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July 15, 2020

Ways & Means Committee
Social Security Subcommittee
U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of our 3 million members and the 50 million students they serve, we would like to submit for the record the following comments in connection with the July 17 hearing, “The Impact of Covid-19 on Social Security and Its Beneficiaries.”

Aggregate wages are expected to drop dramatically this year due to the economic impact of COVID-19 and create a “notch” in the Average Wage Index used to calculate Social Security benefits. As a result, more than 4 million workers who turn 60 this year—and their families—will receive substantially lower Social Security benefits than those who turned 60 last year. For a median earner born in 1960, benefits could be reduced by \$2,000 a year for the rest of their lives.

NEA supports the Social Security COVID-19 Correction and Equity Act (H.R. 7499), which would prevent this unintended and unanticipated cut in Social Security benefits. The bill would also expand benefits for current beneficiaries for the duration of the coronavirus crisis. In particular, we are pleased that H.R. 7499 would:

- Prevent the cut in benefits due to the notch for those born in 1960 or later, if a similar situation recurs
- Increase benefits by 2 percent
- Raise the threshold for the special minimum benefit to 125 percent of the poverty level
- Reduce the taxation of benefits for lower-middle income beneficiaries struggling to provide for themselves and their families
- Extend benefits for eligible full-time, postsecondary students under age 23
- Increase access to benefits for children living with grandparents or other relatives
- Hold harmless Supplemental Security Income (SSI), Medicaid, and Children’s Health Insurance Program (CHIP) beneficiaries

NEA stands ready to work with Congress to advance this bill. We thank the Committee for the opportunity to submit these comments.

Sincerely,

Marc Egan
Director of Government Relations
National Education Association