REPUBLICANS' EXTREME BUDGET RISKS SENIORS' RETIREMENT SECURITY

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The Republican Study Committee (RSC), which represents 80 percent of House Republicans and 100 percent of their leadership, released a budget that guts programs, puts undue burdens on the American people, and removes safety nets for the most vulnerable citizens. Republicans undermine Social Security by increasing the retirement age and by gradually moving towards a "flat benefit" for both Old Age Survivors Insurance (OASI) and Disability Insurance (DI). The Republican agenda for Social Security renders it unrecognizable, failing to safeguard Americans from poverty caused by income inequality and rising costs.

In contrast, <u>President Biden's 2025 budget</u> includes a series of principles to protect and strengthen Social Security, including no benefit cuts or privatization, asking the highest-income Americans to shoulder their fair share of Social Security taxes, safeguarding the most vulnerable beneficiaries from financial hardship, and investing in staff and services at the Social Security Administration (SSA) to improve the customer experience.

REPUBLICANS CUT BENEFITS BY INCREASING THE RETIREMENT AGE

The RSC increases the retirement age to 69 for Americans who have worked all their lives and paid into the program. For many households, Social Security benefits are the main source of income to meet basic needs. By increasing the full retirement age, Republicans would force an aging population to remain in the workforce longer, potentially worsening the physical and mental health of some workers in physically demanding jobs.

By forcing Americans to work longer for less, their budget would cut Social Security benefits for <u>257</u> <u>million people</u>, or 3 in 4 Americans.

REPUBLICANS MAKE DEEPER CUTS OVER TIME

Republicans change the Primary Insurance Amount (PIA) for future retirees and eventually reduce payments to a flat amount for all beneficiaries. This action betrays workers who would not receive their full benefits according to the present calculation rates. Changing the calculation and issuing a reduced retirement or disability benefit could also result in individuals becoming eligible for other income security programs that are also under attack in the RSC budget.

REPUBLICAN CUTS HARM SPOUSES, CHILDREN, AND VETERANS

Under the RSC budget, auxiliary beneficiaries – spouses and children – will initially receive limited benefits, phasing them out for high income earner families over time; a major cut to Social Security programs. The auxiliary beneficiary cuts also include disabled adult children and children with intellectual disabilities. Such a cut is devoid of fiscal morality toward families, including the most vulnerable in our society.

In 2023, 7.9 million veterans represented 14.1 percent of all adult beneficiaries. The RSC's increase in retirement age, direct benefit cuts, and elimination of auxiliary benefits harm Social Security's veteran population and their families who have already endured unfathomable personal sacrifices for our country and our freedoms.

PRESIDENT BIDEN PROMISES TO PROTECT AND STRENGTHEN SOCIAL SECURITY

Since taking office, President Biden promised to protect Social Security benefits from cuts and privatization and to strengthen its programs while providing the organization support for customer service improvements. The President's budget provides \$15.4 billion in discretionary funding for SSA to increase its workforce for targeting backlogs, modernizing information technology (IT), and conducting program integrity reviews and fraud prosecutions.

PRESIDENT BIDEN IMPROVES SERVICE BY INCREASING THE SSA WORKFORCE

The budget specifically tackles priority challenges in the organization for meaningful and productive customer experiences.

The budget invests in staffing to improve customer service and alleviate workforce challenges of low morale and excessive caseloads. In the past several years, the number of SSA beneficiaries has increased; however, SSA did not see increased staffing levels to manage growing workloads. From 2010 to 2021, SSA experienced a <u>15 percent reduction in staff</u> causing long wait times for disability claims processing, teleservice center call delays, and mounting backlogs. The budget increases staffing levels by nearly 1,700 new employees, which will reduce processing times for initial claims and hearings, alleviate disability backlogs, and improve teleservice center wait times.

PRESIDENT BIDEN INVESTS IN AUTOMATION AND IT MODERNIZATION

The budget builds on the progress already made through systems modernization and technological improvements. SSA has increased digital services through a multi-year IT modernization plan that boosted its online presence and expanded electronic services. The budget provides at least \$1.5 billion for this effort.

PRESIDENT BIDEN INCREASES FUNDING FOR PROGRAM INTEGRITY

The budget provides \$1.6 billion for program integrity efforts in 2025 including conducting continuing disability reviews, Supplemental Security Income (SSI) non-medical eligibility reviews, supporting disability investigative units, and additional attorneys for fraud prosecutions. These initiatives allow the agency to take corrective action on incorrect or improper payments, reduce disability rolls based on medical improvements, and prosecute fraudulent activity within the programs.

Investments in program integrity initiatives gives SSA the ability to perform enforcement actions that will reduce fraud, waste and abuse.

In March 2024, the Democratic Staff of the House Budget Committee released a fact sheet on President Biden's 2025 budget which can be found <u>here</u>.

This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.



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