



Paralyzed Veterans
of America

Pushing
Access
Forward

Preserve and Strengthen Social Security

The Issue

Social Security is the nation's preeminent wage insurance system that protects American workers and their families in retirement or in the event of disability or death of the wage earner. Based on contributions made by workers and their employers, Social Security reaches across all generations and all parts of society to provide a measure of economic security to millions of Americans, including more than nine million veterans and their families.

The Social Security system has sufficient balances in its trust funds to pay full benefits until 2035. If action is taken now, the current modest shortfall in long-term system funding can be addressed without damaging cuts to beneficiaries. Ideally, this should be done through prudent, phased-in changes to the system's financing along with benefit enhancements that will respond to our nation's growing retirement crisis. Once the trust funds are depleted, however, there will only be enough incoming revenue from payroll contributions to pay roughly 80 percent of all retirement, disability, and survivor benefits. At that point, any changes made to Social Security will likely impose the greatest burdens on those least able to afford them.

The **Social Security 2100 Act (H.R. 860)** contains common sense steps to keep the system solvent for the remainder of the century and improve benefits for the vast majority of beneficiaries. This legislation demonstrates that preserving and strengthening Social Security can be done without causing harm to beneficiaries.

PVA Position

Congress must pass the **Social Security 2100 Act (H.R. 860)**, which will preserve and strengthen Social Security by:

- Setting a more realistic cost-of-living-adjustment reflecting expenses frequently incurred by retirees and people with disabilities.
- Cutting taxes on benefits for almost twelve million beneficiaries.
- Making long overdue adjustments in the financing mechanisms for the system by requiring those with wages above \$400,000 to pay Social Security taxes and by asking workers to contribute over time the equivalent of an additional 50 cents per week each year.
- Ensuring that no one retires into poverty by setting the minimum benefit at 25 percent above the poverty line and indexing that benefit to growth in wages to ensure that the minimum benefit does not fall behind.
- Keeping the system solvent for the next 75 years, according to an independent analysis by the Social Security Administration's Chief Actuary.