deal to address the debt ceiling. The country risks a default and economic catastrophe as soon as June 1 if Congress fails to hike the borrowing limit.



House Speaker Kevin McCarthy with President Biden in the Oval Office Tuesday.

Analysts increasingly say that an unprecedented federal government default would hurt almost every American, including seniors. For example, [July Social Security benefit payments](#) could be disrupted and Medicare and Medicaid, which pay for the health care of millions of Americans, would be [unable to pay health care providers](#).

The White House has [conveyed](#) to GOP congressional negotiators that one of President Biden's greatest legislative achievements, the [Inflation Reduction Act](#), is off the table as a way to cut spending. The administration is instead eyeing measures like expanding Medicare's ability to negotiate drug prices and clawing back unspent Covid relief funds to reach an agreement.

House Republicans have said for months that they will not agree to raising the debt ceiling unless it is accompanied by drastic federal budget cuts. This week a group of 43 Republicans in the U.S. Senate, led by Sen. **Mike Lee** (UT), [said in a letter](#) to Democratic Senate Majority Leader **Chuck Schumer** that they too oppose voting on a bill that only raises the U.S. debt ceiling without slashing spending.

"The members of the Alliance demand that Congress put the needs of seniors and the American people first and ensure that the Social Security benefits we've earned will be paid in full and on time," said **Robert Roach, Jr.**, President of the Alliance. "We must not allow extremists to hold Americans hostage unless their unreasonable demands are met."

HELP Committee Passes Package of Bipartisan Drug Price Bills to Increase Competition, Transparency

The Senate Health, Education, Labor and Pensions (HELP) Committee voted Thursday to advance a far-reaching package of bipartisan bills to lower the price of prescription drugs.

The legislation would lower drug prices by promoting transparency, competition, and accountability and also curb anti-competitive pharmaceutical corporations' and Pharmacy Benefit Managers' (PBMs) practices.

Full details on the legislation, including descriptions, links and bill numbers, are available [here](#).

“High drug prices continue to hit older Americans hard, and it’s encouraging that the Senate HELP Committee was able to work in a bipartisan action to address this crisis,” said **Richard Fiesta**, Executive Director of the Alliance. “We call on Senate Majority Leader Schumer to bring these bills to the floor and for the House of Representatives to pass similar legislation without delay.”

Register Today for the Alliance Town Hall with Dr. Kilolo Kijakazi, Acting Social Security Commissioner

Alliance members are invited to join **Dr. Kilolo Kijakazi, Ph.D, MSW**, Acting Commissioner of the Social Security Administration (SSA), for a Retiree Town Hall on Wednesday, May 17, 2023 at 1:30 PM Eastern Time.



Once you register, you will receive an email from Zoom with a link to access the session. The link will be re-sent as a reminder on May 16.

The Acting Commissioner will discuss why Social Security is vital to Americans of all ages, talk about what SSA is doing to improve service, and answer some audience questions. After the Acting Commissioner’s remarks, retirees will hear about how they can take action to protect the Social Security benefits they have earned.

Please click [here](#) to register for the event.

Missouri House Votes to Eliminate State Income Tax on Social Security Benefits

The Missouri legislature has [passed](#) a bill that eliminates the state income tax on Social Security benefits and provides a property tax credit for senior citizens. The Senate passed the bill in April, 33-1. Because the House did not add onto the Senate bill before passing it, the legislation now goes to Gov. **Mike Parson** who is expected to sign it.

For the 2022 tax year, [11 states](#) taxed Social Security benefits: Colorado, Connecticut, Kansas, Minnesota, Missouri, Montana, Nebraska, New Mexico, Rhode Island, Utah and Vermont. Benefits are not taxed by the other 39 states and the District of Columbia.

“Congratulations to Missouri Alliance members who helped get this bill passed,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “Missouri seniors will be better off with this money back in their pockets.”

KFF Health News: Republicans Vow Not to Cut Veterans’ Benefits. But the Legislation Suggests Otherwise

By Michael McAuliff



Addressing the impact of the House GOP debt-ceiling bill on veterans’ programs, “I’m dead serious that we’re not cutting veterans, and I mean it.”

- Rep. **Mike Bost** (R-Ill.), chair of the House Committee on Veterans’ Affairs, in a speech on the House floor, April 26.

House Republicans have set themselves a tough, if not impossible, task in attempting to use a standoff over the nation’s [debt limit](#) to cut federal spending to what it was in 2022.

Read more [here](#).