

Committee on Ways and Means

Republicans' Goal: Protect and Strengthen Social Security

Social Security is Our Most Successful Anti-Poverty Program.

- Without Social Security, almost half of seniors would live in poverty.
- About 2 out of 3 seniors rely on Social Security for at least half their income, and almost 1 out of 5 rely on Social Security for all of their income.
- Republicans are committed to ensuring seniors receive every penny in Social Security benefits they have earned over a lifetime of hard work.

Demographic Trends Endanger Social Security.

- Modern medicine is helping people to live longer, healthier lives than we ever imagined.
- Life expectancy increases + birth rate declines = demographic difficulty for Social Security.
- Year 1945: 42 workers supported each retiree. Year 2002: 3 workers now support each retiree. The current system must be strengthened.

Presidential Leadership Matters.

- President Bush demonstrated leadership by outlining guiding principles to strengthen Social Security:
 1. No changes in Social Security benefits for retirees or near-retirees.
 2. No payroll tax increases, no government investing of Social Security funds.
 3. Preserving Social Security's disability and survivor benefits.
 4. Voluntary, individually owned and controlled personal accounts to strengthen Social Security.

Republicans are Leading the Social Security Debate.

- The House passed a resolution by a vote of 415-5 in December 2001, affirming Congress should not cut Social Security benefits or raise Social Security tax (H. Con. Res. 282).
- While Republicans in the House and the President's Commission have developed proposals to save Social Security, Democrats have only wasted precious time in political schemes and scare tactics.
- Democrat's "Do Nothing" plan will ultimately lead to a 33% cut in benefits, payroll tax increases of over 50%, unprecedented debt, or severe cuts in other government investments, such as education or national security.
- Because Social Security is so important to women, the House overwhelmingly approved legislation enhancing benefits for certain elderly and disabled widows and divorced spouses (H.R. 4069).
- The House also approved legislation to crack down on waste, fraud, and abuse in Social Security and provide needed assistance for individuals with disabilities (H.R. 4070).

Voluntary Personal Accounts Would Strengthen Social Security.

- Voluntary personal accounts would 1) allow workers to seek a higher rate of return on their contributions and help them build personal wealth that could be passed to heirs; 2) provide women an equal share of the couple's contributions, regardless of the length of marriage; 3) improve equity for minorities, many of whom have short life expectancy and die before receiving retirement benefits.
- Any plan would have parameters of safety and soundness, similar to the popular Thrift Savings Plan that is available to federal government workers and Members of Congress.