



Social Security – Our Earned Benefits

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Educating Americans About Social Security



Video



67 Million Beneficiaries



52 million receive retiree benefits

5.8 million receive survivors' benefits; includes **4 million children**

8.7 million receive disability benefits

Benefits will total \$1.4 trillion in 2023

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 **\$1,837**

Retired couple **\$2,753**

Disabled Worker **\$1,486**



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

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



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



Raise the Retirement Age?

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

Vast Majority Oppose Raising the Retirement Age

Quinnipiac University national poll, all ages:

78% - Oppose raising the retirement age from 67 to 70

62% - Oppose even if it means benefits will last longer

70% - Worried they will not have enough money to retire comfortably



Privatization

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

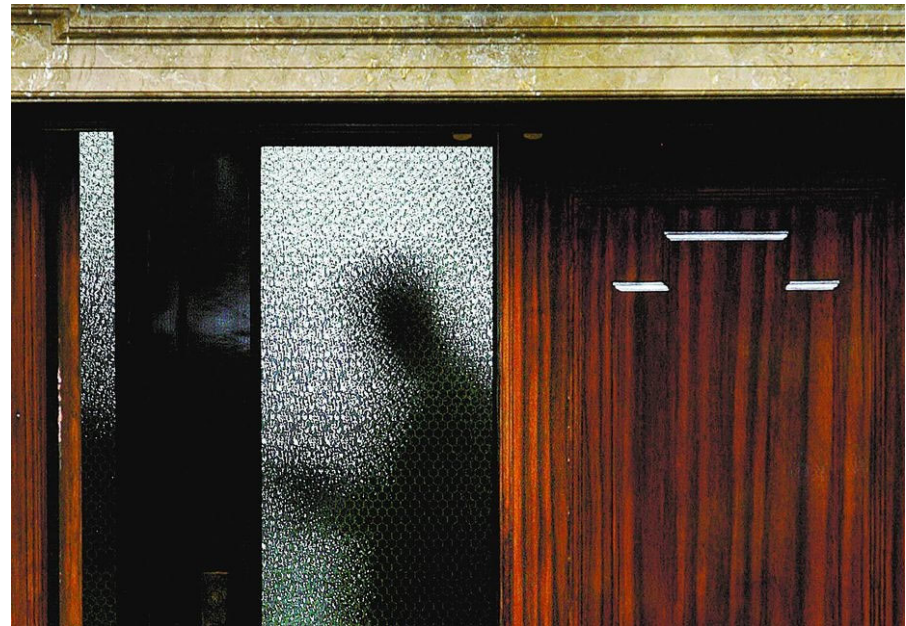
- Drains Money From the Trust Fund for Current Beneficiaries
- Ends Guaranteed Earned Benefits
- Private Investment Companies Profit from Commissions and Fees



Special Commissions on “Entitlements”

House Budget Committee Hearing **10/19:** “Examining the Need for a Fiscal Commission”

- “Expert Commissions” start from premise that Social Security *Must be Changed*
- Drastically limit public input
- Provide Political “Cover” to politicians
- Current proposals call for deliberations behind closed doors



Questions? Comments?

www.retiredamericans.org

