

## Social Security Expansion Act Fact Sheet

Social Security is one of the most popular and successful government programs in the history of our country. For more than [80 years](#), through good times and bad, Social Security has paid out every benefit owed to every eligible American on time and without delay.

In 2020, Social Security lifted [22 million Americans](#) out of poverty, including more than 16 million seniors. Before it was created in 1935, about half of our nation's seniors were [living in poverty](#). Today the senior poverty rate is just [8.9 percent](#).

Yet, despite this success, tens of millions of seniors are [still struggling](#) to get by and many older workers fear that they will never be able to retire with security and dignity.

The most recent evidence indicates that around [one in every seven seniors](#) rely on Social Security for more than 90 percent of their income. And to make matters worse, about half of Americans 55 and older [have no retirement savings](#). Meanwhile, the average Social Security benefit is only [\\$1,540 a month](#).

Social Security is not going broke. Social Security has a [\\$2.85 trillion](#) surplus in its trust fund and can pay every promised benefit to every eligible American until the year 2035. After that, the Social Security Administration estimates that there will be enough funding available to pay [80 percent](#) of promised benefits.

Given this reality, our job is not to cut Social Security, as many of our Republican colleagues in Congress want to do. Our job is to expand Social Security and extend its solvency so that everyone in America can retire with the respect that they have earned and deserve after a lifetime of hard work. That's what the Social Security Expansion Act is all about.

The Social Security Expansion Act would:

- **Extend the solvency of Social Security for 75 years** by requiring the wealthiest American households to pay their fair share of taxes. Today, because of the earnings cap on Social Security taxes, a CEO making \$20 million a year pays the same amount of money into Social Security as someone who makes \$147,000 a year. This legislation would lift this cap and subject all income above \$250,000 to the Social Security payroll tax. Under this bill, over 93 percent of households would not see their taxes go up by one penny.
- **Expand Social Security benefits across-the-board for current and new beneficiaries.** Under this bill, Social Security benefits for current and existing recipients would be increased by \$200 a month.
- **Increase Cost-Of-Living-Adjustments (COLAs).** This bill would more accurately measure the spending patterns for seniors by adopting the Consumer Price Index for the Elderly (CPI-E). Older Americans, by and large, are not going out on spending sprees buying big screen TVs, laptops, or the latest high-tech gadgets. Rather, they spend a disproportionate amount of their income on health care and prescription drugs and that would be reflected in the formula for calculating COLAs under this legislation.
- **Require millionaires and billionaires pay their fair share into Social Security.** Currently, workers have 12.4 percent taken out of each paycheck and contributed to the Trust Fund, half paid by the employer and half by the worker. This bill would require the wealthy pay the same 12.4 percent on their investment and business income, by

increasing the net investment income tax by 12.4 percent and applying it to certain business income not already covered by payroll taxes.

- **Improve the Special Minimum Benefit for Social Security recipients.** This bill will help low-income workers stay out of poverty by updating the Special Minimum Benefit to make it increase and indexing the benefit level so that it is equal to 125 percent of the poverty line or about \$17,000 for a single worker who had worked their full career.
- **Restore student benefits up to age 22 for children of disabled or deceased workers,** if the child is a full-time student in a college or vocational school. This legislation restores student benefits to help educate children of deceased or disabled parents that were eliminated in 1983.
- **Combine the Disability Insurance Trust Fund with the Old Age and Survivors Trust fund** to help senior citizens and persons with disabilities.

There are 52 groups who have endorsed the bill:

- AFL-CIO
- The Action Center on Race & the Economy (ACRE)
- American Federation of State, County and Municipal Employees (AFSCME)
- AIDS Healthcare Foundation
- Alliance for Retired Americans
- American Federation of Government Employees (AFGE)
- American Federation of Teachers
- Center for Medicare Advocacy
- Center for Popular Democracy
- Consumer Action
- Economic Opportunity Institute
- Economic Policy Institute
- Generations United
- Gen-Z for Change
- Indivisible
- Justice Democrats
- Justice in Aging
- Labor Campaign for Single Payer
- MoveOn
- National Domestic Workers Alliance
- National Education Association
- National Organization for Women
- National Women's Law Center
- National Committee to Preserve Social Security and Medicare (NCPSSM)
- Our Revolution
- Partners for Dignity & Rights
- People's Action
- PSARA Education Fund
- Public Citizen
- Puget Sound Advocates for Retirement Action
- Social Security Works
- Strengthen Social Security Coalition
- The Backbone Campaign
- UltraViolet

- United Electrical, Radio, & Machine Workers of America
- Vermont State Labor Council, AFL-CIO
- Working Families Party
- AFT Washington
- AFT Washington Retiree Chapter #8045
- Arkansas Community Organizations
- California Alliance for Retired Americans
- CAMPAIGN FOR AMERICA'S FUTURE
- CCAG
- Champaign County Health Care Consumers
- Citizen Action of New York
- Citizen Action of Wisconsin
- DC chapter of National Organization for women (DCNOW)
- Illinois National Organization for Women
- Iowa Citizens for Community Improvement
- Maine People's Alliance
- Physicians for a National Health Program - Washington
- UFCW 3000