

United States Senate

WASHINGTON, DC 20510

February 5, 2013

It is time to stand with every major group representing senior citizens, working families, veterans, women, and the disabled: Oppose the chained CPI

Dear Colleague:

We wanted to fill you in on an event we held last week with the leadership of the largest organizations in this country representing senior citizens, working families, veterans, women, and persons with disabilities in strong opposition to the so-called chained CPI.

We were pleased to welcome to the Capitol last week, Richard Trumka, the President of the AFL-CIO; Nancy LeaMond, the Executive Vice President of the AARP; Terry O'Neill, the President of the National Organization for Women; Tom Tarantino, the Chief Policy Officer for the Iraq and Afghanistan Veterans of America; and Peter Berns, the CEO of the Arc of the United States.

While the initial impact of chained CPI may appear to be modest, the compound effect of cutting cost-of-living-adjustments (COLAs) would cut thousands of dollars over time from Social Security checks and veterans' disability compensation benefits, and would raise taxes on working families.

Here is what the leaders of these organizations had to say in opposition to the chained CPI at this event:

1. **Richard Trumka, the President of the AFL-CIO:**

The AFL-CIO is the largest organized labor union in this country representing more than 12 million workers. Here is what the President of the AFL-CIO said:

"We're here to talk about one of the more perverse policy proposals ever to make its way into the halls of Congress -- the chained CPI. As you've heard, that's a technical term for a cut in Social Security benefits -- plain and simple. It's a big cut, and the older you get, the more it hurts. It is mystifying to me, and to the American labor movement overall, why Social Security is a perennial target for deficit reduction when it has absolutely nothing to do with the deficit."

2. **Nancy LeaMond, Executive Vice President of the AARP:**

The AARP is the largest senior citizens organization in this country representing more than 37 million Americans. Here is what Nancy LeaMond, the Executive Vice President said:

“People talk about the miracle of compound interest – you put money away early in life and it grows over time. What we’re here to talk about today is the devastation of compound cuts. Chained CPI would cut Social Security benefits by thousands of dollars over an individual’s lifetime. And the older one gets, the larger the cut. It is also important to note that current beneficiaries – people who are already receiving Social Security – would feel the impact of this cut to their COLAs. Americans of all ages oppose Social Security cuts for deficit reduction.”

3. **Tom Tarantino, the Chief Policy Officer of the Iraq and Afghanistan Veterans of America (IAVA).**

Tom Tarantino with the Iraq and Afghanistan Veterans of America made it clear that the Americans hurt the most by the chained CPI are young, permanently disabled veterans.

Here is the main point that IAVA and every other major veterans organization in this country has made in opposition to the chained CPI:

- 3.2 million disabled veterans would see substantial cuts in VA benefits through the chained CPI. Under the chained CPI, a disabled veteran who started receiving VA benefits at age 30 would have their benefits reduced by \$1,425 at age 45, \$2,341 at age 55 and \$3,231 at age 65.

4. **Terry O’Neill, the President of the National Organization for Women (NOW).**

NOW represents over half a million women in this country. Here is what Terry O’Neill said:

“The chained CPI is a less – not more -- accurate measure of inflation for retirees. It fails to take into account the rising cost of health care which disproportionately impacts seniors. In reality, adoption of the chained CPI would mean the difference for many seniors between having sufficient food or paying for medication each month ... This is a cruel cut for current beneficiaries that falls harshly on the most vulnerable – disproportionately women and especially women of color and women with disabilities.”

5. **Peter Berns, the CEO of the Arc of the United States.**

The Arc of the United States is the largest national community-based organization advocating for and serving people with intellectual and developmental disabilities and their families. Here is what Peter Berns said:

“Many beneficiaries with disabilities rely on Social Security for most or all of their income. With benefits only about \$1,100 a month, every cent counts, and over the years the impact of the chained CPI would be real and painful. Cuts from the chained CPI could also lead to terrible life and death choices for over 8 million very-low income seniors and people with disabilities who rely on Supplemental Security Income. SSI benefits are just over \$500 a month ... The chained CPI would cut SSI benefits not once, but twice: first, before the person ever applies for benefits, by lowering the initial payment level, and second, through lower annual cost-of-living adjustments. With SSI benefits already extremely low, it’s hard to imagine how beneficiaries would get by after cuts from the chained CPI.”

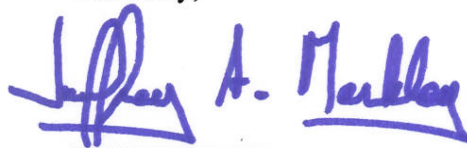
In addition to these speakers, veterans’ organizations opposed to the chained CPI were also in attendance including: the American Legion; the Veterans of Foreign Wars; the Disabled American Veterans; Gold Star Wives; the Paralyzed Veterans of America; the Military Order of Purple Hearts; Vets First; Veterans for Common Sense; the Association of the United States Navy; the National Guard Association; AMVETS; the National Association of Uniform Services; the Fleet Reserve Association; the Vietnam Veterans of America; the Blinded Veterans Association; the Naval Enlisted Reserves Association; the Reserve Officers Association; and the Jewish War Veterans.

We hope that you will join with these groups in opposition to the chained CPI.

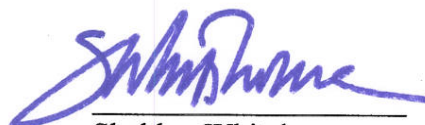
Sincerely,



Bernard Sanders
United States Senator



Jeff Merkley
United States Senator



Sheldon Whitehouse
United States Senator