



Social Security – Our Earned Benefits

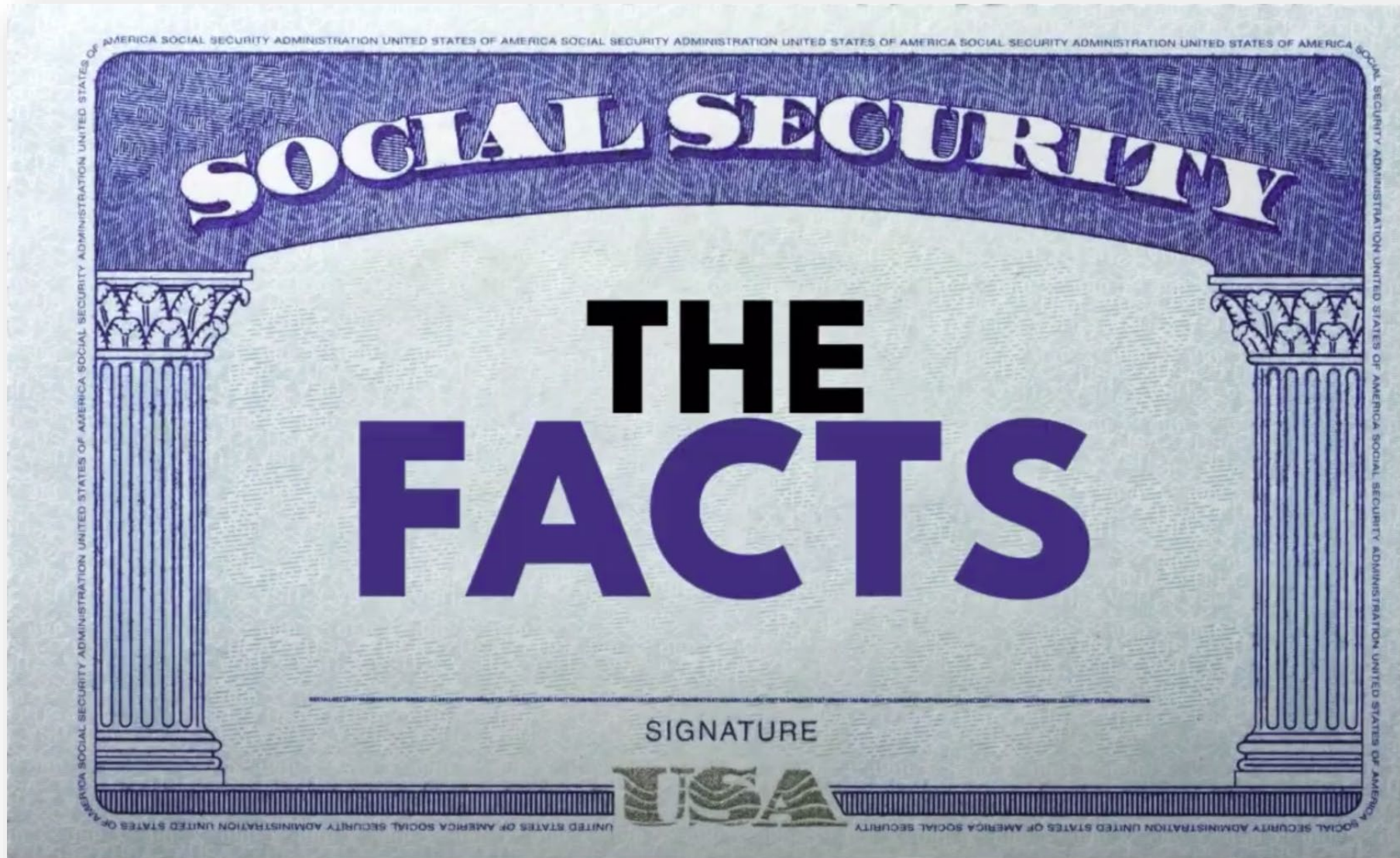
**Alliance for
Retired Americans
2023**

Video



Social Security
Our Earned Benefits

Social Security 101



65.2 Million Beneficiaries



50.2 million receive retiree benefits

5.9 million receive survivors' benefits including more than 4 million children

8.9 million receive disability benefits

Primary Income Source for Most Older Americans

- For 1/3 of current beneficiaries – **90%** of income is from Social Security
- For 2/3 of current beneficiaries – **50%** of income is from Social Security
- Average Monthly Benefits are Modest

Retired worker **\$1,677**

Retired couple **\$2,753**

Disabled Worker **\$1,364**



Younger Workers and Social Security

9% of millennials have received Social Security because their working parent died, became disabled, or retired

A young person starting a career today has a **30% chance of being disabled before 67**

Social Security likely to provide **most younger Americans' income in old age**
Lack of traditional pensions; only 1/3 have a retirement savings plan at work

65% of people 18-29 want NO reduction in Social Security, but only **15%** believe Social Security will have enough money to provide benefits at current levels

How is Social Security Funded

Worker + Employer each contribute 6.2% of every paycheck

2023 Contributions are capped at \$160,200 per year, per employee

Bond interest and tax revenue on high-earner beneficiaries



Benefits Are Guaranteed

- **Benefits are calculated on a person's lifetime earnings, and are guaranteed no matter how long they live**



Does Not Add to National Debt

- **Social Security cannot spend more than is in its Trust Funds or borrow money**
- **Should funds become depleted in the future, benefits would be reduced**



Social Security is Solvent

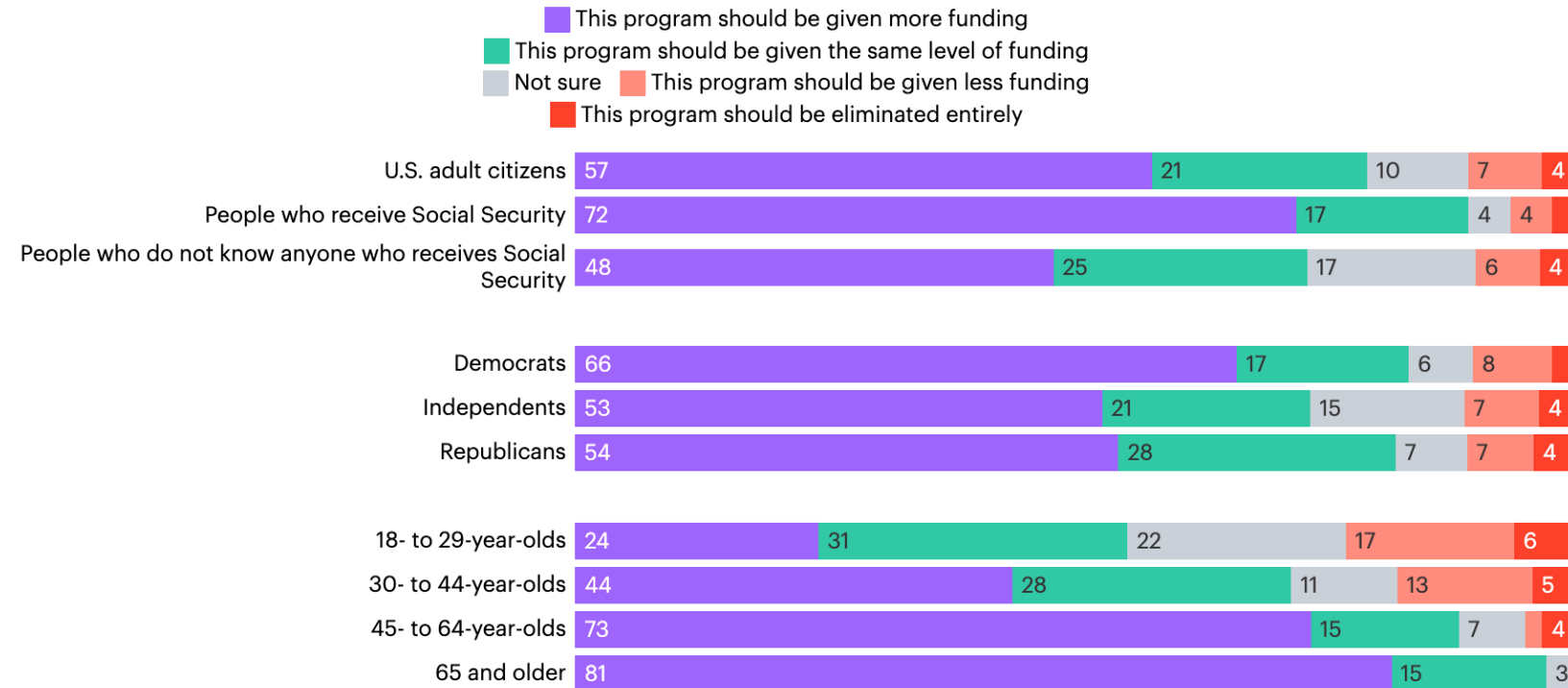
- Can pay full benefits for the next decade
- If nothing changes, Social Security can pay 77% of scheduled benefits after 2033



Social Security Has Broad Public Support

Most Americans say Social Security should be given more funding

Thinking about the following U.S. program, do you believe they should be given more or less funding? **Social Security** (%)



**78% of ALL
Citizens Say
Social Security
Should
Receive the
Same or
MORE
Funding**

Lift Or Eliminate Cap on Contributions

Strengthen the
Trust Fund

Provide Revenue to
Increase Benefits

Ensure Social
Security is There for
Current and Future
Beneficiaries

Restores Fairness



Other Changes Needed to Improve Social Security

- Repeal WEP-GPO Provisions so public sector retirees receive all earned Social Security Benefits
- Change the Cost-of-Living Adjustment formula to Better Reflect What Seniors Spend Money On (CPI-E)
- Provide Social Security Work Credits for Caregivers



Political Threats Are Real

Washington Post | January 24, 2023

House GOP eyes Social Security, Medicare amid spending battle

Republicans have pledged to cut spending and balance the budget.

HuffPost | March 1, 2023

Bipartisan Senate Group Mulls Social Security Investment Fund, Higher Retirement Age

would be highly controversial and Congress is not likely to

CNBC | March 4, 2023

As Social Security reform talks heat up, changes to the retirement age, payroll tax may be on the table

Raising the Retirement Age

Sen. Lindsey Graham: “...To get out of this mess, people like me are going to have to take a little less and pay a little more in. **We’re going to have to adjust the age one more time** like Ronald Reagan and Tip — Tip O’Neil did. ...”

Sen. Mitt Romney: “...you have to recognize that **life expectancy is a lot more today...**”



Are Americans Living Longer?

Average American's Life Expectancy is 76 years

BUT Americans with lower-incomes do not live as long as those with high incomes

Men in the top 10% in household income could expect to live to 88, while those in the bottom 10% could expect to live to just 76

Life Expectancy Varies Significantly by Race

White Americans – 76.4 years

Black Americans – 70.8 years



Raising the Retirement Age is a CUT

Example – Single Retired Worker Receiving the Average Yearly Benefit Amount Who Lives to Age 76

Age of Retirement	Yearly benefits	Lifetime benefits received until death at age 76	Reduction
67	\$20,124	\$181,116	–
68	\$20,124	\$160,992	-\$20,124
69	\$20,124	\$140,868	-\$40,248
70	\$20,124	\$120,744	-\$60,372

Privatization Schemes

Give All or Part of Trust Fund to Wall Street

- NO Guarantee of Better Returns; Risk of Losses
- Investment companies Would Make Billions in Commissions and Fees

Allow or Require Individuals to Create Private Accounts in Lieu of Guaranteed Benefits

- Drains Money From the Trust Fund for Current Beneficiaries
- Ends Guaranteed Earned Benefits
- Private Investment Companies Profit from Commissions and Fees



“TRUST Act” / Special Commissions

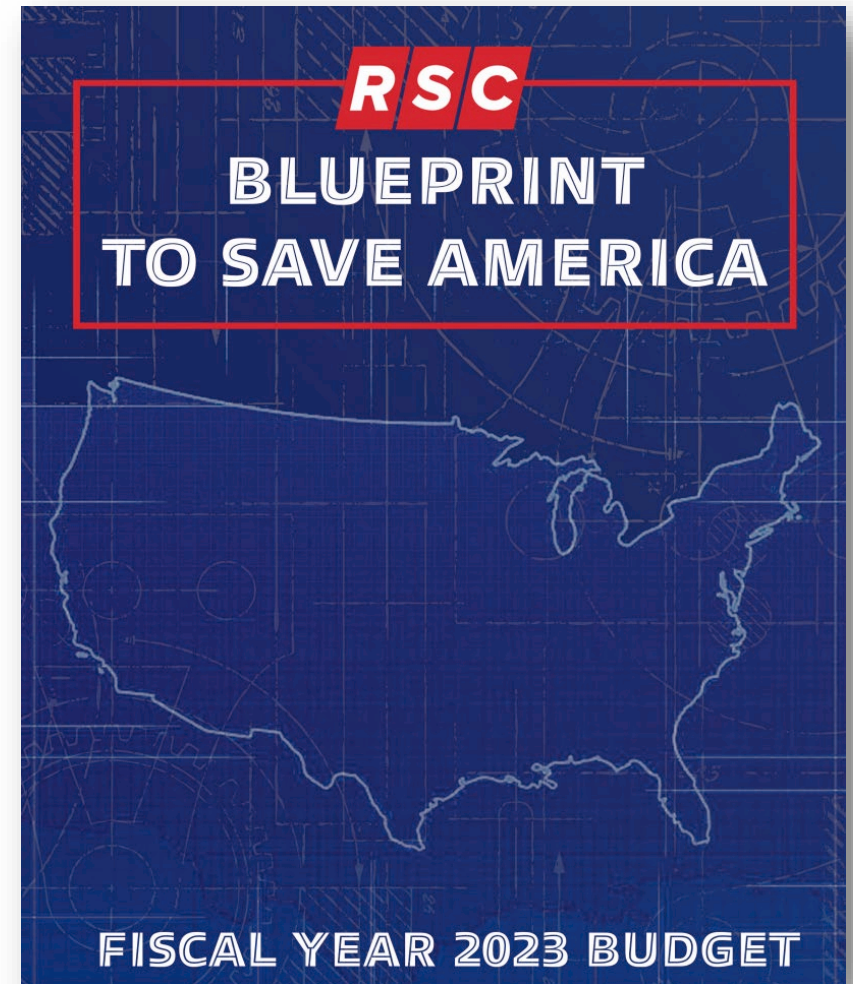
- “Expert Commissions” start from the idea that Social Security *Must be Changed*
- Drastically Limit the Public’s Input
- Provide Political “Cover” to Politicians
- The “TRUST Act” even establishes “**rescue committees**” to meet behind closed doors and develop recommendations to improve solvency



House Members Proposed Changes in 2022

House Republican Study Committee

- “Blueprint to Save America”
- Raise the retirement age
- **Withhold payments** to early retirees and/or higher earners
- Allow private accounts
- Endorsed by **157** House members in 2022



Fight Back

Step 1: Sign Our Petition

Demanding NO CUTS to Social Security

Step 2: Get Involved with
YOUR Alliance
retiredamericans.org/join



**Questions?
Comments?**

www.retiredamericans.org