

1 **RESOLUTION REQUESTING CONGRESS TO**
2 **ALLOW INDIVIDUALS TO OPT OUT OF**
3 **SOCIAL SECURITY**

4 1998 GENERAL SESSION

5 STATE OF UTAH

6 **Sponsor: Craig L. Taylor**

7 A CONCURRENT RESOLUTION OF THE LEGISLATURE AND THE GOVERNOR URGING
8 CONGRESS TO ENACT LEGISLATION AMENDING THE SOCIAL SECURITY ACT TO
9 AUTHORIZE THE ISSUANCE OF WAIVERS TO STATES THAT WILL PERMIT THE
10 DESIGN AND IMPLEMENTATION OF ALTERNATE RETIREMENT PLANS.

11 *Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:*

12 WHEREAS Social Security is a federal program that does not recognize the individual
13 retirement needs of many Americans;

14 WHEREAS Social Security tax revenues alone will be insufficient to pay current benefits
15 as early as the year 2012;

16 WHEREAS the Social Security Trust Funds may be completely exhausted by the year
17 2029;

18 WHEREAS the investment return on Social Security contributions made by many workers
19 today is significantly below that available from other sources;

20 WHEREAS workers deserve the opportunity to invest more productively for their own
21 retirements;

22 WHEREAS more retirement investment alternatives might dramatically increase workers'
23 savings rate and retain more young adults who otherwise would leave the state for jobs elsewhere;

24 WHEREAS the federal government has recognized a state's ability to develop successful
25 alternatives for managing programs at the state level through waivers and numerous federal/state
26 partnerships such as welfare-to-work and job training;

27 WHEREAS three counties in Texas have demonstrated great success in developing

1 alternative retirement options for public employees after opting them out of the federal Social
2 Security System; and

3 WHEREAS several countries have successfully privatized their public pension and social
4 security systems in order to avoid many of the same pitfalls being experienced by the U.S. Social
5 Security System:

6 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the
7 Governor concurring therein, urge the United States Congress to enact legislation amending the
8 Social Security Act to allow the issuance of waivers to the states that will permit the design and
9 implementation of alternatives to Social Security.

10 BE IT FURTHER RESOLVED that copies of this resolution be sent to the President of the
11 United States Senate, the Speaker of the United States House of Representatives, and the members
12 of Utah's congressional delegation.

Legislative Review Note
as of 1-30-98 10:15 AM

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel