

**Written Testimony of Donna Butts, Executive Director, Generations United**  
**Protecting and Improving Social Security: Benefit Enhancements**  
**United States House of Representatives**  
**Committee on Ways and Means, Subcommittee on Social Security**  
**Wednesday, March 13th, 2:00 PM**

Thank you, Chairman Larson, Ranking Member Reed and members of the subcommittee for the opportunity to testify about one of the most important intergenerational family support and social insurance programs in America - Social Security. I am Donna Butts, executive director of Generations United, an organization which for more than 30 years has represented children, youth, families and older adults and advocated for the mutual well-being of people at all ages and stages of life. We believe our country's vast resources are better used when they connect generations instead of dividing them. We believe public policy can and should be used to build bridges of support between the generations and not strive to pit them against each other.

For more than 80 years Social Security has been the premier example of a policy designed to secure and insure the well-being of individuals and their families. In addition to its well-known role in providing retirement security, the program provides many essential protections for people of all ages including Disability Insurance and Survivors' Insurance. For many it makes the difference between putting food on the table and deciding whether grandma or junior eat tonight.

The impact of Social Security programs can be seen in every community in the country. Accepting his Oscar recently, director Spike Lee thanked his grandmother, a Spelman graduate who was the daughter of a slave, who saved 50 years of Social Security checks and used those to put her "Spikeypoo" through Morehouse College and NYU grad school.

Another Social Security success is former Congressman and Speaker of the House Paul Ryan who saved the Social Security Survivor Benefits he began receiving after his father died suddenly. His grandmother moved in with the family and with the help of her Social Security income's contribution to the household, Congressman Ryan's mother was able to go back to school and get the education she needed to support her family. Mr. Ryan used his Social Security savings to help pay for his own higher education.

Social Security has a personal connection to my family as well. When my husband's father died he was 7 years old. And while he doesn't remember which Social Security check paid his family's household bills, he does remember taking advantage of the Student Benefit before it was eliminated in 1981 allowing him and his sister to be the first in their family to go on and earn college degrees. That extra little bit made it possible for him to graduate and begin his career with a degree without incurring the overwhelming debt so many students and their families are harnessed with today.

And what a harness it is. In 2016, 53% of millennials carried student loan debt and 59% worried about being able to pay off their loans. All told in 2018 our country's student loan debt totaled

\$1.5 trillion. Imagine the impact reinstating the Student Benefit could have helping students access trade schools and four-year colleges and universities today?

Social Security is a social insurance program that almost all workers pay into and in return qualify to receive benefits. Whether it is benefits that support older workers in retirement, people of all ages in case of disability or children whose parents die or are disabled, most Americans have been touched by this important source of family income. Social Security, whose framework was never meant to be set in stone, has been and should continue to be tweaked and strengthened, not dismantled or weakened, to ensure it continues to play a vital role.

Social Security embodies an intergenerational compact. It is a family support program that protects almost every child in America through Social Security Survivor's Benefits. It lifts more children out of poverty than any other federal program.

A 2016 study by the Center for Global Policy Solutions, *Overlooked But Not Forgotten: Social Security Lifts Millions More Children Out of Poverty*, reported the number of direct and indirect child beneficiaries jumped from 5.2 million in 2001 to 6.4 million in 2014. The study found that the growth is due almost entirely to the jump in children who are indirect beneficiaries because they live with extended family or in multigenerational households. This population grew from 2.1 million in 2001 to 3.2 million in 2014, while the number of direct child beneficiaries remained around 3 million during this period.

The same study found the child poverty rate would increase by nearly 20 percentage points without Social Security benefits (both direct and indirect), from 25.5 percent currently to almost 43 percent—a difference of more than one million children. For black children, the percentage in poverty would rise from 40 percent to almost 58 percent without any Social Security benefits.

Two-thirds of indirect child beneficiaries live in households with more than two generations or that consist of grandparents and grandchildren only. Generations United's report, *Family Matters: Multigenerational Families in a Volatile Economy*, released in 2011 included the results of a public opinion survey conducted with members of these families. Seventy-one percent said the multigenerational household arrangement improved the financial situation of at least one family member and 63 percent agreed that Social Security plays a vital role in the financial stability of the multigenerational household.

Recently Social Security has become even more important in light of the increase in the number of grandparents and relatives that are being called on to raise grandchildren, nieces and nephews, because of the opioid epidemic. The cover story of the Washington Post Magazine on January 27, 2019, "The Rise of the Grandfamily", highlighted the fact that as of 2017, 2.8 million young people, about 4 percent of American children, were being raised by 2.6 million grandparents. Nationally the number of children raised by their grandparents increased by nearly 15 percent between 2007 and 2017.

Twenty-six percent of grandparents who are raising grandchildren have a disability and, even with Social Security, 19 percent live below the poverty line. Researchers from Penn State estimated that without Social Security, it would be closer to 59 percent. As one grandmother said following the work-related death of her son "Social Security benefits made the critical difference in my ability to support my grandson rather than leave him to be raised by others."

Still many children raised by relatives because of the opioid crisis do not qualify for Social Security benefits because the parents are not deceased. They do not qualify as disabled, and although the relatives are raising the children full time, many have not adopted the children. They do not adopt because of the impact of family dynamics, cultural norms, legal costs, and/or hope that eventually the child's parent will be able to care for them again. In the vast majority of these cases, the relatives have stepped in to care for children to keep them out of the child welfare system. This means the family also does not qualify to receive the financial support of a foster care payment to help provide for the child's needs.

A new advisory board established by the 2018 Grandparents Raising Grandchildren Act will be looking across the federal government at supports and gaps in programs and services that enable strong grandfamilies. Social Security should be front and center as one of the most important successful, long established income supports for grandparent caregivers and the children they are raising. By stepping in and caring for children whose parents are unable to raise them, relatives save our country more than \$4 billion by keeping children out of the child welfare system. Children in grandfamilies, who are frequently the victims of trauma, also fare better in relative-headed households. Compared to children with non-relatives, children with relatives have more stability and know their roots. They are more likely to be kept intact with brothers and sisters. They have a greater sense of belonging and are more likely report "always feeling loved."

As one young woman said, "Growing up with a childhood full of trauma and abuse, there were very few moments where I felt safe and very few people with whom I felt protected. Being put into my uncle's care was the best decision that could have ever been made for me. It wasn't an easy road by any means, but I have no doubt in that it completely saved my life."

Grandparents and other relatives who step up and form a protective grandfamily around our country's children deserve our respect and the critical financial support Social Security provides.

On behalf of Generations United and our members, I make the following recommendations for strengthening Social Security and the support it provides our country's families, children and older adults:

**1-Reinstate the Student Benefit** for survivors up to age 22 for youth who remain enrolled in college to help today's students become the educated workforce our country's economy needs and lessen the overwhelming burden of student debt. In 1965, Congress recognized the growing importance of a college education and extended Social Security child benefits through the age of 22 for those enrolled in college. The expanded eligibility of these benefits allowed

young adults to complete their education without having to enter the workforce at 18 to support their families. Thousands of dedicated young adults were able to pursue higher learning thanks to the 1965 legislation. In 1981, however, Congress eliminated the Social Security student benefit. According to the National Academy of Social Insurance, of which I am a proud member, one-third of young people who would have enrolled in trade or four-year colleges did not because they lost their benefits when they turned 18 and needed to go to work. According to the 2016 study by the Center for Global Policy Solutions, such a program is estimated to cost less than 1 percent of taxable payroll for 75 years.

**2- Expand eligibility for children being raised by grandparents and other relatives.** Social Security benefits should be expanded to cover children being raised by grandparents or other relatives when the relatives have court-ordered legal custody of the children and/or when the children's parents' died or became disabled after their grandparents become eligible for Social Security. Currently children being raised by grandparents and other relatives may qualify for Social Security benefits if their parents are deceased or disabled or if the grandparents have adopted the child. A small number of children may qualify for a grandchild benefit if certain conditions are met, however, in many cases children being raised by relatives whose parents are not deceased or disabled do not qualify for benefits if they are not adopted by their relative caregivers.

**3- Provide Social Security credits to caregivers** when their earnings are affected by caring for elders, children or individuals with disabilities. Americans who step in to care for family members often need to leave the workforce or experience a reduction in work and earnings. This reduction impacts their Social Security benefits level. A caregiver credit would improve retirement security for Americans who step in to care for our country's children, people with disabilities, and our growing older adult population.

**4- Protect and strengthen the program.** Generations United supports a strong and solvent Social Security program that meets its obligations for current and future beneficiaries. As the dialogue about how to achieve long-term solvency for Social Security continues, policymakers must consider how reforms will affect vulnerable children, people with disabilities, spouses of deceased workers, retirees - and families as a whole. This is the time to protect, strengthen and expand this critically important family protection program.

Robert Ball said "Social insurance is built on awareness that no one can go it alone. True generational equity means acting on that awareness so that those who come after us and who stand on our shoulders, can see a little further and do a little better in their turn."

Now it is our turn. There is no better example of a policy solution that supports intergenerational solidarity than Social Security. It is designed to value and weave generations reinforcing our interdependence so that each is stronger while helping our families and communities thrive together.

Thank you again for the opportunity to speak on behalf of the vital income protections Social Security ensures for all generations.

## References

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