
SENATE CONCURRENT RESOLUTION

URGING PRESIDENT BUSH AND THE UNITED STATES CONGRESS TO NOT
PRIVATIZE SOCIAL SECURITY.

1 WHEREAS, on April 14, 1935, the Social Security Act was
2 signed into law by President Roosevelt, and has helped children,
3 the elderly, and those with disabilities to stay above the
4 poverty level for over seventy years; and
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6 WHEREAS, without Social Security today, almost fifty per
7 cent of the United States' senior population would live in
8 poverty due to a shortage of saved income, pension funds, and
9 the rising cost of inflation as compared to the approximate ten
10 per cent who actually live in poverty; and
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12 WHEREAS, without Social Security, many of our elderly would
13 live in poverty due to a shortage of saved income, pension
14 funds, and also the rising cost of inflation; now, therefore,
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16 WHEREAS, because of this effect, Social Security is one of
17 the most successful insurance programs ever created; and
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19 WHEREAS, opponents of Social Security believe that baby
20 boomers, when they become dependents of the system, will skew
21 the proportion of working adults to Social Security recipients
22 down to 1.27 in 2030, thereby depleting the Social Security
23 reserve to zero by 2042; and
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25 WHEREAS, although this is seen as a pitfall, the ratio of
26 workers to dependents is still relatively comparable to that of
27 the ratio in 1960, where there were 1.5 workers contributing to
28 funds for each dependent; and
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30 WHEREAS, when Social Security was created, it followed a
31 "pay as you go" system, and therefore, Social Security will
32 never go bankrupt and shut down, but will instead revert back to
33 its previous system as it performed before 1984; and
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1 WHEREAS, because of the prediction of foreseen problems
2 related to Social Security, the federal government would like to
3 institute private investment accounts where the initial
4 estimated start up price ranges close to \$1,000,000,000,000, but
5 may go up as high as \$3,000,000,000,000; and
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7 WHEREAS, according to the Center for Budget and Policy
8 Priorities, this plan may result in \$1,400,000,000,000 in
9 national debt over the first ten years and add
10 \$4,900,000,000,000 in debt over the next ten years; and
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12 WHEREAS, by creating private investment accounts that
13 divert money into private accounts, additional risks such as
14 retirement when stock markets are down, investing in bad stocks,
15 and high management fees must also be taken into consideration;
16 and
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18 WHEREAS, the analogy of fixing the problem of a leaky sink
19 by destroying an entire house is much like what the federal
20 government is planning to do when they eradicate the current
21 Social Security policy and replace it with private investment
22 accounts; and
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24 WHEREAS, Social Security, which is seen as a safety net for
25 retired workers who spend an average of twenty years in
26 retirement after age sixty-five, serves as a protection against
27 inflation due to its cost of living adjustments and allows
28 purchasing power and non-declining benefits; now, therefore,
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30 BE IT RESOLVED by the Senate of the Twenty-third
31 Legislature of the State of Hawaii, Regular Session of 2006, the
32 House of Representatives concurring, that the President of the
33 United States and the United States Congress are urged not to
34 privatize Social Security; and
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36 BE IT FURTHER RESOLVED that certified copies of this
37 Concurrent Resolution be transmitted to the President of the
38 United States, the Speaker of the United States House of
39 Representatives, the Majority Leader of the United States
40 Senate, and the members of Hawaii's congressional delegation.
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