

# Press Release

## Social Security Act HR 3377

Introduced in House (07/29/2015) **Social Security Caregiver Credit Act of 2015**  
This bill amends title II (Old Age, Survivors and Disability Insurance) (OASDI) of the Social Security Act with respect to determining entitlement to and the amount of any monthly benefit, including any lump-sum death payment, payable under OASDI on the basis of the wages and self-employment income of any individual. Deems such an individual to have been paid a wage (according to a specified formula) during each month during which the individual was engaged for at least 80 hours in providing care to a dependent relative without monetary compensation for up to five years of such service. Makes this Act inapplicable in the case of any monthly benefit or lump-sum death payment if a larger benefit or payment would be payable without its application.

Lowey Introduces Legislation to Provide Social Security Earnings Credit to Caregivers August 27, 2015

*Press Release An individual's secure retirement is jeopardized when leaving the labor force or reducing hours to care for a loved one*

*The Social Security Caregiver Credit Act aims to increase retirement payments for caregivers who care for others during their working years*

**NANUET, NY** – Congresswoman Nita M. Lowey (Westchester/Rockland), the Ranking Member on the House Appropriations Committee, today announced the introduction of the Social Security Caregiver Credit Act during an event at Meals on Wheels of Rockland in Nanuet, NY, alongside local caregivers, senior citizens, elected officials, and advocacy organization representatives. The proposal would provide a Social Security earnings credit to caregivers who have to leave the labor force or reduce their hours to care for a loved one.

“Sacrificing a paycheck to care for a loved one shouldn’t jeopardize a secure and enjoyable retirement,” said **Lowey**. “My proposal would provide caregivers with a Social Security earnings credit when they take unpaid time off from their job to provide care. This would be particularly helpful for women, who make up 66 percent of unpaid caregivers who, on average, lose \$324,000 in wages and retirement benefits in their lifetime. As Ranking Member on the House Appropriations Committee, I will continue working to ensure Americans receive the retirement benefits they’ve earned after a lifetime of hard work.”

Roughly 65 million Americans sacrifice their job or reduce their hours during their careers to provide care to family members. The Social Security Caregiver Credit Act ([H.R. 3377](#)) would create a credit that would be added to earnings to calculate future Social Security benefits. The credit is progressive and varies on an income-based sliding scale. As an example, someone who is a full-time caregiver would receive a credit worth around \$22,000 a year, while someone

who is able to work and earns \$33,000 would receive a credit worth around \$5,500. It phases out when the caregiver makes more than the average national earnings. The amount credited would be used by the Social Security Administration to calculate future benefits.

Because women earn less than men and average ten fewer years in the workforce, which lowers Social Security benefits, they often have far less saved for retirement than men. Providing assistance with an increase in Social Security benefits will make them more financially stable when they retire. A national [study](#) on women and caregiving found that:

- 33 percent of working women decreased their working hours;
- 20 percent left full-time jobs for part-time work; and
- Nearly 30 percent were forced to quit their jobs or retire early to care for a loved one.

For millions of American women, unpaid caregiving becomes a financial emergency, and on average accounts for \$324,000 in lost wages and Social Security benefits in a caregiver's lifetime.

Lowey's proposal has been endorsed by 19 national organizations, including the National Committee to Preserve Social Security and Medicare, the National Organization for Women (NOW), and the National Alliance for Caregiving. (A full list is at the bottom of this release.)

**Siobhan O'Grady** is a Rockland resident and was a caregiver of her late father who passed away in 2013 after a four-year battle with Alzheimer's. Siobhan and her mother, with the help of a live-in aide, provided nearly 24-hour supervision to care for her father, causing financial and emotional pain. At today's event, Siobhan said, "To this day, being one of the caregivers for my father was the absolute hardest thing I've ever done. Taking time off work, my mother and spouses in her situation are not able to recoup financial loss at their age. They put their heart and soul into caring for their spouse for what can be years and years, and when it's all said and done, they are financially depleted and emotionally wrecked. The system has to do something to help them, because the job they're doing is one of the hardest jobs there is."

"Hospice care includes the care and support from family caregivers, which is crucial to individuals and their families facing a serious illness," said **Donna Branca**, Director of Marketing and Public Relations at United Hospice of Rockland. "Most families can't afford to pay for private care so the Social Security Caregiver Credit Act would help alleviate some of the lost wages by providing an earnings credit to those caring for loved ones. At United Hospice of Rockland, we see many families struggling to ensure their loved ones are cared for and this credit would help a family caregiver."

Assemblymember **Ellen Jaffee** said, "In America in 2015 we still rely primarily on women to provide the bulk of hands-on care for ill or aging family members.

Cutting back work hours or leaving the workforce, even temporarily, means lost wages and less retirement income over a caregiver's lifetime. I applaud Congresswoman Lowey and strongly support the Social Security Caregiver Credit Act, because no one who chooses to take care of a loved one should be economically penalized, especially women who already earn less than men for performing the same work and who are far less financially secure at retirement." Rockland County Legislator **Harriet Cornell** said, "Because of hearings I've held and recommendations made concerning care for the dependent elderly as well as others, I know that family care is given out of love but also exacts a great physical and mental toll, as well as a financial one. I applaud Congresswoman Lowey for seeking to find ways through the Social Security system to enhance retirement benefits for caregivers."

National Committee to Preserve Social Security and Medicare President and CEO **Max Richtman** said, "The truth is -- as our nation ages and retirement income continues to decline for millions of Americans -- Congress should be talking about the adequacy of Social Security's benefits rather than searching for ways to cut them. We've urged Congress to examine the inequities that have created a poverty rate for senior women and widows that is 50% higher than other retirees 65 and older. Congresswoman Lowey's caregiver credit legislation is one way to break this Social Security glass ceiling. It's a critical step in preserving the economic security of generations of American women and their families."

In addition to her efforts to ensure family caregivers are treated fairly, Lowey has been committed to senior citizens in Westchester and Rockland Counties and ensuring they receive their Social Security and Medicare benefits from a lifetime of hard work by:

- Strongly opposing efforts to privatize Social Security;
  - Supporting cost-of-living increases that have provided an additional \$50 a month for the average retiree in the Lower Hudson Valley in the last two years; and
  - Voting to shield Social Security from cuts in deficit reduction proposals.
- The Social Security Caregiver Credit Act has been endorsed by:
- AFSCME
  - Alliance for Retired Americans
  - The Arc of the United States
  - B'nai B'rith International
  - Black Women United for Action
  - Caring Across Generations

- Center for Community Change Action
- Make It Work
- National Alliance for Caregiving
- National Committee to Preserve Social Security and Medicare
- National Council on Aging
- National Domestic Workers Alliance
- National Council of Women's Organizations
- National Organization for Women
- National Partnership for Women & Families
- OWL – The Voice of Women 40+
- Social Security Works
- Strengthening Social Security Coalition
- Women's Institute for a Secure Retirement