



FOR IMMEDIATE RELEASE
March 23, 2005

Contact: Hannah Siemers
(202) 778-1250

New Report Reinforces Need for Action Now to Strengthen Social Security for Future Retirees

WASHINGTON – Derrick Max, Executive Director of the Coalition for the Modernization and Protection of America’s Social Security (CoMPASS), issued the following statement on the release of the Social Security Trustees report on the financial future of Social Security:

“This new report confirms Social Security’s long-term problems and the need for action by Congress to fix it.

“While Social Security is running surpluses today, the first Baby Boomers will start collecting retirement benefits in just three years and costs will rise quickly. This report shows that by 2017, Social Security will start paying out more than it collects in taxes, deficits will grow, and Social Security will run out of money by 2041. At that time, unless Congress acts, benefits would be abruptly cut by up to 50 percent or taxes would be raised by one-third. Future retirees deserve better.

“The longer we wait to fix Social Security, the worse it becomes. Whatever tough choices are involved today will only be tougher if we put off action. But if Congress adopts reforms now, the changes can be phased in over a number of years.

“If Congress delays action now, it is merely passing buck to a future Congress and passing the bill to our children and grandchildren when they retire. Social Security must be fixed now to head off bigger problems down the line. We must also protect the benefits of retirees and those about to retire. And while we’re at it, we should give younger workers the option of personal retirement accounts so they can build their own retirement nest egg.

“And perhaps most importantly, Americans understand the importance of fixing the system now. In a recent poll by Ayres, McHenry & Associates, two out of three senior voters believe significant changes are needed to ensure their children and grandchildren will get the Social Security benefits they have been promised. In addition, three-fifths of voters age 55 and older believe that offering personal retirement accounts to younger workers is a good idea, so long as nothing changes in their own benefits.”

###

Generations Together (www.generationstogether.net) is a project of the Coalition for the Modernization and Protection of America’s Social Security (CoMPASS). CoMPASS is a 501 (c)(4) with the mission of educating the public on, and advocating for, fundamental Social Security reform.