

STRENGTHEN SOCIAL SECURITY

...don't cut it.

Ten Reasons the Social Security Proposal of the Fiscal Commission Co-Chairs Should be DOA (Dead on Arrival)

The [Fiscal Commission Co-Chairs' Social Security proposal](#):

1. **Deeply cuts the benefits of middle-class families.** Benefits for retirees, survivors and disabled workers will be cut between 17% and 36% for young people entering the workforce today, affecting those earning an average of \$43,000 (17%) to \$107,000 (36%) a year over their working lives, according to the Social Security Chief Actuary.
2. **Closes Social Security's long-range funding gap primarily by cutting already low benefits, rather than by raising taxes on those who can most afford to pay.** Ninety-two percent of Social Security's long-range funding gap is closed by cutting promised benefits. Instead, this gap could be closed, as most Americans want, by requiring those employees (and their employers) who make more than \$107,000 a year to pay Social Security taxes on all their wages, as the rest of us do who earn less.
3. **Raises the retirement age to 69.** This is a 13% benefit cut on top of the 13% cut already made when the retirement age was increased from 65 to 67, according to the Social Security Administration.
4. **Raises the early retirement age to 64.** Most Americans claim Social Security benefits before age 64, even though the benefits are currently reduced by as much as 25% when they do so. That's usually because they work in physically demanding jobs, have health problems, or can no longer find work.
5. **Discriminates against lower-wage workers by raising the retirement age.** Upper-income Americans are living longer. But in recent years the life expectancy of lower-income men has increased only slightly and the life expectancy of lower-income women *declined*.
6. **Reduces the annual Cost of Living Adjustment (COLA) for Social Security beneficiaries.** The proposal would reduce the purchasing power of benefits by 3.7% after 10 years of receiving benefits and by 6.5% after 20 years, according to the Social Security Chief Actuary.
7. **Hurts current retirees, contrary to promises made by the Fiscal Commission Co-Chairs.** The change in the COLA calculation would affect all beneficiaries, not just retirees, starting in 2012.
8. **Breaks faith with our nation's veterans and service members.** Forty-three percent of veterans receive Social Security. They or their families will see their Social Security disability benefits cut deeply if they are seriously injured in combat, their survivors' benefits cut substantially if they die in combat, and their retirement benefits cut significantly just like all other Americans.
9. **Harms our grandchildren the most.** The younger a person is the deeper the cuts because of the increase in the retirement age and the changes in the benefit formula.
10. **Breaks Social Security's promise with Americans.** Social Security belongs to the people who have worked hard all their lives and contributed to the program. The proposal breaks that promise.

[Click here for a more detailed analysis of the Fiscal Commission Co-Chairs' proposal.](#)