Testimony of Joan Entmacher, Vice President for Family Economic Security
National Women's Law Center

House Committee on Ways and Means, Subcommittee on Social Security
Hearing on Social Security's Finances and Benefits
July 8, 2011

Chairman Johnson, Ranking Member Becerra, and Members of the Subcommittee, thank you for giving me the opportunity to testify on behalf of the National Women's Law Center. My testimony will address these key points: Social Security is vital to Americans' economic security; current benefit levels are already modest; benefits are already scheduled to decline; other sources of retirement income are also declining; proposed cuts in benefits would seriously jeopardize the economic security of older Americans, especially women; we can afford to protect and improve Social Security; and the American people, across the political spectrum, oppose cutting Social Security and support raising revenue to strengthen it.

Social Security is vital to Americans' economic security

Social Security plays a critical role in protecting the economic security of Americans, as the announcement of this hearing recognizes. Through their contributions to Social Security, matched by their employers, workers earn secure retirement benefits for as long as they live and life and disability insurance protection for themselves and their families. Social Security isn't just a virtually universal pension plan for American workers, it's a family insurance program that protects millions of children who have lost the support of a parent, workers who have become disabled, and spouses, divorced spouses, and surviving spouses.

One in six Americans receives Social Security, as the announcement notes – and Social Security's impact is even greater than that statistic suggests. One in four households receives income from Social Security.[1] And many more households benefit indirectly – because the support that Social Security provides for elderly parents and grandparents gives multiple generations a greater measure of economic security and independence.

For a large majority of older Americans, retirement security isn't a three-legged stool. What they rely on is Social Security. For two-thirds of beneficiaries 65 and older, Social Security provides half or more of their income. For about one-third of beneficiaries 65 and older, Social Security is virtually their only source of income. And reliance on Social Security increases with age; four in ten beneficiaries 80 and older rely on Social Security for virtually all of their income.[2]

Social Security's role in dramatically reducing poverty among the elderly isn't just a historical achievement. An analysis of the latest Census data shows that without income from Social Security, 45 percent of Americans 65 and older, half of women 65 and older, and two-thirds of elderly single women would be poor. And Social Security is a major anti-poverty program for children; without income from Social Security, more than one million additional children would fall into poverty.[3]

Social Security's current benefits are modest

The importance of Social Security to Americans' economic security is particularly striking since current benefits are modest. The average Social Security benefit for all beneficiaries 65 and older is about $14,000 annually: $12,000 for women 65 and older and a little less than $16,000 for men.[4] And benefits aren't lavish for anyone; the benefit at full retirement age for a worker who had earned the maximum taxable wage throughout a career is a little over $28,000 a year.[5]

By international standards, Social Security benefits are modest. For a worker with median earnings over a career, Social Security replaces about 41 percent of pre-retirement earnings. That puts the U.S. 26th among the 30 OECD countries, which provide, on average, 61 percent of pre-retirement earnings through their public pension systems.[6]

Even with Social Security, poverty and economic insecurity among the elderly, especially among women, remains a problem. In 2008, 7.8 percent of beneficiaries 65 and older were below the official poverty line. The poverty rate for female beneficiaries 65 and older was twice as high as the rate for men: 9.9 percent compared to 4.9 percent. Nearly one in five (17.9 percent) female beneficiaries 65 and older were near-poor, with incomes below 125 percent of poverty, as were 14.3 percent of all beneficiaries and 9.5 of male beneficiaries 65 and older.[7]

Economic insecurity among the elderly persists further up the income scale. For beneficiaries 65 and older in the middle income quintile, median total income was less than $21,000 a year. According to the National Elder Economic Security Index, that's about what it takes for a single elderly individual who rents housing to make ends meet.[8] For those in the second-highest quintile, median total income was $30,000. For beneficiaries in the highest income quintile – the only income quintile that didn't get most of its income from Social Security – median income was $50,000.[9] Beneficiaries in the highest income quintile are disproportionately younger, married, and often still working. But things change. As these beneficiaries age, stop working, or are widowed, their incomes will decline, and their reliance on Social Security will increase.[10]

Living on Social Security

Statistics can't convey what Social Security means to the people who depend on it. People like Jeannette O'Linger in Medford, Oregon. She's widowed and living alone in Medford, Oregon. She worked her whole life, up until she was 73, but has no pension. Her only income, apart from a little help from her adult children, whom she hates asking for help because "they've got their own financial pressures from the recession," is her Social Security check. Her benefit is $1,673 a month, about $20,000 a year, so it's higher than average. "I know that I couldn't survive without it. I'm grateful for Social Security, but it's really not enough money to live on."

Ms. O'Linger described how she manages. "I'm a very frugal person. Always have been. I don't have cable…that's a luxury. I shop for food very carefully, too. I can't afford meat anymore, but every once in awhile if I see a great bargain, I'll splurge on a small piece of meat. There's a special discount cheese that I like. I make very thin slices…. I'm careful about keeping my clothes in good condition. I know that I don't have the option to buy new ones."

But these persistent economies can't take care of everything. "My expenses keep going up. I've had recent medical bills…. Just for the MRI, that was unexpected, I had to pay $162 as my co-pay…. A couple of months ago my dentist told me that I need a root canal. I've had to put it off because it's $800 and that would be too tough to take on now. I'm taking a chance with my health but I don't know what else I can do."

Social Security benefits are already declining for future retirees

In 1983, Congress enacted a number of changes to Social Security, including an increase in the full retirement age that cut benefits for everyone born in 1938 or later. For those born between 1943 and 1959, the full retirement age has already increased from age 65 to age 66; it will reach 67 for those born in 1960 or later.

An increase in the retirement age is an across-the-board benefit cut of about seven percent for every year's increase in the full retirement age. The reduction applies regardless of the age at which workers claim benefits. Those who claim benefits before reaching full retirement age experience the cut as a larger reduction for early retirement; those who wait until the new full retirement age or beyond get smaller, or no, increases from delayed retirement credits.[11] Although the percentage cut from an increase in the full retirement age is the same at all income levels, it will cause greater hardship to some beneficiaries, especially those in poor health or physically demanding jobs who cannot continue working and those who are most reliant on Social Security.

In addition, rising Medicare premiums will consume a greater portion of retirees' Social Security income. In 2010, the full Social Security check represented 41 percent of the pre-retirement earnings of a medium earner. After deducting 2010 Medicare premiums, Social Security benefits in 2010 for a medium earner would replace 37 percent of pre-retirement earnings. In 2030, the combination of rising Medicare premiums and the increase in the retirement age means that Social Security will replace just 32 percent of the pre-retirement income of an average earner.[12]

Some would argue that reducing the percentage of pre-retirement income that future retirees receive is not a benefit cut, if initial benefits keep pace with inflation. But the purpose of Social Security is to provide Americans with the foundation for a secure retirement. If Social Security replaces a smaller share of pre-retirement earnings, it means a drop in living standards for future retirees compared both to their own living pre-retirement standard of living and to the standard of living enjoyed by the rest of society.

Financial planners generally recommend aiming for a retirement income that is 70 percent of preretirement income; if Social Security provides a smaller percentage of pre-retirement income, workers will have a much larger gap to fill. Given what's happening with other sources of retirement income, that's likely to mean a larger drop in living standards for future retirees. In addition, if initial Social Security benefits for future beneficiaries don't keep pace with the growth in average wages, but only with the increase in prices, their benefits won't reflect the increase in overall living standards during the years they were working. As Edward Gramlich – noted economist, former Chair of the Social Security Advisory Commission and former Federal Reserve governor observed in 2004, "If the system had not been wage indexed, [retirees] would be living today at 1940s living standards."[13]

Other sources of retirement income are also declining

The decline in already modest Social Security benefits is particularly worrisome because other sources of retirement income are also declining. Even before the start of the Great Recession, defined benefit pensions were disappearing. In 2010, only about 20 percent of the private sector workforce was covered by a defined benefit pension plan.[14] Thus, for the vast majority of Americans, Social Security will be their only source of secure, lifetime income in retirement.

The shift by employers from defined benefit to defined contribution plans did not increase the percentage of workers covered by employer-sponsored retirement plans. About half of the workforce did not participate in any sort of an employer-sponsored retirement plan in 2010,[15] a percentage that has barely changed in thirty years.[16] In addition, even those workers who participate in employer-sponsored retirement savings plans are unlikely to have saved enough to provide for a secure retirement: in 2007, before the start of the recession, the median retirement account balances for householders approaching retirement (that is, aged 55-64) was $100,000.[17]

Moreover, the recent recession had a disastrous impact upon retirement savings. The value of the equities in which 401(k) and IRA account holders had invested dropped precipitously; in 2010, two-thirds of individuals over the age of 50 reported that their retirement savings account balances had declined in the previous three-year period.[18] Many employers suspended employer matches of employee contributions to 401(k)-type plans.[19] As of March 2008, one-fifth of all private sector workers participating in defined benefit plans were affected by a "freeze" of their defined benefit plan.[20] A significant percentage of workers reduced their contributions, or stopped contributing altogether, to their employer-sponsored retirement savings accounts.[21] Workers who were unemployed had to dip into their 401ks or IRAs, and were more likely to do so the longer they were unemployed.[22]

Although the stock market has recovered much of the value it lost during the financial crisis, instability remains, and the impact of freezes and withdrawals on account balances will persist. In addition, many older Americans not only saw their retirement savings decline, but also lost value in their homes – a major asset – or accumulated high-cost credit card debt.[23] Accordingly, the percentage of Americans estimated to be "at risk" for income insecurity in retirement has risen from 44 percent to 51 percent as a result of the recession.[24]

Social Security benefits should be protected, not cut.

The fact that Social Security benefits are critically important, already modest, already shrinking, yet more important than ever because other sources of retirement income are becoming less secure adds up to a compelling case for protecting and improving Social Security benefits. So it's worrisome that proposals are being advanced that would cut Social Security benefits and expose millions of Americans to greater insecurity and hardship.

One proposal that is reportedly being considered in the context of deficit reduction negotiations would change the way the cost-of-living adjustment is calculated in Social Security. Including cuts to Social Security in a package to reduce the federal deficit is inappropriate for two reasons. First, Social Security hasn't contributed to our current federal deficits. It's a social insurance program with its own dedicated financing and a Trust Fund of over $2.6 trillion, built up by the contributions of workers and employers, to help finance the retirement of the baby boomers. Americans are counting on the pension and insurance benefits they've earned; those benefits shouldn't be cut because there's an imbalance in the rest of the federal budget. Second, as this hearing has shown, Social Security is a large and complex program that touches the lives of virtually every American at some stage. Changes to Social Security should be considered carefully by this Subcommittee through regular order, to ensure that the impacts on diverse beneficiaries are fully considered.

For example, NWLC's analysis of the proposal to change the index used to calculate the COLA by switching to the "chained Consumer Price Index" – which sounds like just a technical change – found that it would have a particularly harmful impact on the economic security of older women. Switching to the chained CPI would reduce the annual COLA – and the cuts from a reduced COLA grow deeper with every year of benefit receipt. Women would face the most painful cuts from this proposal for several reasons. They would experience the deepest cuts because of their longer life expectancies. They rely more on income from Social Security than men do, especially as they age – so the same percentage cut in Social Security represents more of their total income. And older women are already at greater risk of poverty and economic insecurity.[25]

The cuts from switching to the chained CPI add up over time. For example, for a woman who gets a benefit of $1,100 a month at age 65 – about the median monthly benefit for all single women 65 and older – the reduced COLA would mean $56 less per month at age 80. That may not sound like a lot of money to some people. But for a woman who depends on her Social Security check to get by, it represents the loss of a week's worth of food – every month. And the cuts get deeper as women get older. At age 90, the cuts would be equivalent to 20 weeks of food that year.

Switching to the chained CPI can't be justified on the grounds that it is a more accurate measure of changes in the cost of living for Social Security beneficiaries. In fact, the current COLA already underestimates the effects of inflation on the elderly because it fails to account for a crucial fact—that older people spend a much larger share of their budget on health care, where costs are rising much more quickly than with other expenses.

But even in the context of a discussion about extending the solvency of Social Security for 75 years or beyond, the ultimate goal must be clear. Improving Social Security's solvency is important—it assures current and future workers that they will get the benefits they have earned and are counting on for themselves and their families. But achieving solvency—making Social Security's books balance over an extended period—is not an end in itself. You can achieve solvency simply by cutting benefits deeply enough. But restoring solvency to the Social Security program primarily by cutting the Social Security benefits Americans depend on is like curing a stubbed toe by cutting off a foot.

Unfortunately, a number of current proposals for restoring solvency do rely primarily on benefit cuts. For example, the report endorsed by 11 members of the President's Commission on Fiscal Responsibility and Reform, chaired by Erskine Bowles and former Senator Alan Simpson[26] relies on benefit cuts for two-thirds of the savings over the next 75 years and four-fifths of the savings in the 75th year.[27]

The Bowles-Simpson plan proposes to cut Social Security benefits three ways: by increasing the full retirement age further, to age 69; reducing the COLA by switching to the chained CPI; and changing the benefit formula. As discussed earlier, increasing the retirement age and a reduction in the COLA are both across-the-board benefit cuts that affect workers at all earnings levels. The change in the benefit formula proposed in the Bowles-Simpson report has been called "progressive" because it would cut benefits more deeply for middle- and higher-income workers than for lower earners. But this benefit formula change doesn't spare the poor; the cuts begin for workers with average earnings of about $9,000 per year.

Under the Bowles-Simpson plan, the COLA cut would take effect immediately. The retirement age increase and benefit formula change would phase in over time, so today's children and grandchildren, in whose name the plan has been advanced, would face the deepest cuts.[28] For workers with medium earnings – about $43,000 per year in today's dollars – the combined cuts in the Bowles-Simpson plan would reduce benefits for by 13 percent in 2050 and 19 percent in 2080. For workers whose earnings averaged $69,000 per year, the combined cuts would be 27 percent in 2050 and 35 percent in 2080. And these are the cuts at age 65 – the COLA change would reduce benefits further as these beneficiaries age.[29]

The Bowles-Simpson report recognizes the need to improve Social Security benefits for vulnerable beneficiaries. It proposes two specific benefit enhancements: an improvement in the special minimum benefit and a small bump-up in benefits that starts phasing in 20 years after initial eligibility. But these proposals aren't add-ons to existing benefits; they're part of a plan that includes deep benefit cuts. Many beneficiaries at the lowest earnings levels would get nothing from these proposals, or would find that they offset only a portion of the plan's benefit cuts.[30]

Some proposals advanced in this Congress would cut benefits more quickly, more deeply, or both, than the Bowles-Simpson proposals. H.R. 2109, the Savings Account for Every American Act, introduced by Representative Sessions, would allow workers to divert their payroll tax contributions into private accounts. That would reduce funding for Social Security to pay promised benefits and accelerate the date of Trust Fund exhaustion. In response to a question at a hearing before this Subcommittee last month, Social Security's Chief Actuary, Stephen Goss, stated that the ability of Social Security to pay benefits to current retirees, or those nearing retirement, would be severely compromised. Under H.R. 2109, workers who elect accounts would be ineligible to receive Social Security benefits on earnings after that election – including not only their own retirement benefits, but disability benefits and benefits for family members.

The budget proposed by the Republican Study Committee would accelerate the increase in the retirement age, cutting benefits for all those currently under 60, and raise the retirement age to 70 for those born in 1975 or later.[31] A bill introduced by Senator Hutchison, S. 1213, the "Defend and Save Social Security Act," would start raising the full retirement age for those reaching age 62 in 2017 and reach age 69 for individuals reaching age 62 in 2027; the Early Eligibility Age, now age 62, would also be increased gradually to age 64. By 2030, these changes to the retirement age would reduce benefits by 13.5 percent at age 65 at all benefit levels.[32] In addition, Senator Hutchison's bill would reduce the COLA by one percentage point per year (by comparison, switching to the chained CPI would reduce benefits by 0.3 percentage points per year). For workers at all earnings levels who begin receiving benefits in 2030 or later, the full proposal would reduce benefits at age 75 by 23 percent; at age 85 by 30 percent; and age 95 by 36 percent. "The Social Security Solvency and Sustainability Act," S. 804, introduced by Senators Graham, Paul and Lee, would accelerate the increase in the retirement age, starting with individuals reaching age 62 in 2017; reach age 70 for individuals reaching age 62 in 2032; and be indexed after that to maintain a constant ratio of retirement years to potential work years. In addition, S. 804 would modify the benefit formula; reductions would start for workers with earnings above the 40th percentile (equivalent to $30,900 in 2010) and increase for higher earners. This proposal would reduce benefits for very low earners ($10,771 in 2010) by 12 percent in 2030, 22 percent in 2050, and 29 percent in 2080. It would reduce benefits for medium earners ($43,084 in 2010) by 16 percent in 2030, 32 percent in 2050, and 39 percent in 2080. For "high" earners ($68,934 in 2010), it would reduce benefits by 20 percent in 2030, 41 percent in 2050, and 49 percent in 2080.[33]

The nation can afford to protect and strengthen Social Security

There is no need, and no justification, for cutting the Social Security benefits that are so critical to the economic security of Americans young and old. Social Security is not in crisis. With no changes, Social Security's dedicated revenues and reserves can pay 100 percent of promised benefits until 2036. At that point, the Trust Fund will be exhausted, but the incoming revenues will cover about 75 percent of promised benefits for the remainder of the 75-year period. In contrast, in 1983, Social Security was within months – not decades – of exhausting the Trust Fund and having insufficient funds to pay full benefits.

It would be better to make adjustments sooner rather than later. But Congress certainly has the time to do it right.

Social Security's costs are manageable. They will increase because the population is aging, peaking at 6.2 percent of GDP in 2035. But – in contrast to health care – Social Security's costs will decline slightly after that and stabilize, remaining at about 6 percent of GDP for the remainder of the next 75 years.

To put Social Security's financial challenges into perspective: as a share of the economy, the increased cost of Social Security between now and 2035 is smaller than the growth in spending for public education that occurred when the baby boomers were children.[34] The cost of eliminating the 75-year shortfall in Social Security is only slightly less than the revenue loss from extending the Bush-era tax cuts just for people making over $250,000 — the top 2 percent of Americans.[35]

If Congress chooses to focus on protecting Social Security benefits, rather than cutting them, the testimony of Chief Actuary Stephen Goss to this Subcommittee and a report of the National Academy of Social Insurance present a variety of options for raising revenue that could eliminate the shortfall – and finance needed benefit improvements.[36]

Social Security benefits should be improved

Half of American households are at risk of not having enough income to maintain their standard of living in retirement, and when health care costs are included, the number rises to six in ten.[37] Congress should be looking at ways to increase Americans' retirement security – and improving Social Security benefits is the most effective strategy for doing that.

Social Security already has many of the features of an ideal pension system. It's virtually universal; fully portable between jobs; covers low-paid, part-time and temporary workers and the self-employed; provides secure, predictable, life-long retirement benefits not subject to the ups and downs of the market or the risk of depletion prior to reaching retirement; is adjusted to keep up with increases in the cost of living; provides benefits to spouses, surviving spouses, and divorced spouses, and dependent children; includes disability and life insurance protections as well as retirement benefits; imposes few responsibilities on employers; and is highly efficient, spending less than 1% of the funds collected each year on administrative costs.[38]

There are a number of ways to improve the adequacy of Social Security benefits. Some are targeted to vulnerable populations, including: increasing the special minimum benefit for low earners; providing credits for caregiving years; increasing benefits for widowed spouses of lower-earning couples; reinstating the student benefit; increasing benefits for long-term beneficiaries; reducing work disincentives for people with disabilities; and eliminating restrictions on benefits for disabled widows. Recognizing that retirement insecurity is a widespread problem, other proposals would improve benefits more broadly; for example, by increasing the basic benefit by a fixed amount or adopting a more accurate cost-of-living adjustment that would increase annual adjustments to reflect beneficiaries' higher health care costs.[39]

In addition, Congress should consider improvements to Supplemental Security Income, a program that provides income support to low-income elderly people and people with disabilities. The $20 per month "unearned income" disregard (Social Security benefits are considered "unearned") and $2,000 per person, $3,000 per couple asset limit have not been changed in decades, and benefits fall short of a poverty-level income.

Polls show bipartisan opposition to Social Security cuts and bipartisan support for raising revenue to strengthen Social Security

A 2010 poll of election voters by Lake Research Partners found overwhelming opposition (82 percent) to cutting Social Security benefits in order to reduce the deficit, with 83 percent of Democrats, 82 percent of Republicans, 78 percent of Independents, and 74 percent of Tea Party supporters opposed. Cutting Social Security benefits to make the program solvent in the long term was opposed by 67 percent overall: 78 percent of Democrats, 58 percent of Republicans, 66 percent of Independents, and 51 percent of Tea Party supporters. Large majorities across the political spectrum opposed raising the retirement age to 69 and reducing Social Security benefits for people earning above $60,000.

Even more striking is the strong support across the political spectrum for taxing wages above $106,800 for Social Security: 73 percent of Democrats, 59 percent of Republicans, 66 percent of Independents, and 60 percent of Tea Party supporters supported this approach to making the program more solvent.[40]

In a 2009 poll by the National Academy of Social Insurance and the Rockefeller Foundation, over 70 percent in every age group – including 79 percent of those ages 18 to 34 -- agreed that "it is critical that we preserve Social Security for future generations even if it means increasing working Americans' contributions to Social Security taxes." And, although most Americans pay more in Social Security payroll taxes than they do in federal income taxes, over 80 percent of Democrats, Republicans, and Independents agreed that, "I don't mind paying Social Security taxes because it provides security and stability to millions of retired Americans, the disabled, and children and widowed spouses of deceased workers."[41]

Indeed it does, and it can and should continue to provide this support. I thank the Subcommittee for giving me this opportunity to testify.

[1] National Academy of Social Insurance, *Social Security Benefits, Finances, and Policy Options: A Primer* 4 (May 2011), *available at* http://www.nasi.org/sites/default/files/research/NASI_Social_Security_Primer_May%202011.pdf (last visited July 7, 2011).

[2] All data in this paragraph are from U.S. Social Security Administration, *Income of the Population 55 or Older, 2008* tbl. 9.A1 (2010), *available at* http://www.ssa.gov/policy/docs/statcomps/income_pop55/2008/index.html (last visited July 7, 2011) (hereinafter "*Income of the Population 55 and Older*").

[3] All data in this paragraph are from NWLC calculations based on U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplement* (2010) (using CPS Table Creator II, *available at* http://www.census.gov/hhes/www/cpstc/apm/cpstc_altpov.html (last visited July 7, 2011)).

[4] U.S. Social Security Administration, *Annual Statistical Supplement to the Social Security Bulletin 2010*tbl. 5.A16 (2011), *available at* http://www.ssa.gov/policy/docs/statcomps/supplement/index.html (last visited July 7, 2011).
[5] *Id.* at tbl. 2.A26.
[6] Kathy A. Ruffing & Paul N. Van de Water, Center on Budget and Policy Priorities, *Social Security Benefits Are Modest: Policy Makers Have Only Limited Room to Reduce Benefits Without Causing Hardship* (Jan. 11, 2011), *available at* http://www.cbpp.org/files/1-11-11socsec.pdf (last visited July 7, 2011).
[7] *Income of the Population 55 and Older*, *supra* note 2, at tbl. 11.1.
[8] Wider Opportunities for Women, *National Elder Economic Security Index* (Nov. 2010), *available at* http://www.wowonline.org/documents/NationalFactSheetNovember2010.pdf (last visited July 7, 2011).
[9] Ruffing & Van de Water, *supra* note 6, at 3.
[10] *Income of the Population 55 and Older*, *supra* note 2, at tbl. 3.A6.
[11] Ruffing & Van de Water, *supra* note 6, at 6.
[12] *Id.* at 7.
[13] Robert Greenstein, Center on Budget and Policy Priorities, *So-Called "Price Indexing" Proposal Would Result in Deep Reductions over Time in Social Security Benefits* 9 (Jan. 28, 2005), *available at* http://www.cbpp.org/files/12-17-04socsec.pdf2 (last visited July 7, 2011) (citing Greg Ip, "Social Security: Five Burning Questions," *Wall Street Journal Online* (Dec. 19, 2004)).
[14] U.S. Dep't of Labor, Bureau of Labor Statistics, *Employment Benefit Survey, Retirement Benefits: Access, Participation, and Take-up Rates Data Table* tbl. 2 (March 2010), *available at* http://www.bls.gov/ncs/ebs/benefits/2010/ownership/private/table02a.htm (last visited July 7, 2011).
[15] *Id*. (reporting that about 65% of private-sector workforce had access to employer-sponsored retirement savings plan in 2010 and about 50% of private-sector workforce participated in an employer-sponsored retirement savings plan).
[16] Testimony of Ross Eisenbrey, Vice President, Economic Policy Institute, to the Senate Committee on Health, Education, Labor and Pensions, *The Wobbly Stool: Retirement (In)security in America* 6 (Oct. 7, 2010), *available at* http://help.senate.gov/imo/media/doc/Eisenbrey.pdf (last visited July 7, 2011).
[17] Patrick Purcell, Congressional Research Service, *Retirement Savings and Household Wealth in 2007* tbl. 5 (Apr. 8, 2009), *available at* http://assets.opencrs.com/rpts/RL30922_20090408.pdf (last visited July 7, 2011).
[18] Sara Rix, AARP Public Policy Institute, *Recovering from the Great Recession: Long Struggle Ahead for Older Americans* 9 (May 2011), *available at* http://assets.aarp.org/rgcenter/ppi/econ-sec/insight50_recovering.pdf (last visited July 7, 2011).
[19] Alicia H. Munnell & Laura Quinby, Center for Retirement Research at Boston College, *Why Did Some Employers Suspend Their 401(k) Match?* 4 (February 2010), *available at* http://crr.bc.edu/images/stories/Briefs/IB_10-2.pdf (last visited July 7, 2011) (estimating that over 200 companies suspended 401(k) matching contributions between January 2008 and November 2009).
[20] U.S. Dep't of Labor, Bureau of Labor Statistics, *The Editor's Desk, Frozen Defined Benefit Pension Plans in March 2008* (Aug. 31, 2009), *available at* http://www.bls.gov/opub/ted/2009/ted_20090831.htm (last visited July 7, 2011).
[21] *See, e.g.*, AARP, *Retirement Security or Insecurity? The Experience of Workers Aged 45 and Older* fig. 1 (Oct. 2008) (reporting that 20% of workers surveyed reported that they had stopped putting money into a retirement account in the prior year), *available at* http://assets.aarp.org/rgcenter/econ/retirement_survey_08.pdf (last visited July 7, 2011).
[22] Transamerica Center for Retirement Studies, *Out of Work in America: Helping Improve the Retirement Outlook for the Unemployed* 15 (2011), *available at* https://www.ta-retirement.com/resources/TCRS_12th_Annual_Survey-Unemployed_Report.pdf (last visited July 7, 2011).
[23] Rix, *supra* note 18, at 2.
[24] Alicia H. Munnell, Anthony Webb & Francesca Golub-Sass, Center for Retirement Research at Boston College, *The National Retirement Risk Index: After The Crash* 1 (Oct. 2009), *available at* http://crr.bc.edu/images/stories/Briefs/IB_9-22.pdf (last visited July 7, 2011).
[25] Joan Entmacher & Katherine Gallagher Robbins, National Women's Law Center, *Cutting the Social Security COLA by Changing the Way Inflation Is Calculated Would Especially Hurt Women* (June 2011), *available at* http://www.nwlc.org/resource/cutting-social-security-cola-changing-way-inflation-calculated-would-especially-hurt-women (last visited July 7, 2011).
[26] Erskine Bowles & Alan Simpson, Co-Chairs, National Commission on Fiscal Responsibility and Reform, *The Moment of Truth: Report of the National Commission on Fiscal Responsibility and Reform* (2010), *available at*

http://www.fiscalcommission.gov/sites/fiscalcommission.gov/files/documents/TheMomentofTruth12_1_2010.pdf (last visited July 7, 2011) (hereinafter "Bowles-Simpson Report").

[27] Ruffing & Van de Water, *supra* note 6.

[28] Virginia Reno & Elisa Walker, National Academy of Social Insurance, *Social Security Across Generations: Benefit Cuts Will Fall on Today's Children and Grandchildren* (Jan. 2011), *available at* http://www.nasi.org/sites/default/files/research/SS%20Fact%20Sheet%20No.01_Social%20Security%20Across%20Generations.pdf (last visited July 7, 2011).

[29] U.S. Social Security Administration, Office of the Chief Actuary, *Memo to Fiscal Commission Bipartisan Policy Center's Debt Reduction Task Force: Enhanced benefit illustrations for the December 1, 2010 plan developed by National Commission on Fiscal Responsibility and Reform and the November 17, 2010 plan developed by the Bipartisan Policy Center's Debt Reduction Task Force* (Feb. 2, 2010), available at http://www.ssa.gov/oact/solvency/index.html (last visited July 7, 2011). These estimates assume that average earners would get some relief from the "illustrative hardship exemption" from the increase in the retirement age. The Bowles-Simpson Report did not endorse that hardship exemption, however; without it, the cuts would be deeper.

[30] *Id.*

[31] Republican Study Committee, *Honest Solutions: Fiscal Year 2012 Budget* 17 (Apr. 2011) *available at* http://rsc.jordan.house.gov/UploadedFiles/Honest_Solutions_Final.pdf (last visited July 7, 2011).

[32] U.S. Social Security Administration, Office of the Chief Actuary, *Memo to Senator Kay Bailey Hutchison: Estimated Financial Effects of a Proposal to Restore 75-Year Solvency for the Social Security Program Requested by Senator Kay Bailey Hutchison* (June 9, 2011), *available at* http://www.ssa.gov/oact/solvency/index.html (last visited July 7, 2011).

[33] U.S. Social Security Administration, Office of the Chief Actuary, *Memo to Senators Graham, Paul and Lee: Estimated Financial Effects of "The Social Security Solvency and Sustainability Act"; legislation introduced as S. 804 (112th Congress) on April 13, 2011 by Senator Lindsey Graham, Senator Rand Paul, and Senator Mike Lee* (April 13, 2011), available at http://www.ssa.gov/oact/solvency/index.html (last visited July 7, 2011).

[34] Virginia Reno & Joni Lavery, National Academy of Social Insurance, *Can We Afford Social Security When Baby Boomers Retire?* (May 2006), *available at* http://www.nasi.org/research/2006/can-we-afford-social-security-when-baby-boomers-retire (last visited July 7, 2011).

[35] Kathy A. Ruffing, Center on Budget and Policy Priorities, *What the 2011 Trustees' Report Shows About Social Security* 1 (May 2011), *available at* http://www.cbpp.org/files/5-24-11socsec.pdf (last visited July 7, 2011).

[36] *See* Testimony of Stephen C. Goss, Chief Actuary, Social Security Administration to the House Committee on Ways and Means Subcommittee on Social Security (June 23, 2011), *available at* http://waysandmeans.house.gov/UploadedFiles/Goss_Testimony.pdf (last visited July 7, 2011); Virginia P. Reno & Joni Lavery, National Academy of Social Insurance, *Fixing Social Security: Adequate Benefits, Adequate Financing* (October 2009), *available at* http://www.nasi.org/sites/default/files/research/Fixing_Social_Security.pdf (last visited July 7, 2011).

[37] National Retirement Risk Index, Center for Retirement Research at Boston College, *available at* http://crr.bc.edu/special_projects/national_retirement_risk_index.html (last visited July 7, 2011).

[38] Virginia Reno & Joni Lavery, National Academy of Social Insurance, *Social Security and Retirement Income Adequacy* (May 2007), *available at* http://www.nasi.org/publications2763/publications_show.htm?doc_id=482679 (last visited July 7, 2011).

[39] *See* Reno & Lavery, National Academy of Social Insurance, *supra* note 36.

[40] Strengthen Social Security, *Highlights of 2010 Election Voters' Opinions About Social Security Based on Lake Research Partners Survey, 10/31-11/2* (2010), *available at* http://socialsecurity-works.org/wp-content/uploads/2011/06/poll.pdf (last visited July 7, 2011).

[41] National Academy of Social Insurance, *Economic Crisis Fuels Support for Social Security: Americans' Views on Social Security* (August 2009), *available at* http://www.nasi.org/research/2009/economic-crisis-fuels-support-social-security (last visited July 7, 2011).