



## Retirement Security

The three pillars of a secure retirement—Social Security, pensions, and individual savings—have been woefully undermanaged by our elected leaders. Traditional pensions have become much less common and individuals are increasingly responsible for planning and managing their own retirement savings accounts, such as 401(k) plans. Yet research shows that many households are ill-equipped for this task and have little or no retirement savings. Social Security, the earned benefit that virtually every worker contributes to, continues to be a solid piece of the retirement puzzle but long term efforts are needed to stabilize the system. Congress and the federal government must be an active participant in shoring up the ability of workers to retire with dignity.

### **Social Security**

Social Security, under which over 66 million Americans receive benefits, is self-funded through payroll taxes and does not contribute to the deficit. The average Social Security benefit for a retired worker was a modest \$1,348 per month in 2016. However, due to the retirement of the baby-boom generation, reduced birth rates of younger generations, and increased life expectancy, the combined Social Security trust funds are projected to decline beginning in 2020. The reserves are sufficient to pay benefits to 2034 and on a reduced basis thereafter. Policy experts estimate the deficit in the combined trust funds could be eliminated by a 1.29 percent increase in the payroll tax rates paid by both employees and employers or other combinations of adjustments such as lifting the ban on taxing incomes over \$250,000 for the Social Security trust fund.

The United Steelworkers (USW) urges lawmakers to secure and strengthen Social Security by rejecting efforts to privatize the system, reduce field offices, eliminate the Social Security Disability Insurance program, raise the retirement age, means test benefits, or otherwise undermine benefits.

Strengthening and expanding Social Security enjoys widespread support: 72 percent of Americans, including 51 percent of Republicans, “support increasing—not cutting—Social Security benefits by asking millionaires and billionaires to pay more into the system,” according to an October 2016 survey by Public Policy Polling.

**USW supports the Social Security Expansion Act (S. 427 & H.R. 1114).** The legislation would ensure that Social Security could pay every benefit owed to every eligible American for the next 61 years, increase cost-of-living adjustments by more accurately measuring the spending patterns of seniors, and raise the cap on contributions by those making over \$250,000 a year.

### **Multiemployer Pension Remedies Necessary**

Deregulation, changing industries, unbalanced trade policies that have led to facility closures, and the Great Recession have all impacted the retirement savings of millions of Americans who have multiemployer pensions. With over 10 million participants, these plans provide income security and—if adequately funded and expanded—could provide for additional tools for Americans to save.

Unfortunately, some multiemployer pension plans were dramatically impacted after the Great Recession. If left unattended they risk the entire multiemployer pension system and could leave millions of Americans with little retirement savings if they collapsed by wiping out the reserves of the Pension Benefit Guarantee Corp (PBGC).

A proactive solution engages government, industry, and workers in ensuring long term economic security for millions of Americans who are part of the multiemployer pension system. **USW urges the Joint Select Committee on Solvency of Multiemployer Pension Plans to adopt legislation like the Butch Lewis Act. (S. 2147 & H.R. 4444).**