



April 24, 2020

The Honorable Jackie Walorski
419 Cannon House Office Building
Washington D.C. 20515

Dear Congresswoman Walorski:

On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, I thank you for introducing legislation (H.R. 6554) to temporarily suspend early retiree earnings limits for Social Security beneficiaries.¹ As many seniors face unexpected financial hardship, and others feel compelled to come out of retirement and offer their services to workforces on the front lines of pandemic response, your bill would ensure these early retirees are not punished with reductions to their Social Security earnings.

Under current law, Social Security beneficiaries that are anywhere from 62 to 66 years old are subject to an effective earnings limit of \$18,240 per year (or \$48,600 in the year leading up to the normal retirement age of 67). This is because the Social Security Administration (SSA) withholds "\$1 in benefits for every \$2 of earnings in excess of [the \$18,240 per year limit]" and "\$1 in benefits for every \$3 of earnings in excess of [the \$48,600 per year limit]."² Under normal circumstances, such limits and penalties may make sense, to prevent seniors who voluntarily choose to continue working full time from also drawing on Social Security benefits.

The COVID-19 pandemic presents a unique challenge to tens of millions of working Americans, though, including our nation's seniors. Some are struggling, and others in the health care sector are answering the call to temporarily rejoin the workforce. In fact, many states "are counting on retired (or soon-to-be retired) health care professionals to rejoin or stay with the workforce to combat the coronavirus pandemic."³

This is precisely why NTU recently called on Congress to suspend the Social Security earnings limit for early retirees who rejoin the workforce. In early April, we wrote:

"If someone retires before 67, they lose \$1 from their Social Security benefits for every \$2 they earn over \$18,240. Lawmakers could incentivize recent retirees in the health care or first responder workforce to rejoin the workforce during the pandemic by temporarily suspending the annual Social

¹ Congresswoman Jackie Walorski. (April 17, 2020). "Walorski Introduces Bill to Provide Relief to Working Seniors." Retrieved from: <https://walorski.house.gov/ret-2020/> (Accessed April 20, 2020.); Congress.gov. (Introduced April 17, 2020). "H.R.6554 - To increase the exempt amount applicable for the retirement earnings test for months in 2020, and for other purposes." Retrieved from: <https://www.congress.gov/bills/116/congress/house-bill/6554?q=%7B%22search%22%3A%5B%22walorski%22%5D%7D&s=2&r=1> (Accessed April 20, 2020.)

² Social Security Administration. (2020). "Exempt Amounts Under The Earnings Test." Retrieved from: <https://www.ssa.gov/OACT/COLA/rtea.html> (Accessed April 20, 2020.)

³ Farrell, Chris. "COVID-19 draws retired doctors back to work." *PBS NewsHour*, March 30, 2020. Retrieved from: <https://www.pbs.org/newshour/health/covid-19-draws-retired-doctors-back-to-work> (Accessed April 20, 2020.)

Security earnings limits for these workers. New York has similar legislation for its retirees pending in the State Assembly.”⁴

We are pleased to see H.R. 6554 does just this. By suspending the Social Security early retiree earnings limit for calendar year 2020, your bill will incentivize recent retirees to temporarily rejoin the workforce. It will also ensure that seniors who need to rejoin the workforce are not punished for doing so. We thank you for introducing this critical piece of legislation, and stand ready to work with you to ensure its passage as a standalone bill or as part of a future COVID-19 relief package.

Sincerely,

Andrew Lautz
Policy and Government Affairs Manager

⁴ Lautz, Andrew. “NTU’s Health Policy Menu for Phase 4.” National Taxpayers Union, April 1, 2020. Retrieved from: <https://www.ntu.org/publications/detail/ntus-health-policy-menu-for-phase-4#ssworkforce>