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Social Security Reform a Potential Minefield for 2016 GOP Contenders

The disability fund is set to start running out of money right around the presidential election. So what will Republican candidates do about it?

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Next week, New Jersey Gov. Chris Christie plans to unveil a comprehensive entitlement reform plan, explaining how he would improve Social Security. Depending on what the next year holds for the program, the rest of the 2016 Republican field might quickly need to join him.

It could make for some stark dividing lines during the primary season and potentially make Republicans vulnerable to the Democratic attack lines that play to seniors' fears about their proposals. Conservatives who remember the failure of George W. Bush's 2005 effort to partially privatize Social Security know how politically explosive the issue can quickly become.

The problem: Social Security's disability fund is set to start running out of money in late 2016, which would require a 20 percent cut in benefits, a looming cliff that Republicans have pointed to as evidence of the program's uncertain solvency. The House passed a rule in January that would block transferring revenue from the retirement fund to the disability fund to prevent the cuts, as has been done in the past and Democrats want to do, unless Congress approves other changes that would improve Social Security's finances in the long term.

Conservative wonks would like congressional Republicans to use the opportunity to go big on Social Security reform, though they are skeptical that they will and think they could skirt the House rule with minimal changes. Either way, the four Republican senators expected to make presidential bids likely have a Social Security vote upcoming.

Regardless of how Congress acts, the disability cliff brings the retirement program to the forefront of the 2016 policy landscape. Whomever is elected in 2016 could be in office into 2025—less than 10 years before the 2033 deadline by which Social Security as a whole is expected to be unable to pay full benefits.

"Whatever Congress decides to do will likely be insufficient in addressing the real drivers of growing spending of the retirement and disability program," Romina Boccia, a research fellow at the Heritage Foundation, said. "I think that any presidential contender will be faced with the need to address with growing entitlement spending."

Sen. Ted Cruz called Bush's approach "the right thing to do" in a Thursday interview with [CNBC](#). He said his own three-point plan would include: no changes for current enrollees, tying benefits to inflation, and personal accounts, derided as "privatization" by opponents who say it would change the guaranteed-benefit nature of the program.

"Now, I also think you've got to give George W. Bush some real credit—he showed remarkable courage in the beginning of the second term taking on Social Security reform and personal accounts," Cruz said. "It was the right thing to do. Sadly, congressional Republicans ran to the hills and abandoned him."

Sen. Marco Rubio, scheduled to announce his presidential bid Monday in Miami, advocated for raising the retirement age for younger workers and introducing more means-testing to the program in a [policy plan](#) released in February.

Sen. Rand Paul's 2016 campaign website [says](#) he also would support those proposals—but is silent on private accounts, the [preferred remedy](#) for many libertarian groups like the Cato Institute.

A recent dustup for Paul underlines the risk for Republicans as they talk about Social Security. He was caught [on tape](#) in January by the liberal American Bridge group's trackers saying that "over half of the people on disability are either anxious or their back hurts."

"Join the club," he quipped.

[Democrats](#) and [media fact-checkers](#) pounced—"False," declared [PolitiFact](#)—and Paul's team was soon scrambling to clarify the comment.

How big of a role Social Security plays for Republicans in 2016 will depend on how—and whether—their Republican colleagues in Congress address it in these few months before the campaign is in full swing.

Congress has introduced proposals to satisfy the House rule and avoid the cliff: Reps. Paul Ryan and Sam Johnson, along with Sen. Orrin Hatch, introduced a bill to prohibit receiving unemployment and disability benefits at the same time.

But some conservatives think that even if a smaller plan like that were approved, Social Security should still be near the top of the list for White House aspirants.

"It depends on whether or not the Congress can pass anything in 2015 that avoids the 2016 insolvency date. If yes, then that takes the pressure off the presidential candidates in 2016," said Jason Fichtner, a senior fellow at the conservative Mercatus Center at George Mason University, which receives funding from the influential Koch brothers. "But if not, then yes, the pressure to put out a 'solution' to the SSDI financial shortfall will have to be on the presidential candidates' agenda and talking points. And that would also lead to them having at least some 'plan' for Social Security reform."