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Writing Portfolio

MuniNetworks.org, initiative from the Institute for Local Self-Reliance that promotes municipalities' ability to construct municipal broadband networks

> **The Market has Spoken**
> April 2017, infographic
>
> **Lifeline Modernization Order**
> January 2017, article
>
> **Madison, Wisconsin gets serious about municipal fiber**
> Fall 2016, article
>
> **Why Local Solutions?**
> January 2017, fact sheet
>
> **More than just Facebook**
> January 2017, fact sheet

Policy Memo, created for a class at the Humphrey School of Public Affairs

> **Slashing the Safety Net: Privatization plans inappropriate for Social Security Retirement**
> Spring 2017, Economics II: Economics of Social Insurance class

Klutch Chronicle, regional arts and culture publication based in La Crosse, Wisconsin

> **The Word from City Hall**
> October 2014, local news update

Campaign literature, created for local elections in Spring 2015

> **Get Out The Vote Literature**
> Spring 2015, La Crosse City Council race

Katherine Svitavsky resume

The market has spoken.
The market is broken.

Americans are overwhelmingly dissatisfied with their **Internet Service Providers.** So why aren't they switching?
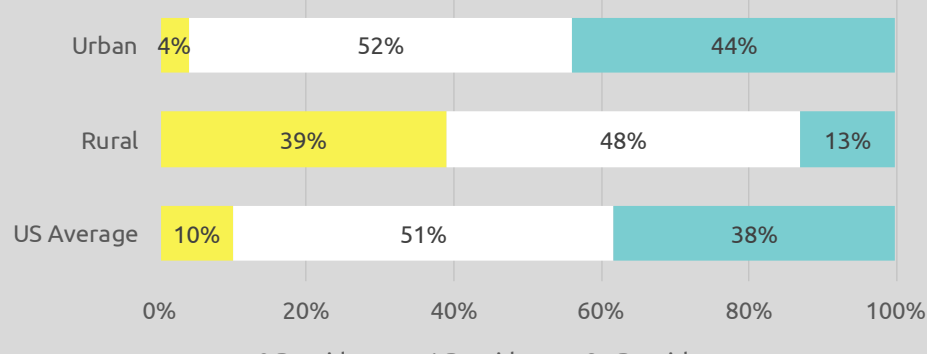
Subscribers are frustrated with...

- ❌ Constantly increasing rates
- ❌ Notoriously poor customer service
- ❌ Slow speeds
- ❌ Misleading prices

you tried
We're #1*
*in customer dissatisfaction

...but have little choice.

Percentage of Americans served by multiple ISPs

	0 Providers	1 Provider	2+ Providers
Urban	4%	52%	44%
Rural	39%	48%	13%
US Average	10%	51%	38%

0% 20% 40% 60% 80% 100%

Source: FCC Broadband Progress Report, January 2016

The American Broadband Monopoly

The FCC's definition of "basic broadband" is a 25 Mbps download speed and a 3 Mbps upload speed.

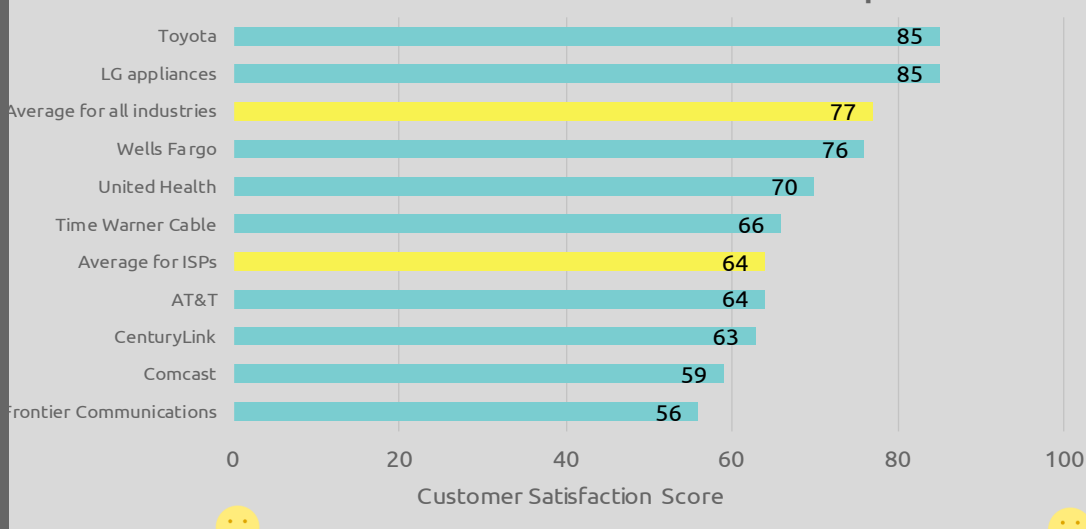10% of Americans can't purchase this speed at all, and 51% can "choose" from one provider.

> "Monopoly exists when a specific individual or enterprise has sufficient control over a particular product or service to determine significantly the terms on which other individuals shall have access to it."
>
> —Milton Friedman, *Capitalism and Freedom*
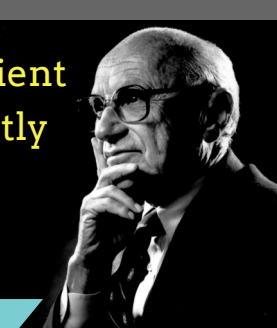
Satisfaction plummets while profits skyrocket

Customer Satisfaction for Various Companies

Company	Customer Satisfaction Score
Toyota	85
LG appliances	85
Average for all industries	77
Wells Fargo	76
United Health	70
Time Warner Cable	66
Average for ISPs	64
AT&T	64
CenturyLink	63
Comcast	59
Frontier Communications	56

0 20 40 60 80 100
Customer Satisfaction Score

Source: ACSI Benchmarks, Internet Service Providers, 2016

Out of the 37 industries the American Consumer Satisfaction Index examines, ISPs come in dead last with an average score of 64 out of a possible 100 points.
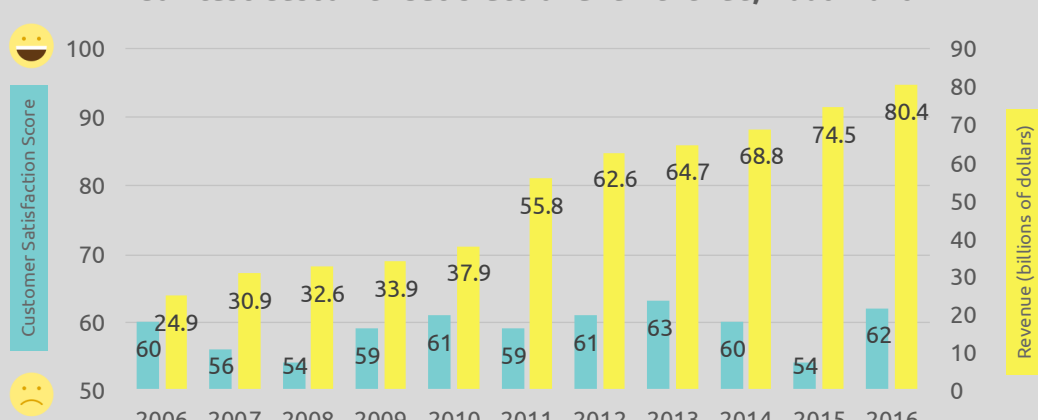
The average score for all industries is 77, yet the average for ISPs is only 64. CenturyLink, Comcast, and Frontier fall well below this average.

In only 10 years, Comcast tripled its revenue—despite failing to satisfy customers.

Without competition, Big Telecom isn't being held accountable and isn't investing in next-generation technology.

This is a broken market, explaining how Comcast can raise prices year after year without actually improving service.

Comcast Customer Satisfaction and Revenue, 2006-2016

Year	Revenue (billions of dollars)
2006	24.9
2007	30.9
2008	32.6
2009	33.9
2010	37.9
2011	55.8
2012	62.6
2013	64.7
2014	68.8
2015	74.5
2016	80.4

Customer Satisfaction Score: 2006: 56, 2010: 61, 2011: 59, 2012: 61, 2013: 63, 2014: 60, 2015: 54, 2016: 62

Source: Comcast Earnings, ACSI data

*Wondering why the scores for Comcast in 2016 are different between the two charts? The first chart is a score for Comcast as a whole; the second is for their Internet Service division. ACSI started measuring ISP satisfaction in 2013.

Why aren't there more ISPs where I live?

Starting a new ISP is expensive, and Big Telecom has stacked the deck.

Buying the blinds
The cost of infrastructure discourages new ISPs from entering a market. New ISPs have to build their own infrastructure just to be able to compete

Hitting the jackpot
State and federal subsidies overwhelmingly go to incumbent providers. CenturyLink, AT&T, and others have received billions of dollars in subsidies, yet they still aren't providing broadband in many areas

Preparing to cash in
The telecom lobby has a tremendous amount of influence in state and federal policy. Providers donate to candidates expecting bills that will maintain the status quo— for example, over $68,000 for a State House Representative in Virginia

Local governments have successfully improved Internet access for residents and businesses. Yet 19 states, influenced by Big Telecom, have passed barriers to local Internet choice.
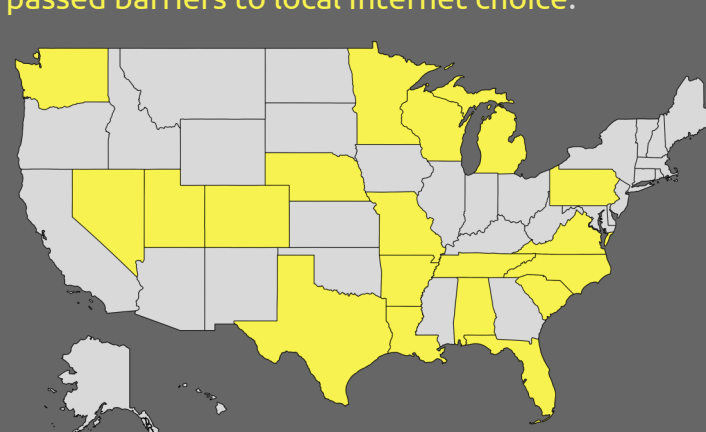
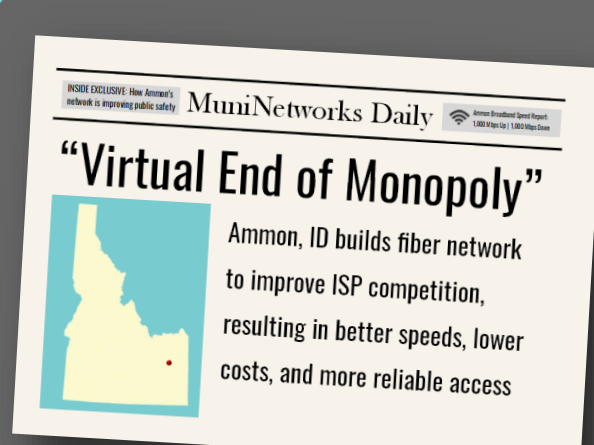Source: MuniNetworks.org, Roller, Stokes & Life

> "The cable industry could use its lead to lay fiber nationwide, or address its longstanding customer service issues so that customers won't be as eager to jump ship. Instead, cable companies are responding by doing what they've always done: buying each other."
>
> —Adrianne Jeffries, "The Worst Company in America," *The Verge*

There's got to be a better way!

In Ammon, Idaho, multiple ISPs compete to provide service on city-owned infrastructure. Residents want choice so much that 239 of 369 homes opted-in to a local improvement district, which assesses a $3,000 fee onto properties that can be paid over 20 years.

Ammon's not alone in promoting competition: over 450 communities across the US have invested in infrastructure to improve access.

MuniNetworks Daily

"Virtual End of Monopoly"

Ammon, ID builds fiber network to improve ISP competition, resulting in better speeds, lower costs, and more reliable access

SandyNet — Sandy, OR
The "Home of the $60 Gig" constructed a fiber network, providing better speeds and lower prices to businesses and residents.

Santa Monica citynet — Santa Monica, CA
The city's incremental approach contributed to significant cost savings for local businesses, government, and other institutions.

RSFIBER — RS Fiber, MN
The first Internet access cooperative offers Fiber-to-the-Farm and fixed wireless to subscribers, formed by 10 cities, 14 townships, and two counties.

Competition comes in many shapes and sizes.

From direct service to open-access networks to public private partnerships to co-ops, communities all over the US have taken control of their digital destinies by promoting ISP competition.

Discover how your community can improve Internet access at MuniNetworks.org.

Image credits: Smiles: Canva.com | Icons: Pixabay.com | Milton Friedman, location backgrounds, Idaho outline: Wikimedia Commons

Community NETWORKS **ILSR**

The Institute for Local Self-Reliance is a people-community-policy driven non-profit that works to keep local economies strong. Since 1974, ILSR has promoted policies and ideas that empower local communities.

Publication date: March 2017

Lifeline Modernization Order

Internet access for low-income households is becoming more affordable, thanks to an [FCC modernization order](#) that brings the Lifeline program into the 21st Century.

Next Century Cities recently [offered a webinar](#) for people who want to learn more about changes to the Lifeline program; our own Christopher Mitchell moderated the event. Jaymie Gustafson, Director of Stakeholder Engagement for the Lifeline, and attorney Olivia Wein from the National Consumer Law Center shared their knowledge about the order, discussed how local governments can utilize the program in public housing, and suggested ways local governments can help make the program a success.

The program, which initially provided a $9.25 subsidy to eliminate or lower the cost of telephone services to low-income households, now allows recipients to use the funds to purchase broadband services. Gustafson noted one of the driving factors behind the modernization order:

> "We know it's so important in terms of helping children do their homework, in terms of people being able to search for and keep their jobs, in terms of accessing services, just in terms of interacting with society around you. Right now, broadband is not a luxury. It's a necessity."

About The Program

The [Universal Services Administrative Company](#) (USAC) governs the Lifeline program, which originated in 1985 and receives funding from the Universal Services Fund. The fund, established in 1935, supports other programs that invest in telecommunications infrastructure in addition to low-income access. Instead of receiving a voucher to purchase services from a carrier or an Internet Service Provider (ISP), the provider receives the subsidy directly from USAC; after the discount is applied to Lifeline participants' bill, the participant pays the remainder to the provider.

Participants are eligible for the Lifeline program if they earn less than 135 percent of the federal poverty line, receive SNAP benefits, use Section 8 housing choice vouchers/rental assistance, use Medicaid, Supplemental Security Income, or qualify for tribal-specific programs. Participants must recertify each year to remain in the program. Only one Lifeline benefit is authorized per household; the $9.25 discount can go toward either phone or broadband services, or toward bundled services.

Changes To The Program

USAC has implemented a few other changes that will help households use the Lifeline subsidy to get online and encourage ISPs to offer Lifeline services.

First, the modernization order attempts to mitigate ISPs' hesitation to provide services to low-income households. Providers note that residents in low-income households cancel service at times when they can't afford it and then sign up again, sometimes with a different provider, when their financial situation is better.

Second, USAC has streamlined application and verification processes for ISPs that would provide Lifeline services to low-income households. Instead of applying to be a Lifeline provider through the state in which they operate, which is how telephone providers currently apply, ISPs can petition USAC directly. Additionally, Lifeline service providers will verify subscriber eligibility, with a quicker verification process for ISPs.

The new application process also requires ISPs to provide 10 Megabits per second (Mbps) download speed and 1 Mbps upload speed with standards increasing over the next five years. The Lifeline program will progressively phase out voice services over the next five years.

It's unsettled, but the modernization order may provide a potential for aggregated services. Public housing groups might be able to sign up for the Lifeline program through a group application, which would encourage more low-income households to use the program. Wein offered an example:

> "One of the approved Lifeline Broadband Providers is offering services in one zip code in New York City because it has a partnership with a Public Housing Authority, a very large one within that footprint. What they will be offering is fixed wireless broadband with speeds 20 [Mbps] up, 20 [Mbps] down, no usage limits. The price is $9.75 per month with five connections per unit… There may be opportunities within your communities if you can think of aggregation as a tool to leverage a steady stream of $9.25 per Lifeline eligible household. If you have some relationship with a large pool of similarly situated people to perhaps negotiate with a provider."

Local Government's Role
Gustafson identified a few ways local governments can help residents get the most out of the Lifeline program. First, she suggested encouraging state Public Utilities Commissions or the Health and Human Services departments to participate with the national verifier, helping to streamline processes for ISPs to be able to offer services to low-income households. In addition to working with state offices, local governments can reach out to people who may qualify for the program. City and county employees that interface with low-income individuals can at least give information about Lifeline, if not actually help them sign up for the program. Finally, Gustafson emphasized the importance of ISP participation:

> "Almost no service provider is required to participate… it really is a choice for the service providers to participate. So making it clear how important it is to have the service available to your low income communities and to really encourage them to get on board is very important."

One Tool In The Toolbox
The Lifeline program is one way the Federal government is addressing the digital divide. Other examples of federal efforts to improve broadband access include Housing and Urban Development's Connect Home initiative, changes to federally-funded public housing regulations, and federal grant and stimulus dollars funding infrastructure improvements. These initiatives could look very different under the Trump administration—Wein suggested that Lifeline could have a financial cap in the future because the FCC's Republican Commissioners had advocated for just such a cap.

> "One of the sticking points with some of the Republican commissioners was that they wanted to see a cap… so we may see efforts again to cap the amount of the Lifeline benefit. Another line of attack with the Lifeline program, and this is more "on the Hill," were bills to limit Lifeline support to voice only, to not allow it to support broadband. Now that it's been modernized I don't know if that will reappear, but I just wanted to put it on your radar screen… It's hard to take something away from somebody who has already got the benefit, so I think a likely scenario is that those who are current Lifeline subscribers probably will still have their Lifeline, but the door may shut for those now wanting the Lifeline broadband product if they haven't been a Lifeline subscriber."

Because of uncertainty at the federal level, local government's role is even more important in helping low-income households get online. Learn more about the program and the webinar at the Next Century Cities website or watch the archived webinar here.

Madison, Wisconsin gets serious about municipal fiber

The City of Madison, Wisconsin is one step closer to constructing a citywide municipal fiber network after obtaining the results from a broadband feasibility study. The consulting firm hired in December 2015 recently completed the study and made it available to the city's Digital Technology Committee and the public.

The report recommends Madison build an open access dark fiber network and engage a partner to offer services to subscribers via the infrastructure. Westminster, Maryland, and Huntsville, Alabama, use the same approach with partners Ting and Google Fiber. Madison's network would build on the existing Metropolitan Unified Fiber Network (MUFN), a smaller fiber network that was funded with stimulus dollars through the 2009 American Recovery and Reinvestment Act (ARRA). It connects public institutions such as the University of Wisconsin, Dane County, hospitals, K-12 schools, and DaneNet, which is made up of 28 community groups serving low income families and seniors.

Consultants suggest Madison retain ownership of the infrastructure in order to maintain control of the asset and the city's future connectivity. The City would fund the $150 million cost of building a dark fiber network and their private partner would contribute an estimated $62 million to connect properties. Consultants envision the partner responsible for cable to residences and businesses, network electronics, and consumer electronics, bringing the total cost for the project to approximately $212 million.

"Now here's the key: that's a lot of money. The report talks about how to get it and we can bond and do a lot of other things, but it basically says to make this happen, you need a private partner," said Barry Orton, a member of the Digital Technology Committee. Orton went on to say that a more specific cost estimate, including identification of partners, would be forthcoming, as soon as Spring 2017.

An Ongoing Project
While the study reveals significant interest in a municipal fiber network, city officials recognize that big corporate incumbents keep a strong hold on the state's legislative landscape.

"All they are doing is recycling customers," said Madison Mayor Paul Soglin of big incumbent Internet Service Providers (ISPs) in the feasibility study press conference.

> "They aren't stepping in, providing the kinds of service that this world needs in the next decade. Not in the next 100 years, now. And so we're working on a considerable handicap in Wisconsin because of the success the industry lobbyists had in writing the legislation for our Legislature. But we do have the ability, which you are about to see in the report, on how we can take Madison into the 21st Century and do it rapidly."

Madison has discussed residential broadband access for several years and in 2013 established a Digital Technology Committee to address the city's digital divide. The committee first looked into universal wireless access, but determined an open access citywide fiber network would better fit the city's needs. They went on to establish a fiber pilot in four low-income neighborhoods.

Open access fiber networks offer several advantages over fixed wireless models, including longevity and the potential for meaningful competition. In an open access network, multiple ISPs can compete to provide service to residents via the Infrastructure, which leads to better customer service and more affordable rates. In a fixed wireless model, a city typically contracts with one ISP.

(Continues to next page)

Survey Results: The People Want Fiber
Madison's fiber pilot program is still under construction but all eyes are on the feasibility study. While pilot programs are a good way to obtain data about the interest in a community, Madison may not need to wait for data to begin pursuing a municipal fiber network.

The study commends the pilot program for its role in promoting resident trust in the city as an infrastructure provider, but the survey results suggest demand for citywide fiber access already exists.

While most respondents report they have access to the Internet through a wired connection at home (89 percent) or through a cellular device (77 percent), those numbers drop significantly for low-income respondents: 24 percent of households making $24,000 or less have no Internet access at all.

As for willingness to choose a high-speed connection, the majority of residents would be willing to switch from what they have (cable or DSL) if the price were under $50 per month, even with a one-time hook up fee of up to $250.

Moving Ahead
In 2011, Wisconsin Governor Scott Walker's administration turned down $23 million in federal funding to improve Internet access, citing "too many strings attached" to the grant. More recently, the state made $1.5 million available to incumbent ISPs to expand service in rural areas; they claim funding will improve service for about 8,500 households. Given their track record of unfulfilled promises, Wisconsinites aren't holding their breath.

Some federal funding for fiber is available, and Barry Orton suggested that Madison expects more will be available after the 2016 election. "We might be, next spring, shovel-ready for whatever federal money is possibly available for cities to pursue these kinds of things," said Orton in the feasibility study press conference.

> "It's not going to be easy," said Mayor Soglin. "We're going to have to deal with the cumbersome burdens created by State legislation, which is designed to protect existing companies and keep us away from doing this. But it will actually introduce real competition, not to mention a level of service imagined by only a handful of cities in the world."

Why Local Solutions?

Investment from local government and co-ops improves Internet access

#1. State and federal government won't solve the problem.

- The federal government has offered billion of dollars to CenturyLink and AT&T, resulting in little infrastructure improvement. Despite funding, speeds still do not meet the FCC definition of broadband

- State government is too focused on Big Telecom. HB 2108 protects large, absentee Internet Service Providers and takes control from communities

#2. Large telecom companies refuse to invest in rural areas.

- Many ISPs use outdated technology like DSL that doesn't meet current demand for service. These companies do not upgrade infrastructure because they do not have competitors

- Mobile wireless connections are insufficient for long-term use due to bandwidth caps. Fiber-optics are future-proof and affordable with a local business plan

#3. Local leaders can best resolve local issues.

You know what is best for your community's infrastructure needs. Local leaders can improve Internet access in a multitude of ways:

- **Institutional Networks** connect businesses, schools, libraries, governments, and hospitals
- **Municipal Fiber Networks** come in many models. Open-access networks allow multiple ISPs to operate on publicly-owned infrastructure, creating competition to improve speeds and lower prices
- **Co-ops** are non-profit entities that may already provide utilities like telephone service and electricity
- **Carrier Neutral Locations** promote collaboration between ISPs by acting as a major connection point. CNLs create savings by lowering infrastructure costs

These models help communities take control of their digital destiny

Looking for more information? MuniNetworks.org offers

In-depth reports
Strategies for Broadband Public-Private Partnerships
Rural Communities Made a New Internet Cooperative
How a Small Town in Oregon Built a Network

MuniNetworks.org, updated daily
Local solutions, including co-op opportunities
Updates on communities building networks
Profiles of long-running community networks

Multimedia
Weekly Community Broadband Bits Podcast
Interactive Map of Community Networks
Informational Videos

Fact sheets
Financing Municipal Networks
Economic Development

Questions? Email us! broadband@MuniNetworks.org

More than just Facebook:
Internet access is essential infrastructure

From sharing a local news story on Facebook to working from home with a sick child, Internet access is changing our personal and professional lives. While one of the most common applications of Internet access is connecting with others over social media, it is also essential for more than entertainment: completing job applications, telecommuting for work, and engaging with local government. In areas across the United States, municipalities are recognizing the benefits of improving Internet access, investing in infrastructure to keep their communities vibrant.

450+

American communities have invested in public infrastructure to improve Internet access for businesses, residents, and other stakeholders

Source: MuniNetworks.org

Internet access and local economies

Internet-based applications are essential for producing and packaging crops; creating video, 3-D renderings, and other media; and communicating with employees around the world. **Businesses increasingly consider Internet access as they once did proximity to major thoroughfares and storefront size,** and many cities tout high-speed Internet access as a major incentive for business development.

84%

of recent job seekers have completed an online application

Source: Pew Research

Internet access and job seekers

Home Internet service is important for job searching, as postings are almost exclusively listed online. This is especially true for higher-wage jobs, which often require candidates to send resumes and in-depth applications over email. **Public libraries provide Internet services to job seekers without home access, but are not a long-term solution** because of inconvenient hours or distance from home.

1 in 3

households with school–aged children and an income of less than $50,000 do not have a broadband connection

Source: Pew Research

Internet access and the homework gap

As teachers assign online homework, students without access are unable to complete tasks at home. While libraries are an option, their location and unaccommodating hours can be problematic for students. **A home connection provides unparalleled ease of access.**

10%

of American adults access the Internet exclusively with a cell phone

Source: Pew Research

Mobile access is convenient, but not enough

Smart phone Internet access is much more expensive per megabit than wired home access due to carriers implementing data caps and overage fees. Cell phones have helped get low-income households online, but are not meeting current needs for access. While one in ten American adults access the Internet only with a cell phone, these numbers jump for low-income adults.

NEXT CENTURY CITIES

Community NETWORKS

ILSR INSTITUTE FOR Local Self-Reliance

The Institute for Local Self-Reliance is a people-community-policy driven non-profit that works to keep local economies strong. Since 1974, ILSR has promoted policies and ideas that empower local communities.

What are some benefits of improving connectivity?

Small business development

Businesses **need off-site backup and data recovery,** only possible with high-speed access

Businesses can **expand to new markets,** receive orders, and purchase from wholesalers through the Internet

Fast, reliable access **enables employees to be more productive and businesses more competitive**

Lower costs, higher quality

Public investment can update infrastructure, **allowing for higher Internet speeds**

Open-access networks allow **multiple providers to compete,** operating on publicly-owned infrastructure

Subscribers see **reduced service costs** due to more competition

Workforce development

Good-paying jobs increasingly **require digital skills,** developed in schools and at home over a broadband connection

Broadband allows for **web-based training** and education

K-12 schools have better capacity for online learning tools and can **better equip students for the workforce**

Improved access to services

Customers have more control of their accounts—anything from finding educational records to accessing health care services to submitting a building permit request to their city

Online banking allows customers to deposit checks and pay bills without **having to take time off of work** to visit a bank

Good connectivity keeps communities vibrant.

High-speed, reliable Internet access allows existing businesses to stay competitive, attracts new businesses, provides educational opportunities, and improves quality of life

What is good connectivity?

- As of 2016, the Federal Communications Commission (FCC) defines "basic broadband access" as 25 Mbps (Megabits per second) download speeds and 3 Mbps upload speeds

- As of 2016, <u>34 million Americans don't have fixed, basic broadband access.</u> At least 39% of those living in rural areas lack access to basic broadband

- Businesses rely on consistent, high-speed Internet access not only to download information but also to upload data to online systems and clients

- A single connection must sustain an entire household or business, as each person has multiple devices vying for connectivity

- A good connection is a consistent one: especially at peak usage times, an Internet connection should be reliable

Rather than just using Facebook, Internet access enables us to...

Stay connected • Fulfill online orders • Find an apartment • Telecommute to work • Look up bus schedules • Enroll in health coverage • Monitor patient progress • Organize customer information • Compare prices • Access college course readings • Join social clubs • Check in to a flight • Read the local news • Stream music and video • Apply for jobs • Share statistical information for crops • View bank statements • Complete homework • Share pictures • Learn a new skill • Register to vote • Find business hours • Create an online portfolio • Pay bills • Monitor public safety • Find a phone number • Communicate with teachers • Post items online for sale • Collaborate with coworkers • Check the weather • Crowdsource funding for a cause • Livestream special events • Reach new business clients • Store and backup documents in the Cloud • Read online magazines • Organize a community meeting • Connect with relatives that live far away • Attend an online webinar • Read MuniNetworks.org

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Need better connectivity in your community? You're not alone. Local governments have been able to improve Internet access for residents and businesses in a variety of ways, often reducing costs and providing better service. Take a look at the multitude of resources at MuniNetworks.org and NextCenturyCities.org to find out how your community can improve Internet access.

Slashing the Safety Net: Privatization plans inappropriate for Social Security Retirement Benefits

Perhaps no other federal program is as misunderstood as Social Security. Characterized as "going broke," a large contributor to the national debt, and even a Ponzi scheme, it is no wonder that 51% of non-retirees polled by Gallup in 2015 reported that they do not think the Social Security system will be able to pay benefits when respondents reached the age of retirement.[1] While the program is expected to remain solvent through 2033, to keep this major program functioning as the Baby Boomer generation retires, Congress needs to act.

Championed for its emphasis on personal responsibility, one solution favored by Republicans is privatizing Social Security. Under privatization proposals, individuals would retain more control of their benefits as each would have a personal investment account. **However, privatization encourages investment in riskier savings plans and undermines the guaranteed benefits a public option offers to low and middle income households, and thus should not be a replacement for Social Security.** This memo outlines features of the Social Security Retirement program, identifies some of the challenges the program faces, critiques plans for privatization, and discusses other options for reform.

About the program
When FDR signed the New Deal into law in 1935, about half of the country's seniors were unable to support themselves or were living in poverty. While some states offered participation in state-run pension systems, these programs usually saw low participation: only about 3% of seniors received benefits from the state, with an average benefit of $0.65 per day (about $3,000 per year in 2017 dollars). [2] Prior to Social Security, families were largely responsible for care of the elderly, with poorhouses and charities filling in the gaps. However, the rapid industrialization and urbanization of the country increased the number of workers who were wage earners, decreased the amount of self-employed agrarian workers, and encouraged movement into cities. In combination with growing life expectancy, these factors necessitated larger involvement by government.

The Stock Market Crash of 1929 and the resulting Great Depression provided the political will to establish anti-poverty programs, and Social Security has grown from 53,236 beneficiaries receiving $1.278,000 in 1937 to 61 million beneficiaries (50 million a part of Old Age and Survivors Insurance) receiving almost $770 billion.[3] Funded through payroll taxes, 6.2% of a workers' earnings go directly to Social Security, and employers are also responsible for another 6.2%. Congress imposed a cap on the amount of wages subject to tax; wages are taxed at 6.2% up to $118,500. Social Security aggregates these taxes in the Social Security Trust Fund, which purchases treasury bonds with surplus funds.

Problems with Social Security
A changing population Problems with Social Security are largely due to a changing population: in the early years of the program, there were 16 workers supporting every one recipient, and the program was funded by a 1% tax on income. Now, only about three workers support every one recipient, with a larger payroll tax on both employees and employers. Additionally, when the program began as part of the New Deal in 1935, the average life expectancy for men was 60 years old and for women 64 years old. Those

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[1] Gallup. (2016, May 13). Social Security. Retrieved April 27, 2017, from http://www.gallup.com/poll/1693/social-security.aspx
[2] A Brief History of Social Security. Social Security Administration. Retrieved April 27, 2017, from https://www.ssa.gov/history/briefhistory3.html
[3] Social Security and Medicare Benefits. Social Security Administration. Retrieved April 27, 2017, from https://www.ssa.gov/oact/STATS/table4a4.html

numbers have climbed to 76 years old for men and 81 years for women,[4] translating to a longer period of time the average American will receive Social Security benefits.

Concerns about long-term solvency of the program At the current rate of taxes collected and benefits distributed, the Social Security Administration estimates trust fund reserves will be depleted between 2033-2037. If Congress does not act, leaving scheduled tax rates the same and not changing eligibility criteria, the fund would then only be able to pay about three-quarters of the benefits guaranteed to beneficiaries.

Lack of independent retirement savings Another problem policymakers face is the increased reliance of seniors on Social Security during retirement, and the lack of planning for retirement currently occurring by workers. Social Security began as a safety net for seniors and is largely intended to be supplementary income for individuals. However, with the all-but disappearance of pensions in addition to many low-wage workers simply not being able to afford to save for retirement, many Americans rely on Social Security checks as a substantial part of their retirement income. According to data from the National Academy of Social Insurance, 61% of beneficiaries receive half or more of their income from Social Security, and 33% receive almost all, or 90% or more, of their income from Social Security.[5] Additionally, several equity concerns stem from disparities in reliance on Social Security: people of color are more likely than their white counterparts to rely on Social Security benefits as larger portions of their income:

Table 1, Reliance on Social Security by Race

Race	50% or more of income	90% or more of income
White	60%	32%
Black	69%	45%
Asian	62%	41%
Hispanic	73%	52%

Source: Social Security Administration, NASI[6]

The National Institute of Retirement recently detailed how personal retirement account ownership rates are highly correlated with wealth and income, reporting that almost half of working-age households have no retirement accounts[7]. The 55% who do possess accounts have two times the income and almost five times the assets than households without retirement accounts.

Why Privatization will not work
Several members of Congress have proposed privatization for Social Security, yet their proposals have never successfully been adopted. Most privatization proposals divert funds from Social Security into personal retirement accounts, which they argue promotes individual choice and individual responsibility. Individuals can invest the money in their retirement account in the stock market, which sees higher rates of return than what Social Security offers. Supporters of privatization also argue it will significantly increase the amount of money Americans save for retirement, especially because workers' children would be able to inherit the account after the worker dies. Unlike with Social Security, which

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[4] QuickStats: Life Expectancy at Birth, by Year in the United States, 1970--2003
https://www.cdc.gov/mmwr/preview/mmwrhtml/mm5414a6.htm
[5, 6] National Academy of Social Insurance. (2016). Social Security Benefits, Finances, and Policy Options [Power Point].
https://www.nasi.org/sites/default/files/research/2016_Social_Security_Primer.pdf

[7] Rhee, N. (2013). The Retirement Savings Crisis: Is it worse than we think? (Rep.). National Institute on Retirement Security.
http://www.nirsonline.org/storage/nirs/documents/Retirement%20Savings%20Crisis/retirementsavingscrisis_final.pdf

disperses a set amount of money per month for beneficiaries until death, the total retirement benefit in a private plan is contingent upon how well the investment performed.

While creating personal retirement accounts may encourage personal savings among some Americans, individuals working low-wage jobs who are most in need of increased savings are often simply not able to contribute to a savings account let alone a retirement account. The workers who would benefit most from privatization are higher-paid workers, who have more financial security and can afford to take on more risk. Lower-paid workers do not have this luxury, and often are not familiar with how stock markets and investing works. Higher-income workers, therefore, would have more control of their retirement and see higher returns from what they would have received as Social Security—but they aren't the ones that Social Security was designed to protect from poverty, and they often already have private retirement accounts in addition to guaranteed Social Security benefits.

Additionally, transferring Social Security funds to the private market could have dangerous consequences if a financial crisis occurs. If all or a majority of retirement savings are invested in the stock market, individuals whose investments do not perform well will face financial hardship—and no safety net or guaranteed income exists to help them stay out of poverty. Social Security, in many ways, actually enables individuals to invest in the stock market because they know at the very least they will have a guaranteed income until they die, not just until their account runs out. Because individuals do not know how long they will live, what is in their retirement account and what they end up using might not match—resulting in a surplus that heirs could receive, or resulting in a deficit that keeps seniors living in poverty.

Finally, the actual transition from a public system to private retirement accounts presents a problem for proponents of privatization. Social Security is required to pay trillions of dollars in benefits to currently retired or soon-retiring workers, and privatization demands that younger workers receive money to invest in personal accounts. Because both obligations must be met, most plans for privatization include increases in federal borrowing to fill the gap. Cuts to benefits or increased contributions from workers might also be a part of privatization plans.

Other options for reform
Several other solutions exist to ensure the long-term viability of one of America's most important social programs. Because of the equity issues associated with and overall infeasibility of privatizing social security, Congress should consider these other more viable options:

- *Increasing the cap on taxable earnings.* Currently, individuals pay a 6.2% tax on earnings up to $118,500. Increasing or eliminating this cap would make Social Security more solvent without putting an increased financial burden on low-earning workers
- *Subjecting unearned income to Social Security taxes.* Capital gains and dividend income could be good candidates for taxation; currently, most individuals pay about 15% on these investments, significantly lower than earned income. Similar to increasing the cap on taxable earnings, low-wage workers would not be negatively affected by this option. Increasing the tax on unearned income is in important equity issue, as low-wage workers earning real income are taxed at a higher rate than those with unearned income
- *Increasing retirement age, or increase incentives for retiring later rather than earlier*. Attempts to raise the age at which seniors qualify for retirement usually represent cuts in benefits.

However, the SSA provides incentives for individuals to take retirement at an older age. Traditionally, full Social Security benefits began at age 65, but individuals could choose to retire at 62 and take smaller benefits—about 80% of what the full benefit would be:

Table 2, Social Security benefits by worker age and when they take retirement benefits

Year born	Retirement age	Early retirement age	Early retirement benefit
Before 1938	65	62	80%, increased by 0.6 per month worked past 62
1938-1942	65, plus two months for every year after 1937	62; 65	79%-76%; 99%-94%
1943-1954	66	62; 65	75%; 93.3%
1955-1959	66, plus two months for every year after 1942	62; 65	74-70%; 92-88%
1960 and after	67	62; 65	70%; 86.7%

Source: Social Security Administration[8]

Additionally, the SSA incentivizes individuals to retire later than the normal retirement age of 65. A worker who waits one year to retire receives and extra 8% benefit; if an individual waits until 70 years old to retire, they receive up to a 32% increase in benefit. Because the program was designed when life expectancies were significantly lower than they are currently, this is one way to reduce potential moral hazard and keep workers who are able to work employed. This incentive structure could be changed to further improve the solvency of Social Security. For example, Congress may consider lowering the early retirement benefits for people born after 1970 to 65%-68% at 62 years old, or 80-85% at 65 years old

- *Encourage retirement savings and educate the public*. One explanation for why Americans aren't saving enough for retirement is the lack of education they have about financial planning. Especially for individuals in their 20s and 30s, saving early can result in major long-term gains for their personal retirement accounts, translating to a lower overall reliance of the American public on Social Security for a substantial part of their income. Workers who are most likely to save, especially at young ages, are workers with high-paying jobs. Educating the public and reframing Social Security as a safety net rather than a primary source of income would be a good start. To further incentivize savings among low-income individuals, the federal government or states may consider savings matching programs. Specifically reaching out to those that rely on Social Security income the most, low and middle-income earners, to provide them with financial literacy skills would reduce reliance on Social Security income. Just as importantly, doing so would increase their overall quality of life as they enter retirement

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[8] Retirement Planner: Plan for your Retirement. Social Security Administration. Retrieved April 27, 2017, from http://www.ssa.gov/planners/retire

The Word from City Hall

BNSF rail update To appease opponents of their plans to build a second, four-mile-long railroad track next to existing track in order to fulfill increased demand for rail transportation, Burlington Northern Railway has communicated a list of items it is willing to offer the City of La Crosse in hopes of the City agreeing to not dispute BNSF's ownership of the land on which the planned expansion will take place. While BNSF has publicly expressed confidence that the company owns the land instead of the City, the company also wishes to move forward with the project as quickly as possible, resulting in a list of incentives the City is currently considering. Newest to this list is remodeling the city-owned Forest Hills Golf Course, perhaps in response to concerns that the course would cease to exist if the expansion took place. The current offer presented to the city includes not only the golf course upgrade but also paying for a special foam trailer and out-of-state training for around 50 firefighters for disaster control, covering the cost of moving underground utility lines, upgrading several rail crossings, and building a passage under the railroad for golf carts and pedestrians to use. In addition, because expansion would happen on seven acres of marsh, BNSF is working with the Wisconsin DNR and Army Corps of Engineers on remediation obligations.

City includes gender identity as a protected status The La Crosse City Council voted to amend a city ordinance dealing with equal access to housing, city resources and facilities, and other public areas to include discrimination based on gender identity. Currently, exclusion based on sex, race, religion, color, ancestry, age, disability, marital status, legal sources of income, physical appearance, sexual orientation, political activity, familial status, and student status are all prohibited. While the State of Wisconsin does not protect based on gender identity, municipalities around the state are adding gender identity to their discrimination policies. Only four other municipalities have such ordinances, including Milwaukee, Madison, Appleton, and Cudahy. La Crosse is the second municipality in the State, after Cudahy, to do so unanimously.

Rental registration ruled legal La Crosse's new rental registration program was deemed legal by a La Crosse County judge after the decision was postponed three times. 34 La Crosse landlords signed on to be a part of the lawsuit, originally filed in May, citing concerns that the City ordinance conflicted with State legislation. The program was disputed because it requires property owners to register their rental units with the city and pay a nominal fee for each unit's application, and gives the City the authority to fine if a landlord is operating without registering their property. Registration is contingent upon proper inspection of the unit, and neighborhood advocates have supported the program because they believe having all rental properties regularly inspected contributes to safer housing for renters and less degradation of single-family homes in neighborhoods.

Voter ID law reinstated Wisconsin's Voter ID law articulating what documents and identifications citizens need in order to vote was reinstated by the Chicago Federal Court of Appeals, meaning voters will need to provide state-issued photo identification such as a driver's license in order to cast a ballot in November. The law passed in 2011 and has been in legal limbo for the past three years. Proponents of the law praised the ruling because they view it as making for more clean elections by discouraging voter fraud; on the flip side, this law has also been heavily criticized as an attempt to suppress the vote of students, racial minorities, and the poor because they might have a more difficult time obtaining a photo ID, which is needed if you do not have a current driver's license. Opponents also point out that only around thirty prosecuted cases of voter fraud occurred in Wisconsin since 2008, according to testimony given in the appeal, and include anything from convicted felons voting to improperly collected signatures. While voters can use a driver's license, students in the area cannot use their student ID cards, according to the law. Photo IDs can be obtained at the local DMV.

Get Out the Vote Literature

RE-ELECT
PEG JEROME
CITY COUNCIL

Remember to vote April 7 to keep Peg working for us!

Your polling location is:

Hogan Administrative Center
807 East Avenue S.
East Avenue & Mississippi Street

Paid for by Peg Jerome

"During my time in office, I have been a strong advocate for neighborhood revitalization, keeping the South Branch Library open, and enhancing community safety. I am dedicated to making La Crosse an even better place to live. Please vote on April 7th so I can **continue to work for you**!"

—Peg

Paid for by Peg Jerome

EXPERIENCE

Current City Council Member
Finance and Personnel Committee
Economic Development Commission
La Crosse County Board Supervisor
UW-La Crosse graduate

CONTACT

Phone: ▉▉▉▉▉
Email: ▉▉▉▉▉▉
Address: ▉▉▉▉▉

Katherine M. Svitavsky

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Skills Profile

Strong researcher, trained in visual representation of data, quantitative methods, and statistical programs. Adept at contextualizing information and tracking legislation

Versatile writer, experienced in drafting grants, articles, policy briefs, and summaries of technical information. Comfortable with collaboration and revision; some experience in Adobe InDesign and Illustrator

Knowledgeable public servant and excellent communicator, experienced in municipal government and the legislative process as a former elected official. Capable public speaker

Education

Humphrey School of Public Affairs, University of Minnesota-Twin Cities
Master of Public Policy, expected May 2018

University of Wisconsin-La Crosse
Bachelor of Arts, Highest Honors, May 2015
Majors: Public Administration, Political Science   Minor: Professional Writing

Experience

Business Technical Assistance Program Training Coordinator (Graduate Intern)
City of Minneapolis, Department of Community Planning and Economic Development, January 2018-present
- Schedule and coordinate logistics for training programs serving Minneapolis small business owners and entrepreneurs
- Update written program descriptions, marketing materials, and planning documents
- Respond to client and provider inquires about the B-TAP program

Graduate Assistant, Red Lake River Corridor Joint Powers Board
Center for Urban and Regional Affairs, Humphrey School, Minneapolis, Minnesota, Summer 2017
- Wrote $220,000 grant to the Greater Minnesota Regional Parks and Trails Commission for river infrastructure improvements and $20,000 grant to the Northwest Minnesota Foundation for planning activities, both successful
- Wrote and edited content for the RLRC Master Plan; compiled and designed final report
- Coordinated with the University of Minnesota Extension office, six cities, three counties, and one watershed district to define project goals and strategy for increasing recreational use of the Red Lake River

Community Broadband Networks Intern
Institute for Local Self-Reliance (ILSR), Minneapolis, Minnesota, June 2016-July 2017
- Researched a variety of topics, including rural Internet access, local government responses to state and federal legislation, and monopoly power among Internet Service Providers
- Produced articles, fact sheets, reports, policy memos, and infographics for Muninetworks.org about community networks across the US and federal and state policies affecting local authority

Educational Services Associate
People Serving People, Minneapolis, Minnesota, October 2015-December 2017
- Planned and facilitated lessons groups of K-5 children experiencing homelessness
- Supervised 25 volunteer tutors and 25 students per week
- Organized and staff field trips, events, and recreational opportunities for children and families

Leadership

5th District Council Member
City of La Crosse, Wisconsin, May 2012-May 2015
- Represented over 3,500 residents in the fifth aldermanic district in the City of La Crosse
- Served on the Finance and Personnel committee, Budget Parameters committee, Board of Estimates, Ad-hoc Single Family Home Conversion committee, and La Crosse Center Board
- Sponsored legislation to recreate rental housing registration and inspection program
- Appointed Spring 2012 and elected in Spring 2013

Recognition

Fall 2016: James E. Jernberg Fellowship for Public Service, Humphrey School of Public Affairs
Spring 2015: Commencement Speaker, UW-La Crosse Graduation Ceremony
Spring 2015: John E. Magerus Award for Outstanding Graduating Senior in the College of Liberal Studies
Spring 2015: Richard and Sally Koehler Student Staff Award, UW-La Crosse Office of Residence Life