

# Social Security Facts, Figures & Findings

## SOCIAL SECURITY FACTS

- Provides nearly two thirds of retirees with over half of their overall income in retirement
- Half of all Americans haven't even saved \$10,000 for retirement
- Social Security is scheduled to fall by 25% after 2034 if no immediate action is taken to address its shortfalls.
- 62 million Americans, or 1 in every 6 residents collect Social Security
- Social Security funds over 9 million jobs and provides over \$1.4 trillion in economic activity, every year.

## SOCIAL SECURITY 2100 ACT

- Congressman John Larson's Social Security 2100 plan would keep the program solvent beyond 75 years into 2100.
- Social Security 2100 would have 4 major benefits:
  - Gradual benefits increase of about 2% (the typical retiree would see an annual increase of about \$300)
  - Fair and reasonable COLA (a truer reflection of the actual cost-of-living increase retirees face each year)
  - Tax cuts for 11 million working seniors
  - A requirement for the millionaires and billions to pay their fair share of Social Security (over time, the cap on Social Security payroll taxes would be eliminated)

## PAYROLL TAXES

- Cutting the payroll taxes, temporarily, defunds Social Security and leaves working Americans with a huge tax bill come April.
- Cutting payroll taxes, permanently, would lead to permanent cuts to Social Security beyond the 25% cut scheduled after 2034.
- President Trump promised to cut payroll taxes permanently if re-elected, "If I'm victorious on November 3rd, I plan to forgive these taxes and make permanent cuts to the payroll tax, in other words, I'll extend beyond the end of the year and terminate the tax."

## SOCIAL SECURITY TALKING POINTS

<b>WHEN THEY SAY...</b>	<b>WE SAY...</b>
Social Security is an unsustainable entitlement	You pay into the Social Security Trust fund with every paycheck through FICA, it is an earned benefit that you worked for and therefore deserve
Social Security cannot be saved	Congressman Larson's proposal, Social Security 2100 Act has been certified by non-partisan actuarial to be solvent beyond the next 75 years
Hard working Americans don't need Social Security	Nearly half of Americans have less than \$10,000 saved for retirement and 62% of aged beneficiaries rely on Social Security to provide them with more than half of their retirement income
Everyone pays into Social Security equally, no changes are necessary	Millionaires and Billionaires don't have to pay into the fund at the rate of working class employees. As it

	stands now, payroll taxes are not collected on wages over \$128,400—giving the Millionaires and Billionaires an undeserved tax break
Social Security isn't reliable	The Social Security Administration wrote the first check on January 31 <sup>st</sup> , 1940—Social Security hasn't missed a payment since.
Social Security is a senior benefit that just helps our aging population	Social Security is the most effective anti-poverty program in the US, lifting 22 million people out of poverty, including 1 million children.
We can't afford Social Security in the federal or state budget	Social Security is a pay-as-you-go system consisting of 87% payroll taxes, 10% interest and 3% benefit taxation—no funds are taken from the federal or state budget
Congressman Larson's Social Security 2100 Act increases benefits without addressing revenue sources	This proposal calls for a raise in the payroll tax maximum to \$400,000 rather than the present \$128,400. This increases revenue progressively so that the average worker is still spending about \$0.50/week on Social Security.
Social Security is just another tax	You pay into Social Security at a rate relative to your income and when you retire you collect at a similar rate—by paying into FICA you are guaranteeing yourself a stable retirement.
The Social Security Administration will just keep raising the age to collect	With Congressman Larson's Social Security 2100 Proposal, the fund will be 100% solvent, thereby decreasing the pressures to increase the age.

## ARTICLES

- [https://www.huffpost.com/entry/democats-social-security\\_n\\_5d790717e4b0fc71533fd104](https://www.huffpost.com/entry/democats-social-security_n_5d790717e4b0fc71533fd104) “House Democrats have already passed bills focused on pensions and savings,” he said. “Now is the time for Democrats to continue listening to the American people about the third and most important piece of retirement security and pass the Social Security 2100 Act out of the House.”
- <https://www.nytimes.com/2019/06/12/business/social-security-shortfall-2020.html>
- <https://www.bostonglobe.com/metro/2019/07/20/invisible-more-social-security-will-soon-slide-into-involency/QnWdGBcwgj4TMLed0NaVKM/story.html>
- <https://www.commondreams.org/views/2019/08/13/social-security-2100-path-protecting-americas-elderly-communities> Retirement security should not be a pipedream. Strengthening Social Security, a cost-effective earned benefit, is the smartest way to protect the financial well-being of older Americans.
- <https://www.latimes.com/opinion/story/2019-08-13/social-security-2100-act-congress> Polling [shows](#) that Americans across the political spectrum are willing to pay more to protect and expand Social Security. Yet not a single Republican member of Congress has co-sponsored the Social Security 2100 Act. Nor have any of them offered any alternative legislation. As Larson [recently wrote](#), “The hard truth of the matter is that Republicans want to cut Social Security, and doing nothing achieves their goal.” If Congress fails to act before 2035, the chief actuary has projected that benefits will be cut by 20%. That would be a victory for the [anti-government, anti-worker ideology](#) of some of the wealthiest donors to the Republican Party.
- <https://www.alternet.org/2019/08/republican-attacks-on-the-social-security-2100-act-are-an-assault-on-public-health/> A 2015 study from the National Bureau of Economic Research, “[The Impact of Social](#)

[Security Income on Cognitive Function at Older Ages](#),” provides valuable insight into the role that Social Security plays in maintaining health. In the study, Professors Padmaja Ayyagari and David Frisvold of the University of Iowa [found](#) “robust evidence that higher Social Security income improves cognitive function among the elderly.” This was the case even when the benefit increases were quite modest.

- <https://www.cnn.com/2019/08/10/congress-weighs-changes-to-retiree-savings-pensions-social-security.html> Without any benefit cuts on the table, it will be difficult to get Republican support, experts say. What’s more, legislators would have to feel some urgency to move on the issue. “There’s not a lot of incentives for Congress to make these changes right now,” said Richard W. Johnson, director of the program on retirement policy at the Urban Institute. But time is running out, even though 2035 seems far away, Greszler said. “The longer that you wait, the bigger the size of either the tax increases or the benefit reductions becomes,” Greszler said.
- <https://www.forbes.com/sites/nancyaltman/2019/08/26/republicans-are-pushing-myths-about-social-security-to-justify-their-demands-for-benefit-cuts/#27fad8511107> Non-action is not an option, unless your goal is to cut Social Security. The most recent Social Security Trustees' Report projects that with no action, benefits will be automatically reduced by 20 percent in 2035. As Chairman Larson has [plainly stated](#), “The hard truth of the matter is that Republicans want to cut Social Security, and doing nothing achieves their goal.”

## **OTHER RESOURCES**

- <https://www.cbpp.org/research/social-security/policy-basics-top-ten-facts-about-social-security>
- <https://www.ssa.gov/news/press/factsheets/basicfact-alt.pdf>