NATIONAL ACADEMY
OF SOCIAL INSURANCE

Social Security at 90:

A Bipartisan Roadmap for the Program's Future

A Survey with Trade-Off Analysis
January 2025

National Academy of Social Insurance
AARP | NIRS | U.S. Chamber of Commerce

The National Academy of Social Insurance

Founded in 1986, the National Academy of Social Insurance is a nonprofit, nonpartisan organization made up of the nation's leading experts on social insurance policy, practice, research, and innovation. From Social Security and Supplemental Security Income; to Medicare, Medicaid, and the Affordable Care Act; to Workers' Compensation and Unemployment Insurance; to the Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, and income-boosting tax credits, America's social insurance ecosystem serves as the bedrock of economic protection against the risks of life — such as when we retire, lose a job, experience disability/illness, or lose a family breadwinner. For nearly 40 years, the Academy and its powerful, diverse member network have championed the safeguarding, strengthening, and modernizing of social insurance and worked to increase public understanding of how it contributes to economic security.

For more information, visit www.nasi.org.

The Academy is grateful to AARP, the National Institute for Retirement Security, and the U.S. Chamber of Commerce, our core partners in this public opinion research initiative. We are also grateful to AARP and the Retirement Research Foundation for their support of this work. Rebecca Vallas, the Academy's Chief Executive Officer, oversaw this public opinion research initiative and the preparation of this report. As with all Academy reports, this report was reviewed by Academy Member and Board Member experts to ensure that it meets the organization's standards for clarity, completeness, accuracy, and objectivity, and we are grateful to the many Board Members and Academy Members who provided comments and edits in the course of peer and Board review. Special thanks to Jason Fichtner, Paul Van de Water, Deb Whitman, Kathleen Romig, Chantel Boyens, Elisa Walker for helpful comments, and to Kathryn Edwards for her assistance with preparing an early draft. The findings of this report do not represent recommendations from Academy staff, its Members, or its Board of Directors. Greenwald Research partnered with the Academy in conducting this study the nonpartisan research organization NORC at the University of Chicago fielded the survey.

Greenwald Research

Greenwald Research is a market research firm headquartered in Washington, D.C. Founded in 1985, the firm has extensive experience in both quantitative and qualitative analysis of public opinion and consumer preferences in fields ranging from financial services to health, retirement, and aging policy. The firm's principal, Mathew Greenwald, Ph.D., was formerly the director of social research at the American Council of Life Insurers and has been a member of the National Academy of Social Insurance since 2002.

For more information, visit www.greenwaldresearch.com.

Table of Contents

Executive Summary

As it marks its 90th anniversary, Social Security has become the foundation of economic security for almost all Americans, providing a suite of insurance that protects workers and their families in the event of retirement, disability, or death.

However, Social Security faces a long-term financing gap. According to the 2024 trustees report, Social Security will have sufficient funds to pay all scheduled benefits until 2035. While lawmakers have never failed to act to ensure that legislated benefits are paid in full, if Congress does not act, the trustees project that revenues coming into the system from worker and employer contributions and from beneficiaries' income taxes on benefits would cover just over 80 percent of scheduled benefits that year. All current and future beneficiaries would see an across-the-board benefit reduction sufficient to cover the projected shortfall in 2035.

This study explores Americans' preferred approach to addressing Social Security's financing gap. The National Academy of Social Insurance, AARP, the National Institute on Retirement Security, and the U.S. Chamber of Commerce collaborated with Greenwald Research to conduct a survey in October and November of 2024. Unlike the vast majority of existing public opinion research on Social Security, this survey included trade-off analysis to capture a more holistic picture of Americans' views on how lawmakers should address the program's finances.

Key Findings

Social Security is the Cornerstone of Americans' Retirement Security

A key finding is the importance of Social Security to Americans' retirement security. Across income and education levels, political lines, and generations, virtually all respondents who are not currently receiving benefits (81 percent) stated that Social Security will be important or very important to their monthly income when they retire; just 4 percent said it would not be important.

Americans Want to Strengthen the Program's Finances by Raising Revenues

This survey's primary finding is that Americans overwhelmingly want to see Social Security's financing gap closed by bringing in more revenues—and are willing to contribute more to strengthen the program's finances. When asked which statement comes closest to their view, 85 percent of respondents selected either that we should ensure benefits are not reduced, or that we should increase benefits, even if it means raising taxes on some or all Americans. Only 15 percent of respondents selected the response that we shouldn't raise taxes on any American even if it means benefits are reduced. This broad preference for raising revenues versus reducing benefits cuts across political, income, education, and generational lines; among Republicans, more than 3 in 4 prefer increasing revenues to benefit reductions, with more than 9 in 10 Democrats and more than 8 in 10 Independents sharing this preference.

Of all the policies tested, respondents most strongly preferred lifting the payroll tax cap. Respondents also strongly supported increasing the payroll tax rate from 6.2 percent to 7.2 percent for both employers and employees, to ensure solvency and maintain current benefits. Changes that would result in lower benefits, such as raising the retirement age or adopting cost-of-living adjustments, had little support.

Americans Prefer a Package of Changes That Eliminates the Financing Gap and Makes Targeted Improvements to Benefits

The trade-off analysis finds that, compared with the status quo, 82 percent of respondents prefer a package of changes that increases revenues, pays for targeted benefit improvements, and eliminates the financing gap. Trade-off analysis is a market research technique often used to learn which combinations of product features – or in this case, policy changes – consumers prefer *and* are willing to pay for.

The preferred package would:

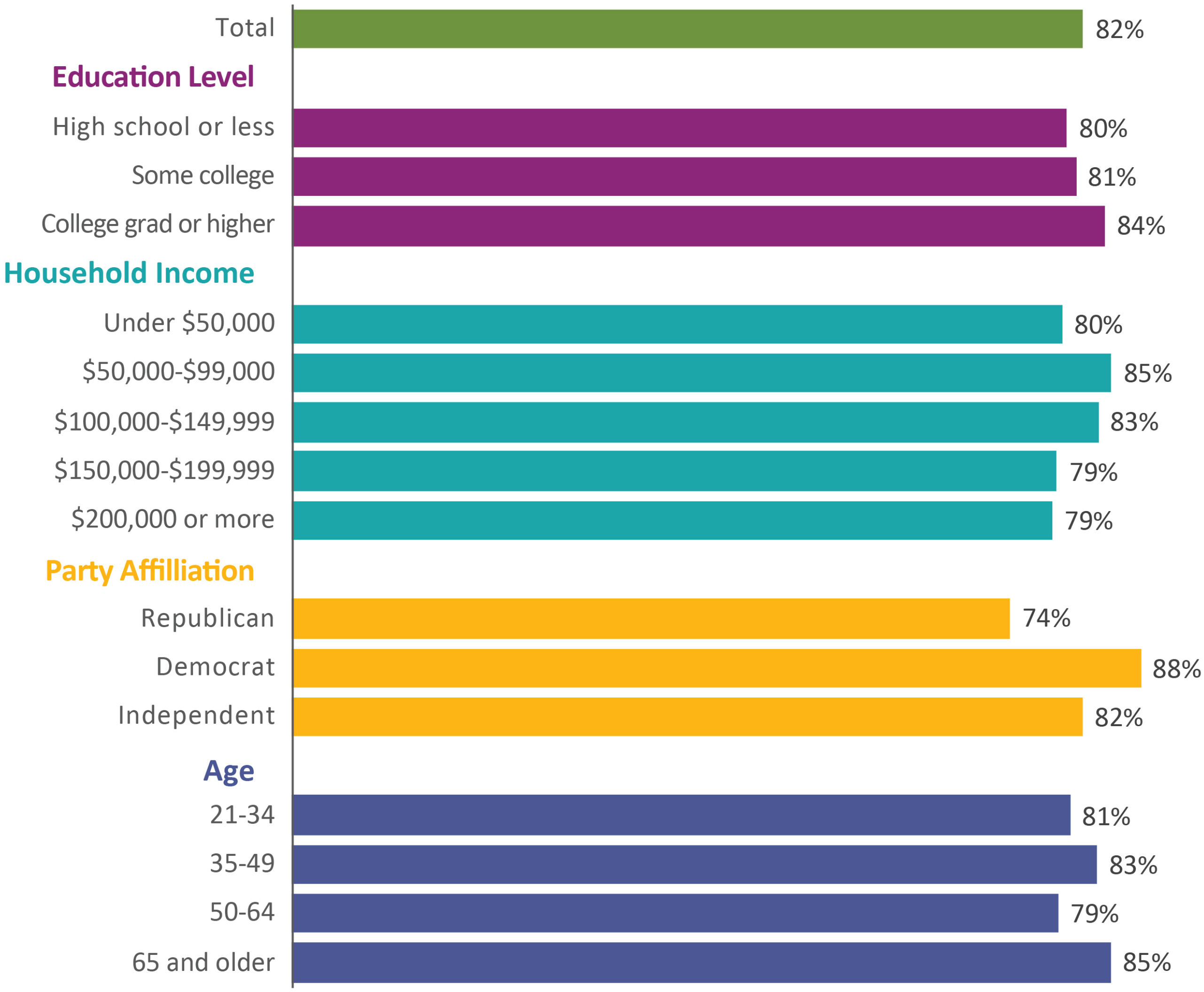
- ***Eliminate the payroll tax cap for earnings above $400,000.*** The existing cap, currently at $176,100, would be preserved, while those making more than $400,000 per year, and their employers, would contribute to Social Security via payroll taxes on wages above that amount. Those affected would not receive additional benefits. This policy option was the most popular of all policy options tested.
- ***Gradually raise the payroll tax rate from 6.2 percent to 7.2 percent for both employers and employees.*** A worker earning $50,000 per year would contribute an additional $42 per month. This policy option was nearly as popular as reforming the payroll tax cap.
- ***Adjust the annual cost-of-living adjustment (COLA) to more accurately reflect inflation and the spending habits of older Americans.***
- ***Provide a caregiving credit*** for people who take time out of the workforce to care for children under 6— a group of workers who receive significantly lower benefits than other workers under current law.
- ***Provide a bridge benefit for older workers with a history of physically demanding work,*** to protect them from Social Security's early retirement reduction.
- ***Reduce benefits for beneficiaries with higher incomes in retirement.*** The preferred package also included an option to reduce Social Security benefits for beneficiaries whose retirement incomes, not including Social Security, are $60,000 or more per year, or for married couples, $120,000 or more per year.

These changes together would eliminate Social Security's projected long-term financing gap, restoring a small surplus. This package is preferred over the status quo by 8 in 10 respondents across political lines, generations, income, and education.

The preferred package included no increase to the retirement age, no across-the-board benefit bump for future beneficiaries, and no change to the current taxation of benefits.

Notably, while the preferred package does include reducing benefits for beneficiaries with significant retirement incomes from non-Social Security sources, that was by far the least popular option in the overall package, and there is an almost even split of opinion on it. It is likely that people opted to reduce benefits for those with higher incomes in retirement to create a package that solved the entire financing gap; without that option, the package described above would not have fully closed the gap. This underscores the value of trade-off analysis: it forces respondents to weigh the costs of options holistically versus considering individual options in isolation.

Figure 1. **Support for the Preferred Package of Policy Options in Trade-Off Analysis**



The Preferred Package included the most popular policies within each category. These results show the percent selecting this package when compared to 'No Changes'.
Source: National Academy of Social Insurance Survey, January 2025

Certain Changes Have a Strong Impact on the Appeal of Policy Packages

The trade-off analysis shows that the following specific changes strongly increase the appeal of a package:

- Applying payroll tax on earnings over $400,000 that are taxed for Social Security.
- Gradually increasing the Social Security tax rate from 6.2 percent to 7.2 percent.
- Keeping Social Security's full retirement age at 67 instead of further raising it.

By contrast, the following options strongly decrease a package's appeal:

- Not changing the tax cap.
- Decreasing the cost-of-living adjustment by basing it on a different calculation that increases the amount more slowly than the current method.
- Increasing benefits by $250 a month for all new beneficiaries.
- Increasing the full retirement age from 67 to 69.

Americans Value and Want to Strengthen Social Security's Disability Protections

This survey finds that Americans understand that Social Security is more than a retirement program and that they strongly value its disability insurance protections. The overwhelming majority of Americans (90 percent) say that Social Security's disability insurance would be important to their income if they experienced a work-limiting disability, with just 2 percent saying it would not be important.

The Social Security system also includes a second program, not funded by the trust funds, which provides modest income support to very low-income individuals who are 65 and older and/or disabled and who have very limited resources: Supplemental Security Income (SSI). This survey also finds broad, bipartisan support for reforming SSI's asset limits, marriage penalties, and income rules, which have not been updated in decades.

A Clear Message to Policymakers

Nearly four generations of Americans—98 percent of the U.S. population alive today—have never lived without Social Security as a bedrock of economic security. The program has never missed a payment in over nine decades. Social Security's reputation of being the "third rail" of American politics has led to the widespread perception that there is no way to move forward because any changes would elicit enormous backlash. However, this National Academy of Social Insurance survey finds the opposite.

At a time when the nation seems deeply divided about the appropriate size and role of government, it is notable that Americans are united across political, income, education, and generational lines when it comes to their views on Social Security—and their preferred path for the program's future. This survey finds not only strong bipartisan support for the program itself but also overwhelming agreement that lawmakers should act to close the system's financing gap by raising revenues needed to keep it on strong footing for the long term. ***The message to Washington is clear: rather than see the gap closed by reducing benefits, Americans want to see Social Security secured through revenue increases, and they are willing to pay more to strengthen the program's finances.***

"Social Security is one of the most dependable things that we have. You know the first time that you got the Social Security check that it would come again the same time. Right now, I know the second day of every month, it is there."

Elizabeth R, Virginia, Age 84

Social Security Basics

Social Security provides a suite of insurance to nearly all workers and their families in case of retirement, disability, or death. Workers earn coverage through payroll contributions: they pay 6.2 percent of their earnings up to an annual cap ($176,100 in 2025)[3] and employers pay a matching amount. Self-employed workers pay both the employee and employer share. When any of the three insured events occur (retirement, disability, or death), the worker's benefit is calculated based on the worker's earnings history and the nature of the claim. If a family member is eligible (a spouse or dependent child), the benefit is calculated based on the worker's benefit and earnings history as well.

Social Security is the foundation of retirement security for almost all Americans, but it is much more than a retirement program. The distribution of Social Security's beneficiaries across the Old-Age Insurance, Survivors Insurance, and Disability Insurance parts of the program has changed over time as the population and longevity have evolved.[4] However, the latter two have always made up a substantial share of Social Security.

Social Security has a pay-as-you-go financing structure that is insulated from the rest of the federal government's receipts and outlays. Today's Social Security contributions pay for benefits paid to today's beneficiaries. By law, Social Security's trust funds can only be used to pay for Social Security benefits and administrative costs (which equal less than 0.5[5] percent of Social Security benefit outlays) and cannot be used by other government spending. Similarly, by law, Social Security cannot borrow money. If funds run short, Congress must adjust the law to bring revenues and outlays into balance. Every year the Social Security trustees issue a report that projects Social Security's income and outgo over the next 75 years to give lawmakers and the public ample time to consider options to keep it in balance.

Congress last made significant changes to Social Security in 1983 when, among other reforms, lawmakers opted to gradually raise the retirement age from 65 to 67 in lieu of increasing payroll taxes. Those changes were anticipated to extend the solvency of the trust funds by 75 years, but demographic and economic shifts have accelerated that timeline. A decline in birth rates and the effects of the Great Recession in 2007-2009 were key factors, but as a 2024 study by Social Security's Office of the Chief Actuary found, rising earnings inequality and the resulting increase in high earners' wages that have exceeded the payroll tax cap have been the chief unanticipated drivers of the shortfall.[6] In 1983, roughly 90 percent of all wages were subject to Social Security taxation; however, in the years since, that figure has declined to about 82 percent. If 90 percent of all wages had remained subject to Social Security taxation since 1983, at least one-quarter of the financing gap would have been eliminated.[7]

From 1983 to 2009, Social Security ran a surplus, taking in more in revenues than it paid out in benefits. Those reserves were kept in Social Security's trust fund, which is held in special issue U.S. Treasury notes.[8] Starting in 2010 revenue fell below outlays and now reserves from the trust fund supplement revenues to meet benefit obligations. According to the 2024 trustees report, Social Security will have sufficient funds to pay all scheduled benefits until 2035. While lawmakers have never failed to act to ensure that legislated benefits are paid in full, if Congress does not act and the projection does not change, the reserves would be depleted and revenue coming into the system would cover only about four-fifths of scheduled benefits. All current and future beneficiaries would see a benefit reduction sufficient to cover the shortfall.

What This Study Examined

To better understand Americans' views of Social Security and their preferences regarding policy options to address the program's long-term financing gap, the National Academy of Social Insurance, AARP, the National Institute on Retirement Security, and the U.S. Chamber of Commerce collaborated with Greenwald Research to conduct a survey in October and November of 2024. The survey, fielded by the nonpartisan research organization NORC at the University of Chicago, queried 2,243 Americans ages 21 and over. Unlike the vast majority of public opinion research on Social Security, this survey included trade-off analysis to capture a more comprehensive picture of Americans' views on how lawmakers should address the program's finances.

This study updates and builds on previous research, including the Academy's 2012 and 2014 studies, *Strengthening Social Security: What Do Americans Want? and Americans Make Hard Choices: A Survey with Trade-off Analysis.*[9] The findings of this study are largely consistent with those studies. The survey first asked questions to learn participants' overall views of Social Security, including its current or future role in their economic security. It then asked their willingness to consider increasing or reducing future benefits, and their views on various policy options to do so. For the first time, the survey also asked respondents about a third type of option – rerouting other government funds to pay for benefits.

The survey then gave respondents the opportunity to assemble their preferred package of 27 specific policy options as part of a trade-off analysis exercise. Each potential policy change included an official estimate of its effect on Social Security's long-term financing gap. Options that would improve benefit adequacy would increase the financing gap, while options that would raise future revenues or reduce future benefits would reduce or eliminate the gap. The survey questionnaire is in Appendix B.

Survey respondents were shown 12 sets of policy-change packages. In each case they were asked which of three policy packages they preferred, one of which always represented the status quo – that is, no change from current policy. Each package was comprised of three specific policy options.

In total, the survey explored respondents' views on nine broad categories of policy changes. Two called for increasing future revenues: raising the cap on earnings subject to Social Security taxes and raising the Social Security contribution rate for all workers. Three changes called for reducing benefits: increasing the age for receiving full retirement benefits, lowering Social Security's annual cost-of-living adjustment (COLA), and reducing benefits for those with higher amounts of non-Social Security incomes in retirement. Finally, five called for enhancing benefits in various ways. Respondents were provided the option of not making a change in each category.

The survey's sample size allows for comparing responses of several sub-groups within the population, such as people with different political affiliations, income groups, age ranges, and levels of education. On balance, the results generally find widespread agreement across all demographic and political groups.[10] For clarity in presentation and analysis, this report focuses on four categories: age, education, income, and political affiliation.

Importantly, the respondents were informed how each package would affect Social Security's financing gap based on calculations provided by the Social Security Administration. In the event of no change, they were informed that the package would lead to a 20 percent financing gap. Other packages would result in a larger or smaller financing gap. Some eliminated the financing gap, and some packages even created a surplus. Therefore, when respondents decided which package of policy options they prefer, they may have been influenced (and the findings clearly show that most were highly influenced) by the package's impact on the financing gap.

Policy Options Tested

Category	Policy Options
Taxable Earnings Cap	Eliminate cap by 2030; those who earn more would also get somewhat higher benefits Eliminate cap by 2030; those who earn more would not get any additional benefits Raise cap to $350,000; those who earn more get somewhat higher benefits Raise cap to $350,000; those who earn more would not get additional benefits Keep current cap and collect Social Security taxes on earnings above $400,000; those who earn more get somewhat higher benefits Keep current cap and collect Social Security taxes on earnings above $400,000; those who earn more would not get additional benefits No Change
Tax Rate	Gradually increase tax rate from 6.2 percent to 8.2 percent for both employees and employers Gradually increase tax rate from 6.2 percent to 7.2 percent for both employees and employers No Change
Age for Full Retirement Benefits	Gradually raise the full retirement age from 67 to 68 Gradually raise the full retirement age from 67 to 69 No Change
Cost-of-Living Adjustment	Increase COLA by basing it on a different calculation that better captures the spending patterns of older Americans Decrease COLA by basing it on a different calculation that goes up more slowly than the current method No Change
Work Credit to Parents who are Caregivers	Give parents who are caregivers for children under age 6 a caregiving credit for time out of the workforce when calculating Social Security benefits No Change
Across-the-Board Benefit Increase	Increase benefits to $250 per month for all new beneficiaries No Change
Taxation of Benefits	Eliminate tax on portion of Social Security benefits received by those earning substantial money outside of Social Security Increase tax threshold on a portion of Social Security benefits received by those earning substantial money outside Social Security ($25,000-$50,000 individual or $32,000-$100,000 couple) No Change
Bridge Benefit for Older Workers with a History of Physically Demanding Work	Reduce the penalty for receiving Social Security benefits early for people with a history of physically demanding work or who are no longer able to make it to the full retirement age due to declining health No Change
Reducing Benefits for Higher Income Retirees	Reduce benefits for beneficiaries with $60,000 (individual) or $120,000 (couple) per year in non-Social Security income No Change

What This Study Found

This survey's primary finding is that Americans want to see Social Security's financing gap closed by bringing in additional revenues—and are willing to contribute more to prevent benefit reductions. The study found that the program is critical to nearly all workers' economic security in retirement and in the case of disability. It found overwhelming support across party lines, income and education levels, and generational divides for increasing the program's revenues. Strong majorities of all groups do not want to see changes that would result in lower benefits or a higher retirement age, now or in the future.

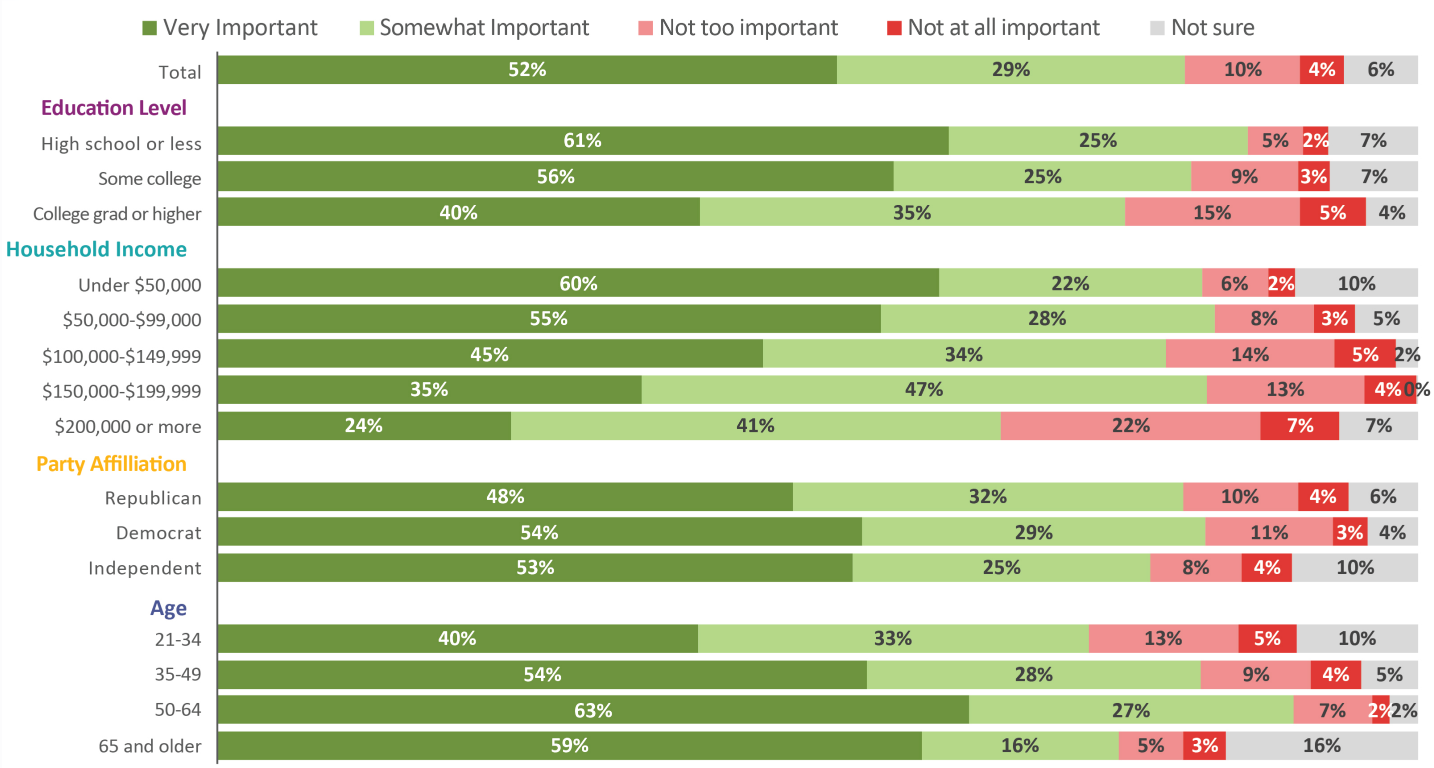
The following section of the report discusses the survey's findings in greater detail.

Social Security is a Cornerstone of Americans' Retirement Security

One of the survey's key findings is the importance of Social Security to Americans' retirement security. While Social Security is sometimes framed as an antipoverty program, this survey underscores that the program is critical to Americans' retirement security across the board.

Across income and education levels, political lines, and generations, virtually all respondents who are not currently receiving benefits (81 percent) say that Social Security will be important or very important to their monthly income when they retire; just 4 percent say it would not be at all important. Respondents were also asked what effect it would have on their lifestyle in retirement if they did not receive Social Security.[11] Two-thirds say that they either would not be able to afford basics such as food, clothing, or housing or would have to make significant sacrifices without Social Security. Fewer than 1 in 10 say that it would have no effect on their economic circumstances. Notably, even among the highest income households, only 18 percent say that the absence of Social Security benefits would have no effect.

Figure 2. **How important do you think Social Security benefits will be to your monthly income when you retire?**



Q5 -- How important do you think Social Security benefits will be to your monthly income when you (retire / begin receiving benefits)?
(n=1584)
Source: National Academy of Social Insurance Survey, January 2025

Table 1. **If for some reason you did not receive your Social Security retirement benefits, which of the following statements best describes the effect it would have on your lifestyle, if any?**

Respondent Characteristics	*I would not be able to afford the basics, such as food, clothing, or housing*	*I would have to make significant sacrifices but could still afford the basics*	*My budget would be tighter, but I would get by*	*It would have no effect*
Total	36%	30%	27%	7%
Education Level				
High school or less	51%	27%	18%	5%
Some college	39%	29%	25%	7%
College grad or higher	20%	34%	38%	8%
Household Income				
Under $50,000	54%	22%	18%	6%
$50,000-$99,999	33%	38%	26%	3%
$100,000-$149,999	22%	32%	35%	11%
$150,000-$199,000	11%	35%	46%	8%
$200,000 or more	6%	21%	55%	18%
Party Affiliation				
Republican	36%	30%	27%	6%
Democrat	33%	32%	29%	6%
Independent	43%	24%	24%	9%
Age				
21-34	31%	28%	32%	9%
35-49	32%	31%	30%	7%
50-64	40%	31%	23%	7%
65 and older	42%	30%	25%	4%

Q6 -- If for some reason you did not receive your Social Security retirement benefits, which of the following statements best describes the effect it would have on your lifestyle, if any, in (retirement / your later years)? (n=2154)

Source: National Academy of Social Insurance Survey, January 2025

"Being 71, I am in the perfect place to age in place, but I couldn't do that if my Social Security was taken away or even reduced."

Layne W., Georgia, Age 71

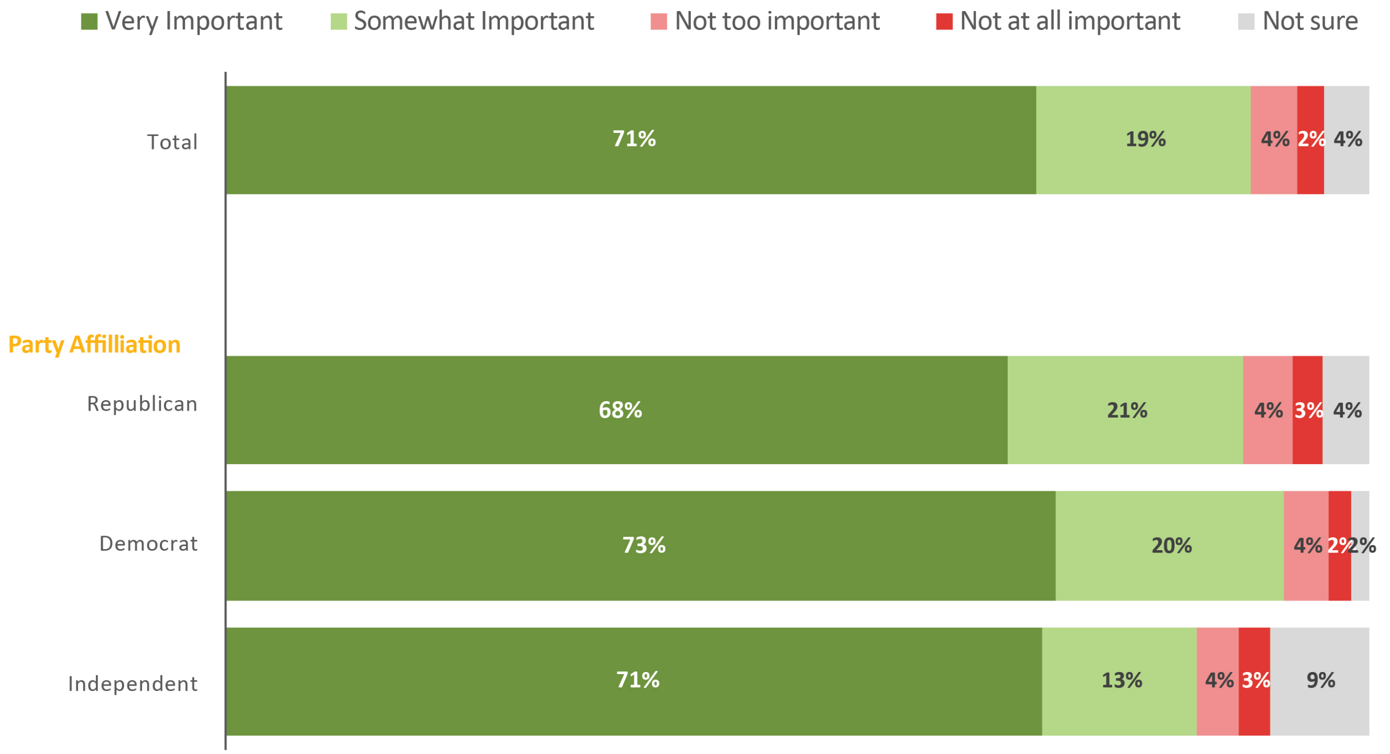
Americans Need Social Security's Disability Protections and Want to See Them Strengthened

Social Security provides insurance against loss of income due to three covered risks: retirement in old age (Old-Age Insurance), death (Survivors Insurance), or severe medical impairment that prevents work (Disability Insurance). Workers earn protection from all three risks through their Social Security payroll tax contributions.

The survey asked working respondents how important Social Security disability benefits would be to their monthly income were they to become disabled and no longer able to support themselves through work. The overwhelming majority (71 percent) say Social Security's disability insurance protection would be very important to their income, and another 19 percent say it would be somewhat important. Just 6 percent say that disability benefits would not be important to their income if they experienced work-limiting disability.

Respondents were also asked whether they thought that the average monthly disability benefit ($1,538 per month in 2024) should be higher, lower, or is about right. Roughly half say disability benefits should be higher. Just 4 percent say benefits should be lower.

Figure 3. **How Important do you think Social Security disability benefits would be to your monthly income if you became disabled and were unable to support yourself through work?**



Q7 -- How important do you think Social Security disability benefits would be to your monthly income if you became disabled and were unable to support yourself through work? (n=1479)
Source: National Academy of Social Insurance Survey, January 2025

Table 2. **Views on the Level of Social Security Disability Benefits**

	Should be higher	*Is about right*	*Should be lower*	*Not sure*
Total	51%	33%	4%	13%
Party Affiliation				
Republican	42%	36%	6%	15%
Democrat	56%	32%	3%	9%
Independent	52%	29%	2%	16%

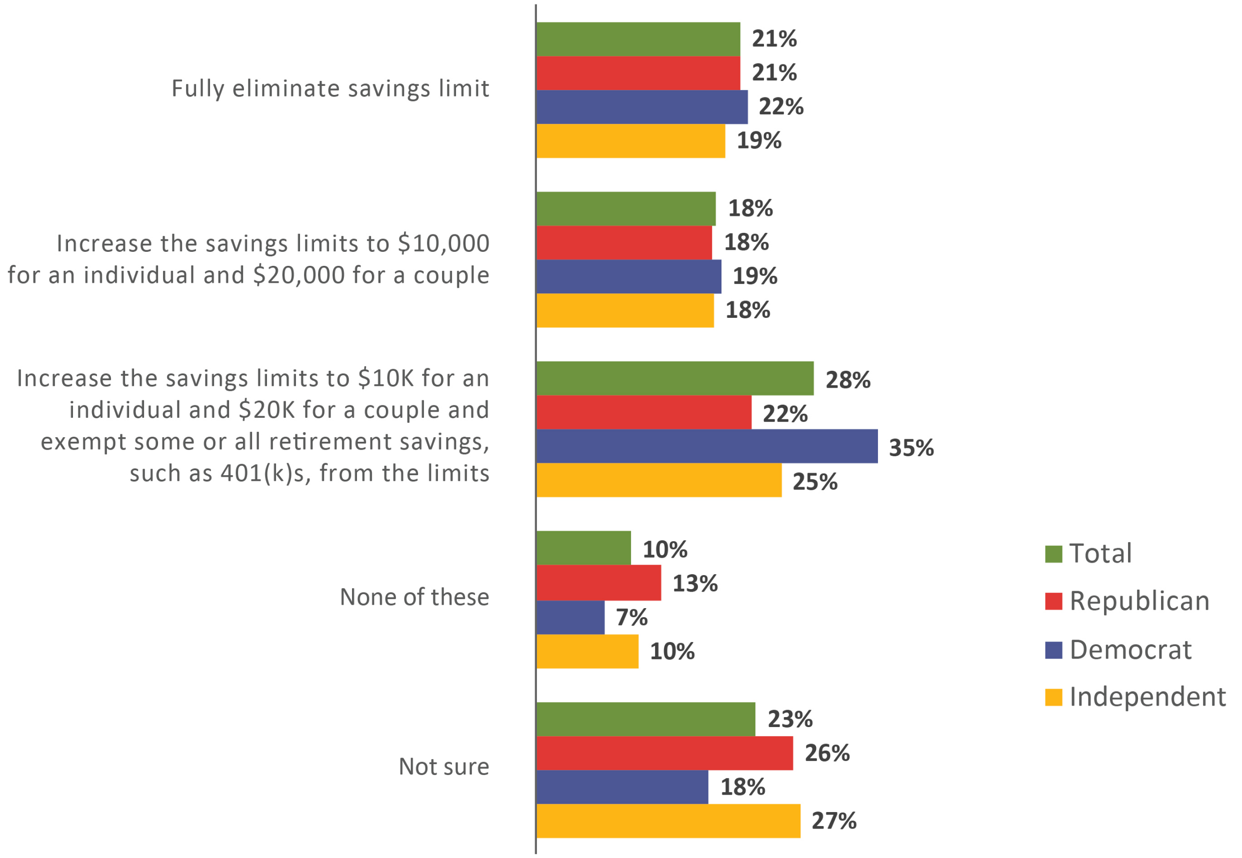
Q12 -- There are three different types of Social Security programs that pay benefits to Americans who qualify. Below is a list of those three programs and the average amount of monthly benefits that are paid out by each. For each Social Security program, please indicate your feelings about the level of benefits.: Disability benefits, average is $1,538 per month (n=2210)
Source: National Academy of Social Insurance Survey, January 2025

The Social Security system also includes a second program that provides modest income support to very low-income individuals who or are old and/or disabled and have very limited resources: Supplemental Security Income (SSI). This program is not funded by the Social Security trust funds but with general revenue. In November 2024, the average monthly benefit was $698. The program functions as a counterpart to Social Security's retirement and disability insurance programs; of the roughly 7 million people receiving SSI, roughly 2.5 million are very low-income Social Security beneficiaries who receive SSI to supplement monthly Social Security benefits.

Across numerous questions in the survey, respondents expressed broad support for reforming and improving SSI program rules, many of which have not been updated in decades:

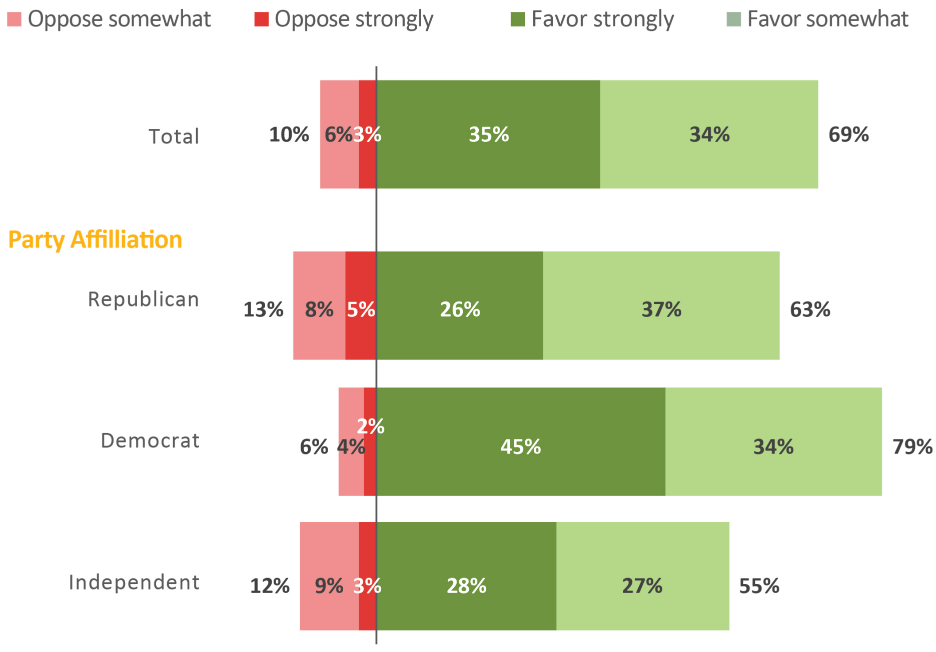
- ***Broad bipartisan support for reforming SSI's asset limits.*** In addition to having very limited income, individuals who receive SSI must adhere to very strict asset limits: $2,000 for an individual and $3,000 for a couple, above which individuals lose benefits. These limits have not been increased since 1989. Respondents were asked if they supported increasing those asset limits, via three options, and two-thirds do, with broad support across political lines. Of the options presented, 21 percent support eliminating the asset limit altogether, 18 percent support raising it to $10,000 for an individual and $20,000 for a couple, and 28 percent support not only higher limits, but also exempting retirement savings from the assets subject to the limit.
- ***Broad support for updating SSI's marriage penalties.*** SSI provides lower benefits to a married couple than it does to two individuals living together both receiving SSI who are not married. The survey asked respondents if they were in favor of a policy that eliminated this penalty, and 71 percent favor it while 12 percent oppose it, again with broad support across party lines.
- ***Broad support for updating SSI's income rules.*** SSI benefits are also reduced if an individual has earnings from employment or from other sources such as Social Security. The benefit reduction kicks in once a certain amount of income is reached: $65 per month for work and $20 per month for other sources. These income limits were set in 1972 without being indexed to inflation and have never been updated. Respondents were asked if they support raising those limits to $400 and $125 per month, respectively. Again, 71 percent are in favor and just 9 percent opposed, with broad support cutting across party lines.

Figure 4. **Support Across Party Lines for Reforming SSI Asset Limits**



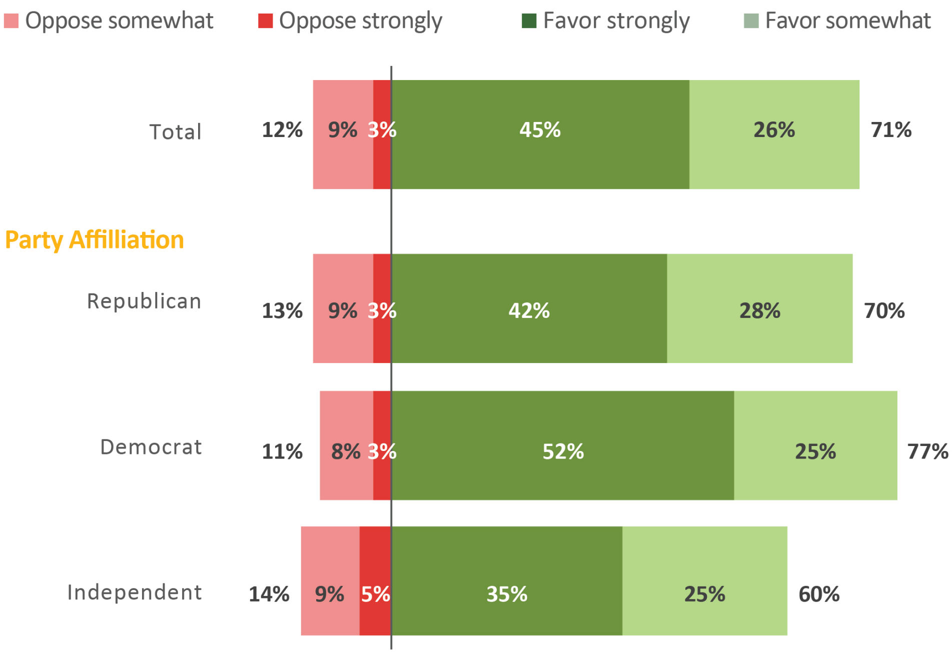
Q26 -- SSI beneficiaries are not allowed to have more than $2,000 in savings or other resources ($3,000 for married couples). Exceeding this savings limit causes people to lose their benefits. Proposals have been made to reform these savings limits. Which one of the following proposals would you most support? Select only one
(n=2226)
Source: National Academy of Social Insurance Survey, January 2025

Figure 5. **Americans' Views on Eliminating Marriage Penalties in SSI**



Q27 -- SSI benefits are reduced for people who make more than $65 per month from work or more than $20 per month from other sources, such as Social Security. A proposal has been made to increase these amounts for inflation, which would allow people to earn about $400 per month from work and receive about $125 per month from other sources without a reduction in their SSI benefits. Do you favor or oppose this change? Not sure not shown
(n=2225) Source: National Academy of Social Insurance Survey, January 2025

Figure 6. **Americans' Views on Updating SSI's Income Rules**



Q28 -- SSI provides lower benefits to a married couple than it does to two individuals living together and both receiving SSI who are not married. A proposal has been made to change this so that SSI beneficiaries can marry without a reduction in SSI benefits. Do you favor or oppose this change? Not sure results not shown (n=2222) Source: National Academy of Social Insurance Survey, January 2025

Findings from Trade-off Analysis: Americans' Preferred Package

The heart of the survey consisted of trade-off analysis to determine Americans' most preferred package of policy options.[12] The most-preferred package more than eliminates Social Security's financing gap, while also making targeted enhancements to the program. It is comprised of the following options, listed in order of how strongly Americans preferred each. In direct competition with the status quo, this package is preferred by 82 percent of respondents.

Table 3. **The Preferred Package: Increased Revenues and Targeted Benefit Enhancements**

Category	Policy
Taxable Earnings Cap	Keep current cap of about $168,000, but remove it for earnings above $400,000. Those who earn more than $400,000 would not get any additional benefits.
Tax Rate	Gradually increase the contribution rate from 6.2 percent to 7.2 percent for both employees and employers
Age for Full Retirement Benefits	No Change
COLA	Increase COLA by basing it on inflation for older people
Work Credit to Parents who are Caregivers	Give parents who are caregivers for children under age 6 a caregiving credit for time out of the workforce when calculating Social Security benefits
Benefits for All Beneficiaries	No Change
Taxation of Benefits	No Change
Bridge Benefit	Reduce the penalty for receiving Social Security benefits early for people with a history of physically demanding work or who are no longer able to work due to declining health
Reducing Benefits for Higher Income Retirees	Reduce benefits for retirees with more than $60,000 (individual or $120,000 (couple) per year in non-Social Security income

The top three policy options were by far the most popular of all of those tested: eliminating the payroll tax cap for earners above $400,000, gradually increasing the payroll tax rate from 6.2 percent to 7.2 percent and maintaining the current full retirement age at 67. These three were strongly favored across party lines and by all demographic groups.

The most preferred package would:

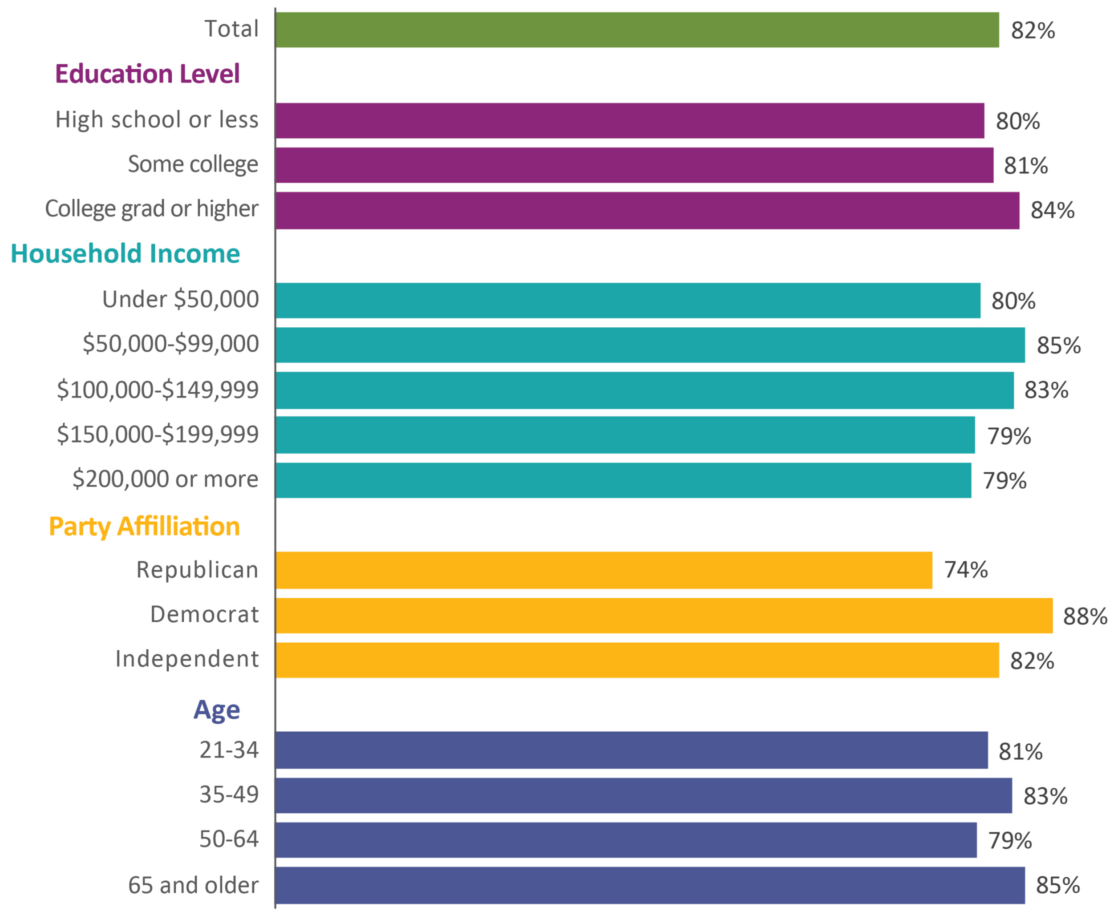
- ***Eliminate the payroll tax cap for earnings above $400,000.*** The existing cap, currently at $176,100[13], would be preserved, while those making more than $400,000 per year, and their employers, would contribute to Social Security via payroll taxes on wages above that amount. Those impacted would not receive additional benefits. This policy option was the most popular of all policy options tested.
- ***Gradually raise the payroll tax rate from 6.2 percent to 7.2 percent for both employers and employees.*** A worker earning $50,000 per year would contribute an additional $42 per month. This policy option was nearly as popular as reforming the payroll tax cap.
- ***Adjust the annual cost-of-living adjustment (COLA) to more accurately reflect inflation and the spending habits of older Americans.***

- ***Provide a caregiving credit*** for people who take time out of the workforce to care for children under 6—a group of workers who receive significantly lower benefits than other workers under current law.
- ***Provide a bridge benefit for older workers with a history of physically demanding work,*** to protect them from Social Security's early retirement reduction.
- ***Reduce benefits for beneficiaries with higher incomes in retirement.*** The preferred package also included reducing Social Security benefits for beneficiaries whose retirement incomes, not including Social Security, are $60,000 or more, or for married couples, $120,000 or more.[14]

The preferred package includes no increase to the retirement age, no across-the-board benefit bump for future beneficiaries, and no change to the current taxation of benefits.

Notably, while the option to reduce benefits for beneficiaries with significant retirement incomes from non-Social Security sources did end up in the preferred package, it was the least popular of the policy options in the overall package, and there is an almost even split of opinion on it; Americans do not have strong feelings one way or the other. It is likely that people opted to reduce benefits for beneficiaries with higher income in retirement to create a package that solved the entire financing gap; without that option, the package described above would not have fully closed the gap.

Figure 7. **Support for the Preferred Package of Policy Options in Trade-Off Analysis**



In addition to receiving the strongest overall support of all possible packages in the trade-off analysis, this package garnered broad support from Americans across all income and education levels, generations, and political affiliations, as shown in Figure 7.

Views on Individual Policy Options

Several of the policy options tested elicit strong positive or negative responses, either driving respondents to be more likely or less likely to support a particular package of options. Three policy options emerged as those with the strongest preferences across all political and demographic groups: 1) eliminating the payroll tax cap for earners above $400,000 (strong preference); 2) gradually raising the payroll tax rate from 6.2 percent to 7.2 percent (strong preference); and 3) further raising the retirement age (strong aversion).

Table 4 lists the policies that elicit the strongest positive preference, ranked according to strength of preference (i.e. strongest on top).

Table 4. **Policies Mostly Strongly Preferred**

Policy Options	Financial Impact
Keep current taxable earnings cap and collect Social Security contributions on earnings above $400K. Those who earn more would not get additional benefits.	Raise Revenues
Keep current taxable earnings cap and collect Social Security contributions on earnings above $400K. Those who earn more get somewhat higher benefits.	Raise Revenues
Eliminate taxable earnings caps by 2030; Those who earn more would not get any additional benefits.	Raise Revenues
No change on the age for full retirement benefits.	No Impact
No across-the-board benefit increase.	No Impact
Increase the cost-of-living by basing it on inflation for older people.	Increase Benefits
Eliminate the taxable earnings cap by 2030. Those who earn more would also get somewhat higher benefits.	Raise Revenues
Reduce the penalty for receiving Social Security benefits early for people with a history of physically demanding work or who are no longer able to work due to declining health.	Increase Benefits
Increase tax rate from 6.2 percent to 7.2 percent for both employees and employers.	Raise Revenues

The policies that elicit the strongest aversion are listed in Table 5. Again, the policies are ranked according to strength of aversion (i.e. strongest on top).

By far respondents' greatest aversion is to any reform package that does not change the payroll tax cap. Respondents also have a strong aversion to any reform package that increases the retirement age to 69 or reduces the cost-of-living adjustment — two policies that would reduce benefits. Respondents also show aversion to any package that includes a flat benefit increase of $250 for all new beneficiaries.

Table 5. **Policies Eliciting Strong Aversion**

Policy Options	Financial Impact
No change to the taxable earnings cap.	No Impact
Gradually raise the full retirement age from 67 to 69.	Reduce Benefits
Decrease cost-of-living adjustment by basing it on a different calculation that goes up more slowly than current method.	Reduce Benefits
Increase benefits by $250 per month for all new beneficiaries.	Increase Benefits
Raise the taxable earnings cap to $350,000; Those who earn more get somewhat higher benefits.	Raise Revenues
No bridge benefit for workers unable to continue working until full retirement age due to declining health.	No Impact

Other Survey Findings

In addition to the trade-off analysis, respondents were also asked about a range of policies that would change current aspects of the program—in single-item questions that were broadly categorized by whether they would decrease or increase the financing gap. These responses overwhelmingly align with the key findings of the trade-off analysis: across party lines, income and education levels, and generational divides, Americans 1) strongly support increasing revenues to Social Security and are willing to pay more to accomplish this; 2) support targeted enhancements to benefits; and 3) oppose further raising the retirement age and most other benefit reductions.

Revenue Increases

Americans overwhelmingly favor increasing revenues over benefit reductions when it comes to addressing Social Security's financing gap. Asked which statement comes closest to their view, 85 percent of respondents say either that we should ensure benefits are not reduced, or that we should increase benefits, even if means raising taxes on some or all Americans. Only 15 percent of respondents say we shouldn't raise taxes on any American even if it means reducing benefits. This broad preference for raising revenues over benefit reductions cuts across all groups including political affiliations; among Republicans, 3 in 4 prefer increasing revenues to benefit reductions, with more than 9 in 10 Democrats and more than 8 in 10 Independents sharing this preference.

Table 6. **Preferences on Changing Benefits or Increasing Taxes**

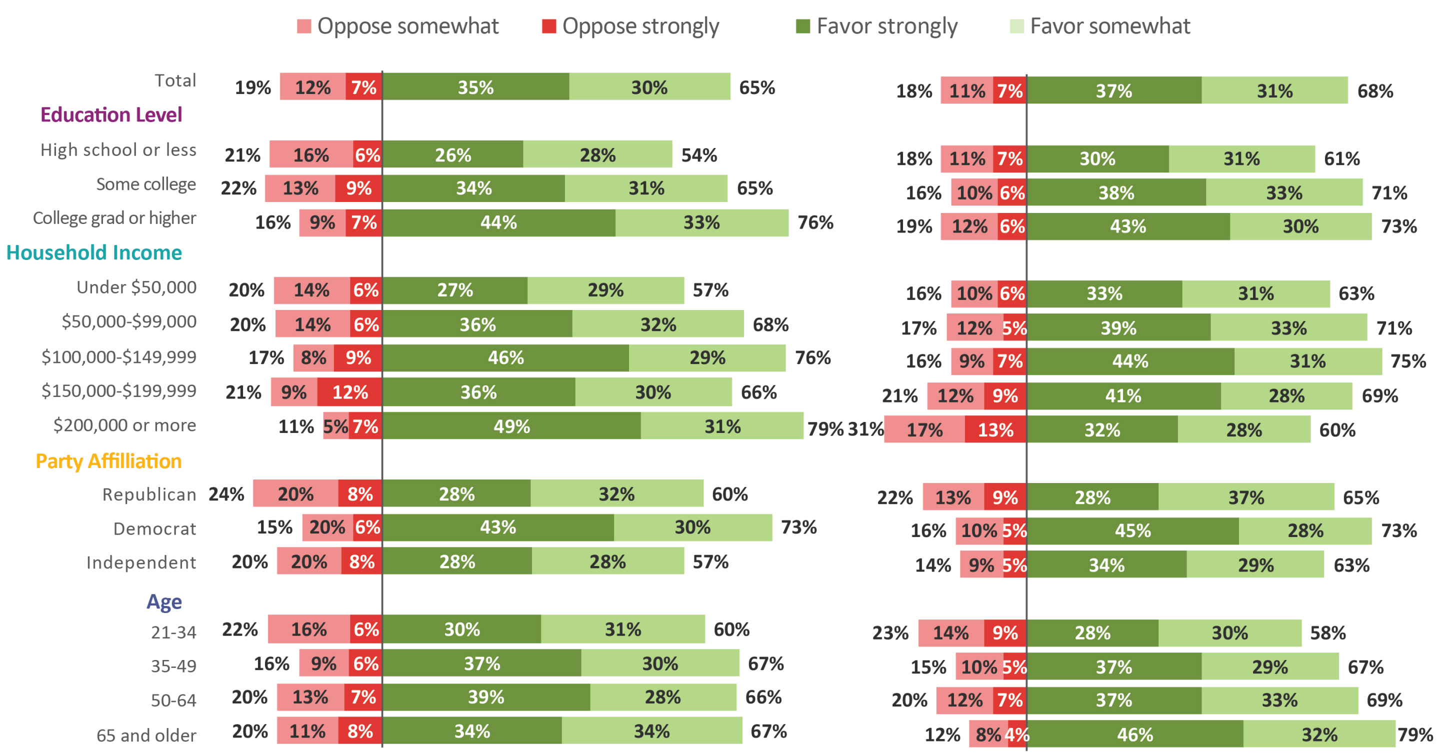
Which of the three statements below comes closest to your view?	Percent Agree
We should ensure Social Security benefits are not reduced, even if it means raising taxes on some or all Americans	55%
We should increase Social Security benefits, even if it means raising taxes on some or all Americans	30%
We shouldn't raise taxes on any American, even if it means reducing Social Security benefits	15%

Changes to the Payroll Tax Cap

Mirroring the findings in the trade-off analysis, the most popular revenue option from those probed in standalone survey questions is to eliminate the cap on Social Security payroll taxes (which is $176,100 in 2025). A strong majority—68 percent of respondents—favor eliminating the cap altogether. A similar share—65 percent of respondents—favor applying payroll taxes to all wages over $400,000. Again, strong bipartisan support emerged for both options, with 65 percent of Republicans, 73 percent of Democrats, and 63 percent of Independents supporting eliminating the tax cap altogether and 60 percent of Republicans, 73 percent of Democrats, and 57 percent of Independents supporting applying payroll taxes to earnings above $400,000. All told, the survey found widespread bipartisan support for reforming a payroll tax cap that has increasingly failed to keep up with rapidly growing earnings inequality.

Notably, respondents with higher education levels were more likely to support eliminating the payroll tax cap for wages over $400,000, and a similar trend emerges with income. While conventional wisdom might suggest that people with higher incomes would be less likely to support a policy that would raise their taxes, the opposite is true. Respondents with higher incomes were more likely to be in favor of it than their counterparts with lower incomes. Older individuals are also more likely to support eliminating the tax cap, with 79 percent in favor for individuals over 65 compared to 58 percent for individuals ages 21-34. However, there are no age differences in support for applying the cap at $400,000.

Figure 8. **Views on Taxing Wages over $400,000 | Views on Eliminating the Payroll Tax Cap**

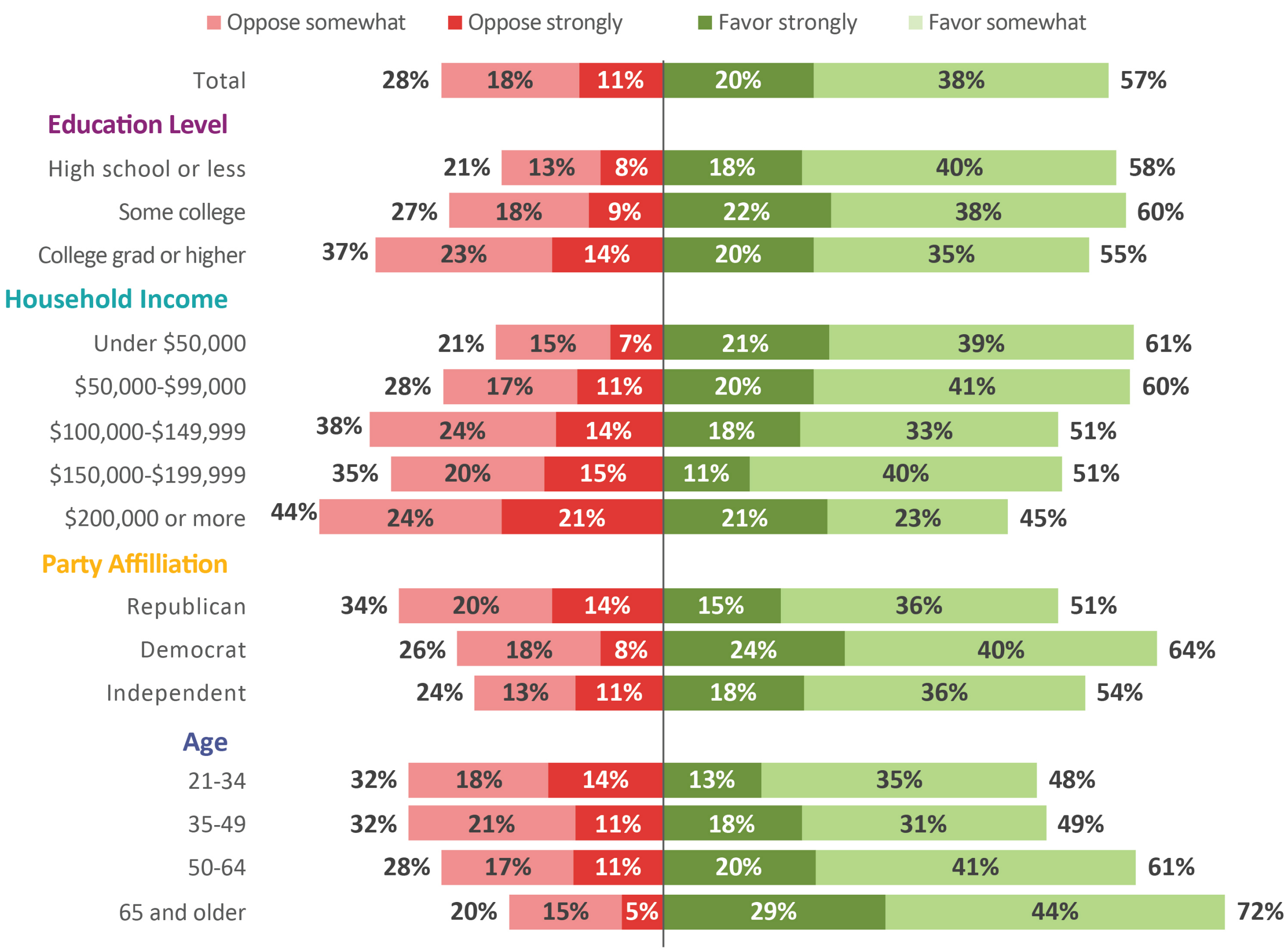


Q13 -- Currently, all workers pay Social Security taxes on their wages up to about $168,000. Any wages earned above about $168,000 per year are not taxed for Social Security. This proposal would maintain the current cap at about $168,000 but have Americans with annual wages over $400,000 start paying Social Security taxes again on wages above that amount. / Q14 - Currently, all workers pay Social Security taxes on their wages up to about $168,000 per year. This proposal would gradually eliminate the limit altogether so that by 2030, all workers would pay Social Security taxes on all of their wages.
Not sure results not shown (n=2230) / (n=2224)
Source: National Academy of Social Insurance Survey, January 2025

Gradually Raising the Payroll Tax Rate

Notably, gradually increasing Social Security's contribution rate also has strong majority support. Americans across party lines, income, education, and generation support asking all workers to contribute more to Social Security to prevent benefit reductions; the one exception to this across-the-board trend is those with incomes over $200,000 per year, who have mixed views. Workers and their employers currently pay 6.2 percent of their wages to Social Security up to the wage cap. Increasing this rate to 7.2 percent would mean that a worker earning $50,000 per year would contribute an additional $42 per month, matched by the employer.

Figure 9. **Views on Gradually Increasing the Payroll Tax Rate**



Q15 -- Workers currently pay 6.2% of their wages to Social Security, and their employers pay the same share for a total of 12.4%. This proposal would gradually raise the rate until it hits 7.2% for workers and the same amount for employers. For example: For a worker earning $50,000 per year, this would mean an increase of $500 annually, or $42 a month, matched by the employer. Do you favor or oppose this change? *Not sure results not shown*
(n=2225)
Source: National Academy of Social Insurance Survey, January 2025

Other Revenue Options

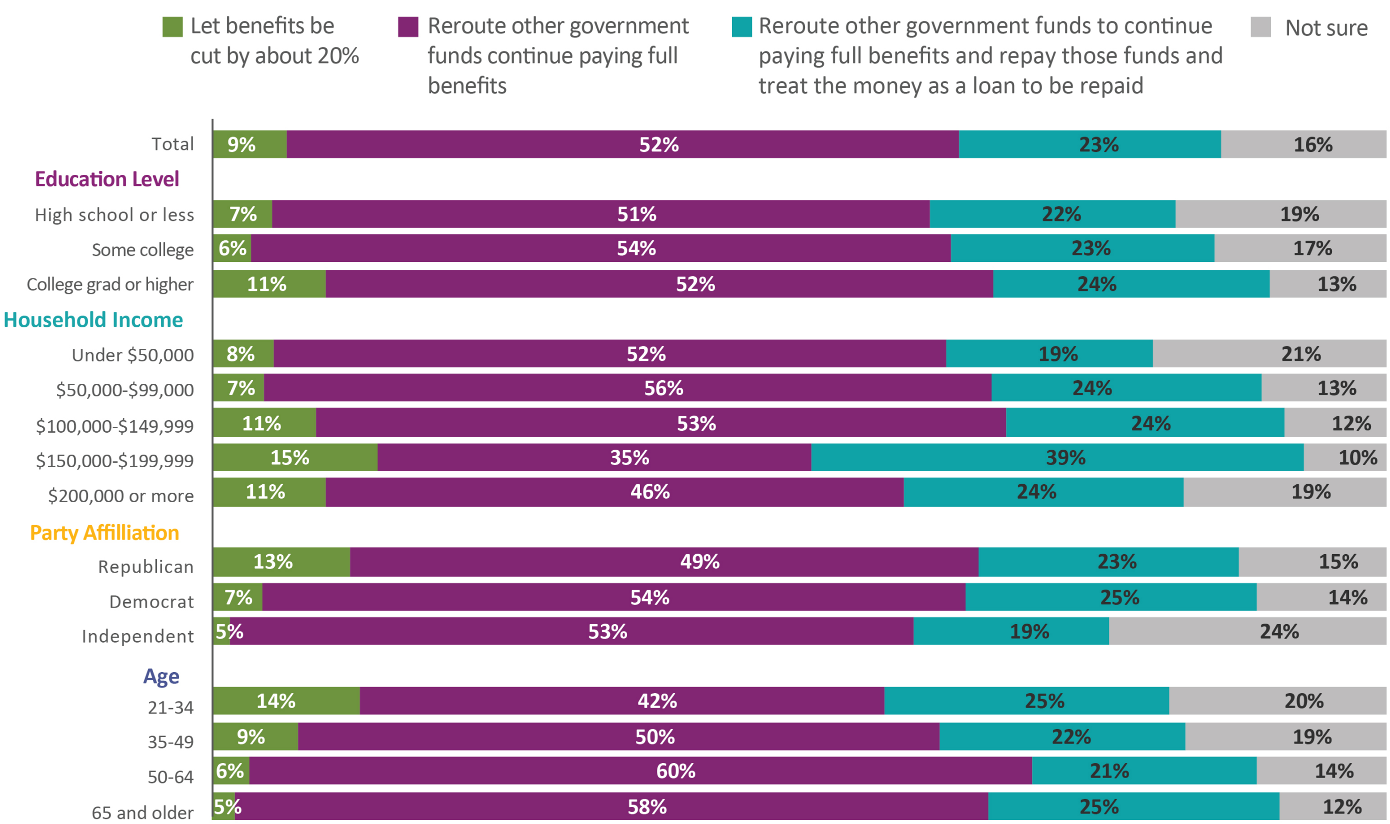
This survey also explored Americans' views regarding several other revenue options. The key finding is Americans do not want to see an across-the-board benefit reduction occur in 2035 and far prefer re-routing general revenues into Social Security to seeing benefits reduced. Additionally, there is broad support for the program's finances with other sources of revenue from outside the Social Security system

Re-routing General Revenues to Prevent a Benefit Cliff

Congress has historically phased in changes to Social Security over time, especially those that relate to benefit eligibility or amounts. Unless lawmakers adopt a package that would rapidly bring significant revenues into the system in the coming decade, they may need to consider stopgap funding to avoid substantial benefit reductions in 2035.

The survey asked respondents their preferences in this scenario. An overwhelming majority prefers re-routing general revenues over allowing benefits to be reduced. Exactly three-quarters of Americans are willing to use other government funds to ensure benefits are not cut. Roughly half support re-routing government funds without paying the money back, more than double the 23 percent who would only support re-routing general revenues if they were paid back. Only 9 percent prefer reducing benefits in this scenario.

Figure 10. **Which one of the following comes closest to what you think should be done at the 2035 trust depletion date?**

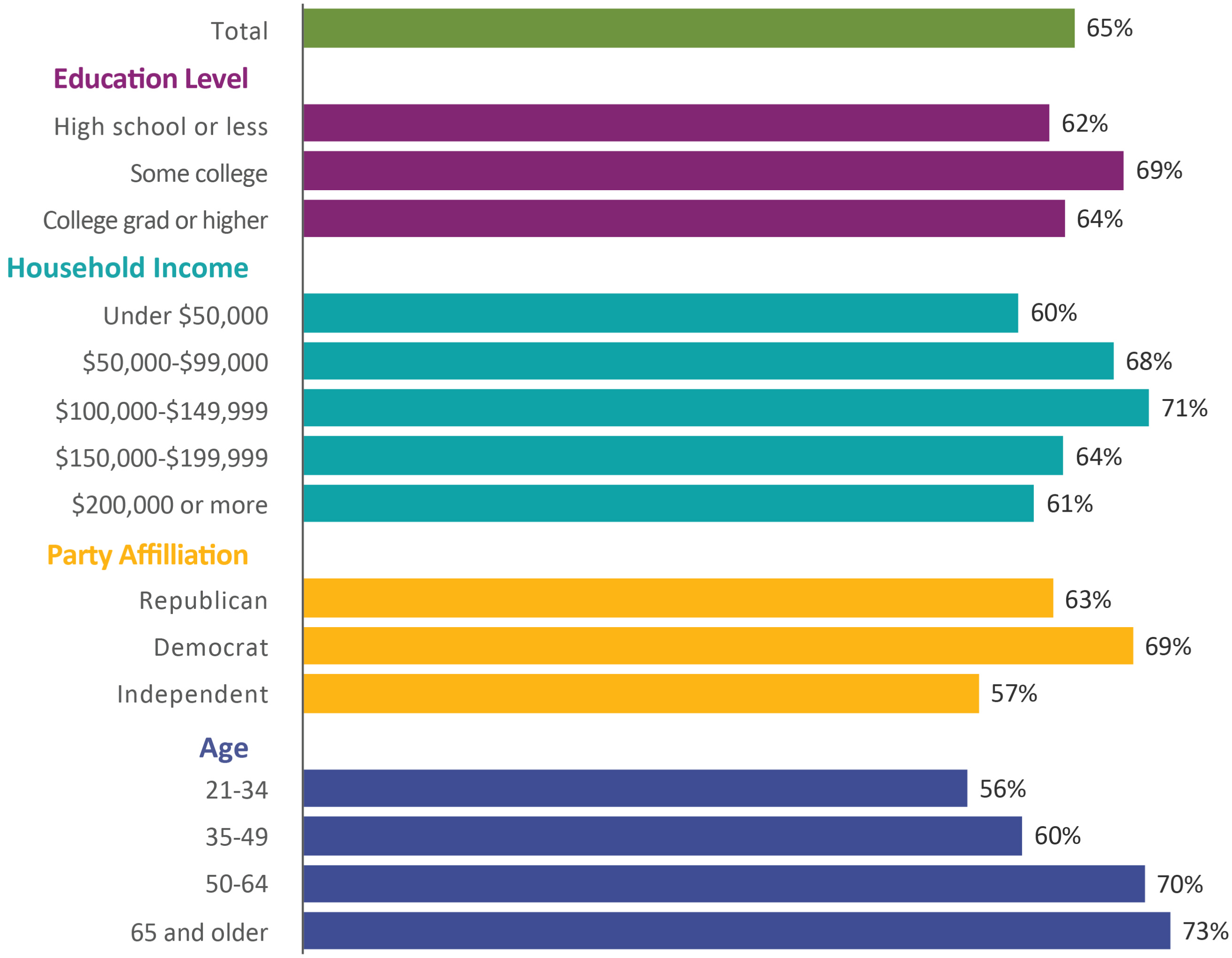


Q24 -- If no changes are made to Social Security by 2034, Social Security would only be able to pay about 80% of scheduled benefits. If policymakers arrive at a deal to solve the program's finances, but the changes will not take effect soon enough to prevent benefit cuts, which one of the following comes closest to what you think should be done?
(n=2219)
Source: National Academy of Social Insurance Survey, January 2025

Financing Social Security with New Revenue Sources

Some lawmakers have proposed increasing Social Security's revenues by either taxing other revenue sources or re-routing a portion of other revenue sources to Social Security. To explore Americans' views on these options, a separate survey question asked if funds from other sources of federal tax revenues should be used to fund Social Security more generally, not specifically to prevent the benefit reductions at trust fund depletion. Two-thirds of respondents (65 percent) said yes, a figure that remains relatively consistent across education, income, and even political groups, but which grows among older respondents (Figure 11).

Figure 11. **Support for Funding Social Security with Other Federal Revenue Sources**



Q25 -- Some proposals would improve Social Security's finances by re-routing funds from other sources of federal tax revenues. Do you believe that re-routing funds from other sources of federal tax revenues should be used to fund Social Security?
(n=2227)
Source: National Academy of Social Insurance Survey, January 2025

The 65 percent of respondents who support using other federal tax revenues to finance Social Security were then asked their views about a range of specific revenue sources. In order of popularity (from greatest to least), respondents say they believe Social Security should be financed with revenues from: estate taxes[15], general revenues[16], carbon taxes[17], capital gains taxes[18], and taxes on employee benefits[19]. Figure 10 shows respondents' views broken out by political and demographic groups.

Taxation of Benefits

Under current law, individuals with substantial non-Social Security income pay taxes on part of their Social Security benefits if their total income exceeds a certain threshold. Respondents were asked if they would support elimination of Social Security benefit taxation, which affects roughly 40 percent of current beneficiaries. Just under half of respondents (46 percent) favor ending the benefit tax while one-third (33 percent) oppose ending it. A narrow majority of Republicans support elimination of this policy; no other group across education, income, or generational lines exhibits strong support. See Figure C1 in Appendix C.

Funding for Administering the Social Security Programs

By law, the Social Security trust funds can be used only to pay for Social Security benefits and the costs of administering Social Security. The Social Security Administration (SSA) operates its programs on a constricted administrative budget, equaling less than 1 percent of total benefit outlays.[20] While SSA's administrative funds come from the trust fund, they must be allotted by Congress as part of its annual appropriations process.

In recent years, customer service at the agency has suffered due to declining staffing levels, a function of many years of insufficient administrative funds. Over the past ten years, Social Security's operating overhead as a share of benefit outlays shrunk by 20 percent and SSA staffing is now at its lowest levels in 50 years. According to a 2024 AARP report, a disability insurance claim ten years ago took an average of 110-120 days to process, but in 2024, it took 230 days.[21] A recent GAO study underscored the human consequences of these delays, finding that nearly 110,000 people with disabilities died between Fiscal Years (FY) 2008-2019 waiting for benefits; while 48,000 filed for bankruptcy between FY 2014-2019.[22] Additionally, wait times and dropped calls on SSA's 1-800 number, which is a significant component of the agency's customer service infrastructure, have increased considerably as administrative resources have declined.[23]

While increasing administrative resources to SSA would likely improve wait times and customer service, the trade-off is that it accelerates the depletion of the trust fund's reserves; for example, increasing the agency's administrative budget to 1.2 percent of benefit outlays, a request made by SSA's prior Commissioner, would speed reserve depletion by one month. In the survey, respondents were asked directly if they favored making that trade-off. Specifically, they were informed that "In the last 15 years, SSA's administrative budget decreased about 20 percent, while the number of beneficiaries increased by 25 percent. This means there is less money for customer service, leading to growing wait times." With this context, respondents were twice as likely to favor providing SSA with increased administrative funding, with 50 percent in support and just 1 in 4 opposed; the remaining quarter was unsure.

Benefit Reductions

Other survey questions delved deeper into Americans' views on various policy options for reducing benefits.

Raising the Retirement Age

Americans born in 1960 or later can claim full retirement benefits at age 67; an increase in the retirement age, previously set at 65, has been phasing in since a set of Social Security changes legislated in 1983. Workers may claim benefits starting at 62, but if they do, they are subjected to an early retirement reduction amounting to a 30 percent drop in monthly benefits. That early retirement reduction would increase if the full retirement age were further increased, as has been proposed by some lawmakers.

Mirroring the trade-off analysis, Americans do not favor further raising the retirement age to 68 or 69; 48 percent are opposed and only 37 in support overall, with respondents twice as likely to be strongly opposed (21 percent) as strongly in favor (9 percent). The only group that does not exhibit plurality opposition to this change is individuals already age 65 or older, who would not be affected. Table 7 shows how monthly benefits would change if the retirement age were increased to 68, to illustrate the impact.[24]

Table 7. **Monthly Benefit Based on Age of Claiming (Current vs. Proposed)**

Claiming Age	*Current*: Full Benefits at **Age 67**	*Proposed:* Full Benefits at **Age 68**
62	$700	$655
63	$750	$700
64	$800	$750
65	$867	$800
66	$933	$867
67	**$1,000**	$933
68	$1,080	**$1,000**
69	$1,160	$1,080
70	$1,240	$1,160

Cost-of-Living Adjustment that Slows Benefit Growth

Social Security benefits are adjusted annually based on a cost-of-living adjustment, or COLA, formula tied to inflation. Some lawmakers have proposed changing this formula so that benefits rise more slowly. Far more Americans oppose this policy than support it, with only 38 percent in favor and nearly half opposed. Opposition is greatest among individuals in households with higher incomes and education levels and among individuals over 50. See Figure C2 in Appendix C.

Reducing Benefits for Individuals with Significant Non-Social Security Retirement Incomes

Some have proposed reducing benefits for individuals with significant non-Social Security retirement incomes. A separate survey item asked respondents their views on reducing benefits for beneficiaries with annual incomes over $60,000 and married couples with incomes over $120,000 not including their Social Security benefits. Similar to the trade-off analysis, this policy option does not garner much support; roughly equal numbers are in support (41 percent) as opposed (43 percent). While individuals in lower-income households are more inclined to favor the policy than those from higher income households, even that group does not express majority support, with just 45 percent of households with incomes less than $50,000 supporting the change. See Figure C3 in Appendix C.

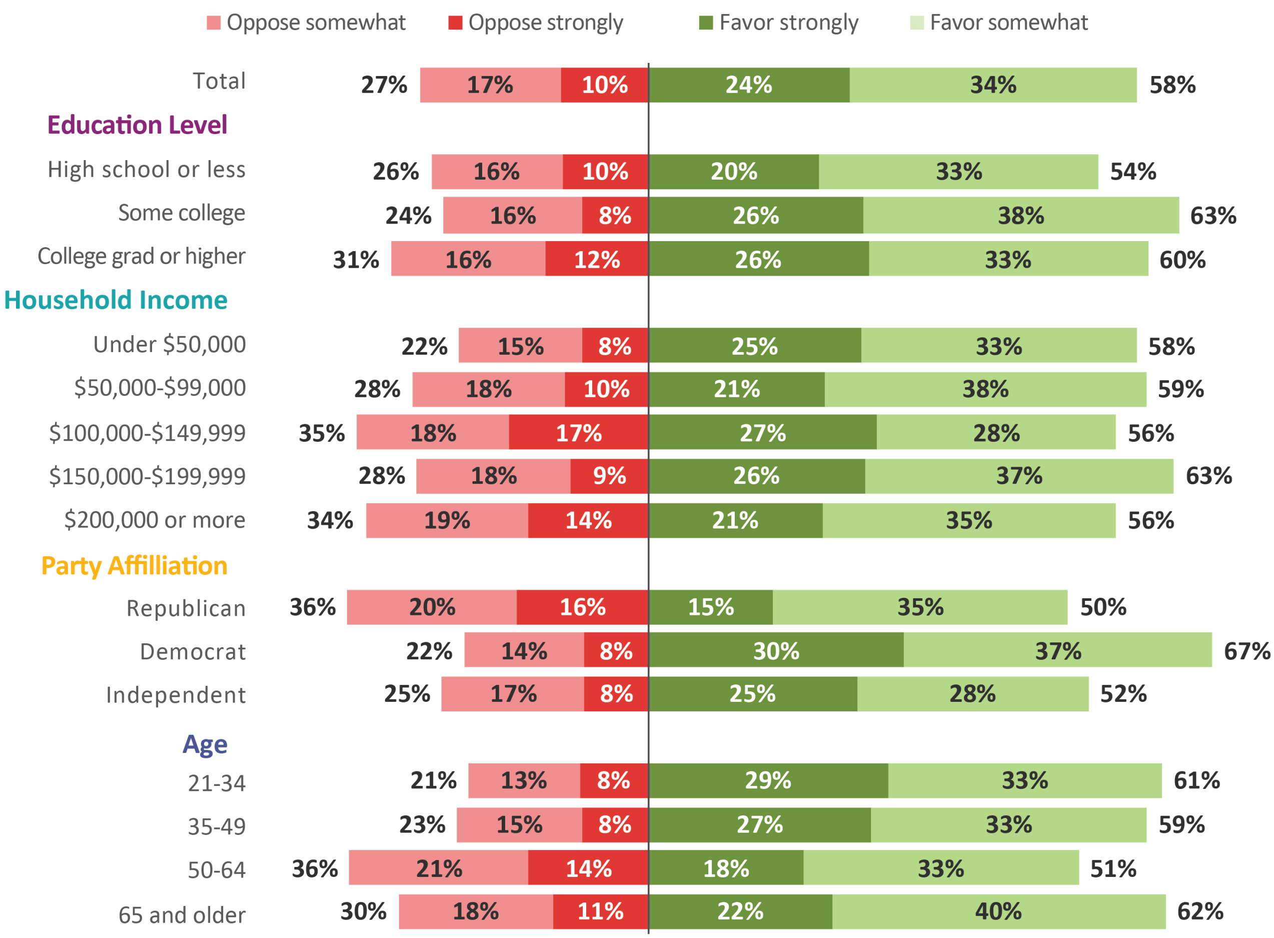
Program Enhancements

As discussed earlier, in trade-off analysis, Americans preferred a package of changes that brings in sufficient revenues to more than close Social Security's financing gap and makes targeted improvements to benefits, including a caregiving credit, a bridge benefit for older workers in declining health unable to wait to full retirement age, and a cost-of-living adjustment that is more in line with older Americans' spending patterns. Additional survey items explored Americans' views on these and other options to strengthen and expand Social Security. Mirroring the trade-off analysis, there is strong support across party lines for these three targeted enhancements, although an across-the-board benefit increase failed to win majority support.

Caregiver Credit

The survey asked respondents if they favored providing workers with a credit for years of low or no earnings spent caring for children under age 6. Because Social Security calculates benefits based on the highest 35 years of earnings, its benefit formula can penalize those who take time out of the workforce to provide care, resulting in lower lifetime benefits, with women disproportionately impacted. Nearly 6 in 10 respondents support the idea of a caregiving credit, while roughly one-quarter oppose it. Support for this policy is strong across all demographic groups and across party lines.

Figure 12. **Americans' Views on a Caregiver Credit**



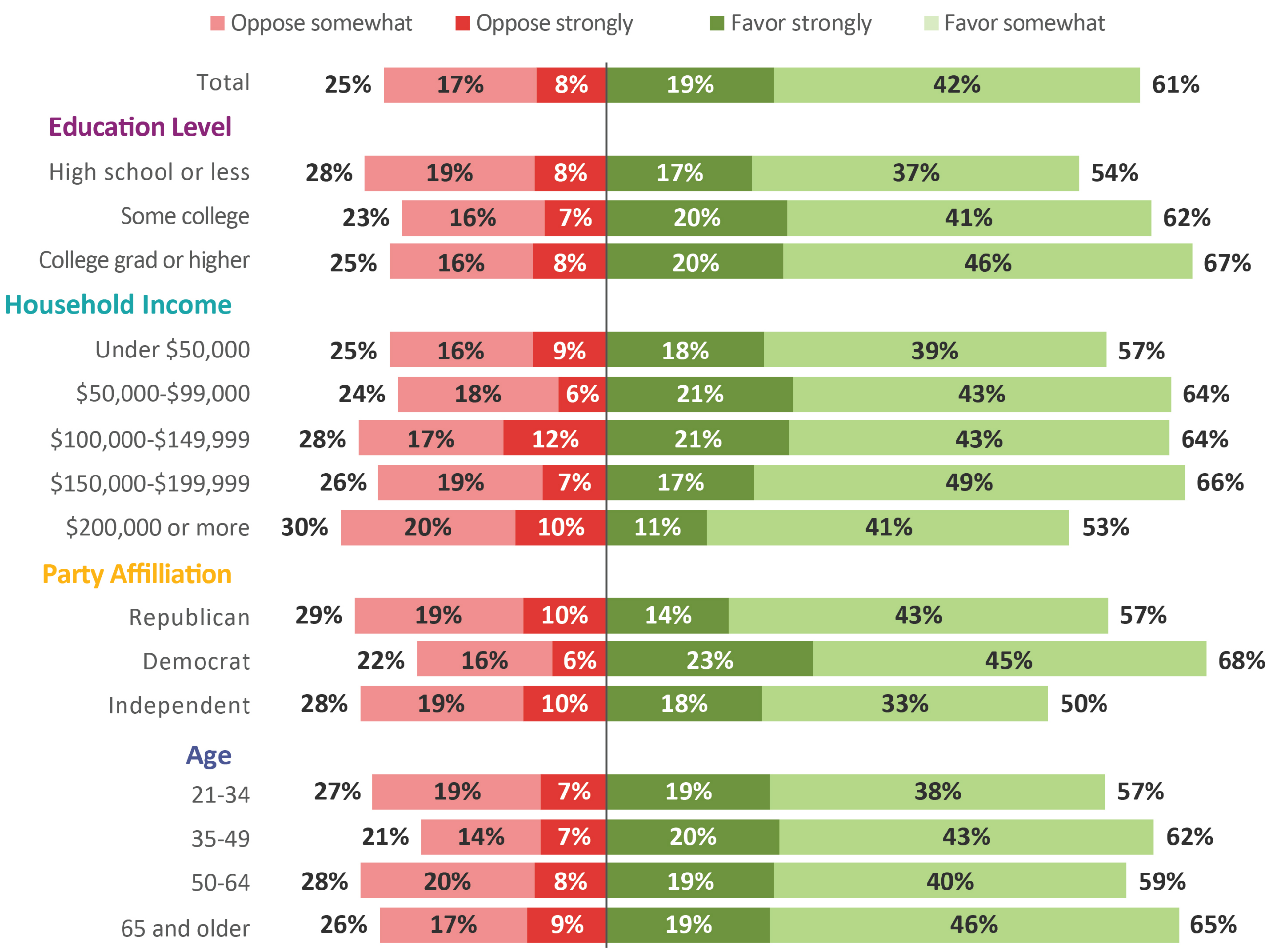
Q23 -- Some parents of young children take time out of the workforce to take care of their children. As a result, they could face a smaller Social Security benefit in retirement. This proposal would provide a credit to increase Social Security benefits for parents who earned little or nothing while raising a child under age 6. Do you favor or oppose this change? *Not sure results not shown*
(n=2234) Source: National Academy of Social Insurance Survey, January 2025

Bridge Benefit for Older Workers with Declining Health

Americans can claim retirement benefits as early as age 62, but doing so results in a permanent reduction of benefits. For some Americans, however, waiting until age 62—much less full retirement age—is not a viable option due to declining health and/or reduced capacity to continue working in physically arduous jobs. A 2023 report from the Academy's Task Force on Older Workers' Retirement Security found that at least 10 million American workers age 50 and older are in physically demanding jobs and, despite health challenges that make it difficult to continue working, many are unable to access Social Security Disability Insurance as they do not meet the strict disability standard.[25]

To address this challenge, some have proposed a "bridge benefit" that would reduce the early retirement reduction for those with a history of physically demanding work.[26] More than 6 in 10 survey respondents support this policy option, including strong majorities of Democrats, Independents, and Republicans, as well as all demographic groups.

Figure 13. **Americans' Views on Social Security Bridge Benefit**



Q20 -- Currently, the age required to get full Social Security retirement benefits is 67. People can claim benefits as early as 62 but will receive reduced benefits if they do so. This proposal would create an exception for people with a history of physically demanding work or who are no longer able to do their current jobs due to declining health. These workers would still face reduced benefits if they claimed before age 67, but the reduction would not be as large. Do you favor or oppose this change? *Not sure results not shown*
(n=2233)
Source: National Academy of Social Insurance Survey, January 2025

Cost-of-Living Adjustment that More Accurately Reflects Older Americans' Spending

Mirroring the trade-off analysis, while survey respondents oppose changing Social Security's cost-of-living adjustment to a measure that would slow the growth of benefits, by contrast, nearly two-thirds support updating the COLA to a measure that more accurately accounts for the spending patterns of older Americans. Support is strong across all demographic groups and party lines, with 71 percent of Democrats, 57 percent of Republicans, and 61 percent of Independents in support.

Across-the-Board Benefit Increase

While the survey found strong support for targeted benefit enhancements, one benefit improvement that failed to garner majority support is an across-the-board benefit increase of $250 per month for all future—but not current—retirees; 48 percent of Americans are in favor and 40 percent opposed. A slight majority of Democrats (53 percent) favor the policy and exactly half (50 percent) of Republicans oppose it. There are no notable differences in support by education or income, but there are differences by age; individuals over 65 years old do not support this policy—61 percent are opposed—but a majority of younger individuals, ages 21-49 are in favor (roughly 55 percent).

Conclusion

At a time when the nation seems deeply divided about the appropriate size and role of government, it is notable that Americans are united across political, income, education, and generational lines when it comes to their views on Social Security—and their preferred path for the program's future. This survey finds not only strong bipartisan support for the program itself but also overwhelming agreement that lawmakers should act to close the system's financing gap by raising the revenues needed to keep it on strong footing for the long haul. Meanwhile, not only are Americans willing to pay more into the system to avoid benefit reductions, they also want to raise the revenues needed to make targeted benefit improvements, including a caregiving credit, a bridge benefit for older workers, and a cost-of-living adjustment that is more in line with older Americans' spending patterns.

The message to Washington is clear: rather than see the gap closed by reducing benefits, Americans want to see Social Security secured and strengthened through additional revenues, and they are willing to pay more to bolster the program's finances. As was true in the Academy's 2014 survey, what Americans want is simple: for Social Security to be there for them.

Endnotes

1. The survey uses projections from the 2023 Trustees Report, which anticipated a 20 percent financing gap, and not the 2024 Trustees Report, which anticipates a 17 percent financing gap, because the Office of Chief Actuary had not yet updated the impact of all the proposals to the 2024 projections prior to the survey being finalized.
2. The cap in 2025 is $176,100, but when the survey was implemented in 2024, the 2024 cap was used, which was $168,600. See: Social Security Administration, "Contribution and Benefit Base," https://www.ssa.gov/oact/cola/cbb.html. The cap is adjusted annually for inflation, and under this proposal, it would eventually rise above $400,000 – in effect eliminating the cap – by around 2048, according to the Office of Chief Actuary: https://www.ssa.gov/oact/solvency/LarsonBlumenthalVanHollen_20190918.pdf
3. Social Security Administration, "Contribution and Benefit Base," https://www.ssa.gov/oact/cola/cbb.html.
4. Social Security Administration, "Social Security Beneficiary Statistics," https://www.ssa.gov/oact/STATS/OASDIbenies.html.
5. See the 2024 TR, Table III.A6, https://www.ssa.gov/OACT/TR/2024/III_A_cyoper.html#147356
6. Steve Goss and Karen Glenn, "Session 1K: Updates on the Financial Status of Social Security and Proposals," https://www.ssa.gov/oact/presentations/scgoss_20241028.pdf.
7. Richard W. Johnson, "How Does Earnings Inequality Affect Social Security Financing?," AARP, 2020, https://doi.org/10.26419/ppi.00104.001.
8. Social Security Administration, "Special Issue Securities," https://www.ssa.gov/oact/progdata/specialissues.html.
9. Jasmine V. Tucker, Virginia P. Reno, and Thomas N. Bethell, "Strengthening Social Security: What Do Americans Want?," 2012, https://www.nasi.org/sites/default/files/research/What_Do_Americans_Want.pdf; Elisa A. Walker, Virginia P. Reno, and Thomas N. Bethel, "Americans Make Hard Choices on Social Security: A Survey with Trade-Off Analysis," October 2014, https://www.nasi.org/wp-content/uploads/2014/11/Americans_Make_Hard_Choices_on_Social_Security.pdf.
10. A series of demographic questions explored survey respondents' age, gender, race, marital status, parenthood, self-reported health, self-reported knowledge of Social Security, as well as educational attainment, income, assets, political affiliation, work status, and whether the respondent was a business owner. Statistical significance is determined at the 95 percent level. See Appendix B for the full survey.
11. This question was asked to gauge how important Social Security is to Americans' economic security and is not necessarily a reflection of what will happen if the program hits reserve depletion.
12. For a more detailed discussion of trade-off analysis, see Appendix A.
13. The cap in 2025 is $176,100, but when the survey was implemented in 2024, the 2024 cap was used, which was $168,600. See: Social Security Administration, "Contribution and Benefit Base," https://www.ssa.gov/oact/cola/cbb.html. The cap is adjusted annually for inflation, and under this proposal, it would eventually rise above $400,000 – in effect eliminating the cap – by around 2048, according to the Office of Chief Actuary. https://www.ssa.gov/oact/solvency/LarsonBlumenthalVanHollen_20190918.pdf
14. Respondents were provided the following description of this policy: "Reduce benefits for new recipients of Social Security who earn, not including Social Security, an income over $60,000 for individuals or $120,000 for a married couple. The reduction would be larger for those who earn more but would be no higher than a 50 percent reduction for those making more than $180,000 individually or $360,000 for a married couple." See Appendix for this and other individual policy definitions that were provided. An example of this type of policy option was proposed as part of "A Proposal to Restore Sustainable Solvency for the Social Security Program," submitted to and scored by the Social Security Office of Chief Actuary in 2011. This would have essentially reduced Social Security benefits for recipients with substantial income in retirement coming

from outside the program. For more information: https://www.ssa.gov/OACT/solvency/JChaffetz_20111109.pdf.

15. Estate taxes paid on estates with more than $13.6 million of assets.
16. General government revenue.
17. Carbon tax paid by coal, oil, and other natural gas companies.
18. Capital gains tax, paid on peoples' investment earnings.
19. New tax on employee benefits which are not currently taxed, like the value of health insurance or flexible spending accounts.
20. According to the most recent data, SSA's administrative budget equals 0.94 percent of total benefit outlays including Social Security and SSI.
21. Sharon Jayson, "Social Security Disability Claimants Face Record Waits," AARP, October 8, 2024, https://www.aarp.org/retirement/social-security/info-2024/disability-claim-wait-times.html.
22. U. S. Government Accountability Office, "Social Security Disability: Information on Wait Times, Bankruptcies, and Deaths among Applicants Who Appealed Benefit Denials," 2020, https://www.gao.gov/products/gao-20-641r.
23. Sharon Jayson, "Social Security Disability Claimants Face Record Waits," AARP, October 8, 2024, https://www.aarp.org/retirement/social-security/info-2024/disability-claim-wait-times.html.
24. The table below was included in the survey materials seen by respondents.
25. The National Academy of Social Insurance Older Workers' Retirement Security Task Force, "Older Workers in Physically Challenging Jobs Need Stronger Social Insurance Supports," September 2023, https://www.nasi.org/wp-content/uploads/2023/09/OlderWorkersTaskForce-Report-FINAL.pdf; Christian E. Weller, Rebecca Vallas, and Steph Lessing, "Bridge Benefit for Older Workers," December 2019, https://www.nasi.org/wp-content/uploads/2019/12/Bridge-Benefit-Weller-Vallas-Lessing1.pdf.
26. Please see the Report from the Academy's Task Force on Older Workers' Retirement Security for further discussion of this idea: The National Academy of Social Insurance Older Workers' Retirement Security Task Force, "Older Workers in Physically Challenging Jobs Need Stronger Social Insurance Supports," September 2023, https://www.nasi.org/wp-content/uploads/2023/09/OlderWorkersTaskForce-Report-FINAL.pdf
27. The survey uses projections from the 2023 Trustees Report, which anticipated a 20 percent financing gap, and not the 2024 Trustees Report, which anticipates a 17 percent financing gap, because the Office of Chief Actuary had not yet updated the impact of all of the proposals to the 2024 projections prior to the survey being finalized.

Appendices

Appendix A: Methodology

Appendix B: Questionnaire

Appendix C: Additional Figures

Appendix D: Trade-off Analysis Example

Appendix E: Individual Policy Options Definitions

Appendix F: Detailed Descriptions and Impact of Individual Policy Options on the Financing Gap

Appendix A: Methodology

To understand Americans' perspectives on Social ollaborated with Greenwald Research and NORC at the University of Chicago to conduct a nationally representative online survey of 2,243 Americans, conducted in October and November 2024. As the National Academy of Social Insurance did in 2014 for their innovative "Americans Make Hard Choices on Social Security: A Survey with Trade-Off Analysis", the 2024 study included a trade-off analysis to examine how respondents weighed the appeal or lack of appeal of various packages of Social Security policy changes. The study also incorporated nine pre-test interviews to help refine the survey questionnaire and the wording of the policy options included.

Cognitive Interviews

As a prelude to the study, Greenwald Research conducted a series of pre-test interviews (also known as cognitive interviews). The interviews were used to refine the survey questionnaire. All individuals were 21 or older and had a total household income of less than $250,000. Other demographics, such as gender, race/ethnicity, and education level, varied. The interviews explored participants' understanding and thought process for each survey question. Nine interviews were conducted via Zoom between August 15, and August 21, 2024. Each interview lasted one hour.

Online Survey

The online survey of 2,243 Americans ages 21 and older was conducted from October 15-November 20, 2024, using the AmeriSpeak® panel. The survey was offered in either English or Spanish (34 respondents took the survey in Spanish: 1.5 percent of all respondents).

Funded and operated by NORC, AmeriSpeak® is a probability-based panel designed to be representative of the US household population. Randomly selected US households are sampled using area probability and address-based sampling, with a known, non-zero probability of selection from the NORC National Sample Frame. The panel provides sample coverage of approximately 97 percent of the U.S. household population. Those excluded from the sample include people with P.O. Box only addresses, some addresses not listed in the USPS Delivery Sequence File, and some newly constructed dwellings.

The sample for this study was selected from NORC's AmeriSpeak® Panel using sampling strata based on age, race/Hispanic ethnicity, education, and gender (64 sampling strata in total). Sample selection considered the expected differential survey completion rates across the sampling strata. The size of the selected sample per stratum was determined such that the distribution of the complete surveys across the strata matches that of the target population as represented by census data. When panelists are selected for an AmeriSpeak survey, the selection process, within each sampling strata, favors those who were not selected in the most recent previous AmeriSpeak survey. This selection process is designed to minimize the number of surveys any one panelist is exposed to and maximize the rotation of all panelists across AmeriSpeak surveys.

While in the field, Greenwald Research applied cleaning rules to the survey data for quality control. A total of 317 cases were removed due to speeding (completing the survey in less than one-third of the median length), refusing to answer more than 50 percent of the eligible questions, or from completing the survey more than once. In total, 12.4 percent of cases were removed.

Surveys averaged 19 minutes in length. The final collection of respondents included specific oversamples of Non-Hispanic African Americans (265 of completions), non-Hispanic AAPI (296 of completions), and Hispanics (306 of completions) to ensure adequate sample size of those groups for analysis. Over-sampling was also conducted with small business owners, those who had ownership in a business that employed 2-100 people. One hundred and fifty-three small business owners were interviewed. The oversampled groups were weighted down to match their respective proportion in the population in the weighting process. The survey results were weighted by NORC to match data from the Current Population Survey, except for Household Phone Status, which is determined by the National Center for Health Statistics (NCHS) bi-annual survey on wireless substitutions. Survey results were weighted by age, gender, census division, race/ethnicity, education, housing tenure, household phone status, and small business ownership.

The margin of error for a survey of 2,243 individuals is plus or minus 2.1 percentage points (with 95 percent certainty) of what the results would be if all Americans ages 21 and older were surveyed with complete accuracy. Subgroups would have a larger margin of error, depending on the size of the group.

The first part of the questionnaire explored respondents' knowledge and attitudes about Social Security, their confidence in its future, and the importance of benefits to their incomes now and in the future. The rest of the questionnaire asked whether they would favor or oppose specific changes to Social Security, including increasing future taxes, lowering future benefits, or increasing benefits for certain groups. Each policy change included a brief explanation of its effect. The survey questionnaire is in Appendix XX.

Trade-Off Analysis

Trade-off analysis (also known as conjoint analysis) is a technique often used in marketing research to learn which elements of a policy or product or service respondents value most and are willing to pay for, and to estimate which combination of elements is preferred. In this study, trade-off analysis was used to learn which of various packages of Social Security policy changes Americans want and are willing to pay for, via their impact on the financing gap (namely, the gap between revenue and outlays). This analysis used official estimates from the Social Security Administration actuaries of how each policy change would affect the program's financing gap, which will be 20 percent in 2034 if no changes are made.[27] A gap was calculated by combining the impact of each policy shown in a given package and comparing it to the projected financial gap of 20 percent. For example, if the package did not change the gap, respondents would see 'Gap stays at 20 percent'. If the package increased the gap, respondents would see 'Gap is increased to [value larger than 20] percent". Respondents could also see 'Gap is reduced to [value less than 20] percent, 'Gap eliminated [if new gap calculation was 0 percent]', or 'Gap eliminated and [value] percent surplus created'.

Study participants completed the trade-off exercise as part of the survey flow, shown in the questionnaire in Appendix XX. Nine policy change categories were included in the trade-off exercise with all categories including a 'no change' option. Two changes call for increasing future revenues: raising the cap on earnings subject to Social Security contributions and raising the Social Security contribution rate for all workers. Three changes call for reducing future benefits: increasing the age for receiving full retirement benefits, lowering Social Security's annual cost-of-living adjustment (COLA), and reducing benefits for those earning more than the average amount. Finally, five changes call for increasing benefits. Three increases would target specific groups: giving credit to parents earning less while caring for children under age 6, reducing the penalty of claiming Social Security early for people with a history of physically demanding work, and reducing the tax on those receiving substantial money outside of Social Security. Two other increases would affect all beneficiaries: increasing the COLA by basing it on inflation experienced by the elderly and an across-the-board benefit increase. Appendix XX contains descriptions of the nine changes that respondents read as they completed the trade-off exercise.

The trade-off exercise design program generated 9,072 unique permutations. Each respondent was randomly assigned policy change options from five of the nine policy change categories. Each respondent was asked to choose which of three combinations of policy options they preferred twelve different times. In each case, one of the combinations was no change from the current policy. Each combination provided an estimate of how much the combination would reduce or increase Social Security's financing gap. Each of the twelve times, respondents chose the package of policy changes they most preferred — one of the two packages with changes or the current system unchanged. The questionnaire in Appendix XX shows the instructions for completing the exercise, as well as two example screens of the live exercise from the programmed survey.

The choice variant for this trade-off exercise was a Discrete Choice. The modeling was done via Multinomial Logit using hierarchical Bayesian statistics. The multinomial logit is the base regression model that determines the relative contribution of each attribute and level in predicting choices. The hierarchical Bayesian element converts the Multinomial Logit model to get unique results for each respondent, as opposed to a single set of utilities that apply equally to all respondents.

Appendix B: Questionnaire

SCREENER AND ESSENTIAL DEMOGRAPHICS

Welcome to this survey!

S2. What is your current gender identity?

Man 1
Woman 2
Non-binary... 3
Another gender identity (specify)__________ 4
Prefer not to say 5

S3. Are you of Hispanic or Latino origin or descent?

Yes 1
No 2
Prefer not to say 3

S4. Which of the following categories indicates the race or races that you consider yourself to be? (Select all that apply.)

American Indian 1
Alaska Native 2
Asian 3
Black/African American 4
Native Hawaiian... 5
Other Pacific Islander 6
White 7
Some other race (specify)__________ 8
Prefer not to say 9

S5. Are you currently employed for pay, including self-employed, running a business, free-lancing or other work…? *(If currently furloughed or temporarily laid-off, please select 'Not employed'.)*

Full-time 1
Part-time... 2
Not employed 3

S6. Do you own a business, in full or in part?

Yes 1
No 2

S6a. [IF S6=1] How many people work in the business you own? Please include full-time and part-time workers. If you have ownership in more than one business, please respond in terms of your largest business.

1 person (including you) 1
2 to 10 people 2

11 to 25 people 3
26 to 50 people 4
51 to 100 people 5
101 to 200 people 6
More than 200 people 7

S7. Are you currently…?

Married 1
Not married, living with a partner 2
Divorced or separated 3
Widowed 4
Single, never married 5

S8. What was the highest level of education that you completed?

Some high school or less 1
High school graduate 2
Trade or vocational school 3
Some college 4
College graduate (4-year degree) 5
Graduate or professional degree 6

S9. Do you consider yourself to be retired?

Yes 1
No 2

S9a. [IF MARRIED, S7=1] Does your spouse consider himself/herself retired?

Yes 1
No 2

S10a. [IF NOT RETIRED (S9=2)] At what age do you plan to retire? (Please provide your best estimate.)

____ ____

Never plan to retire 999

S10b. [IF RETIRED (S9=1)] At what age did you retire?

____ ____

BROAD REACTION TO SOCIAL SECURITY PROGRAMS

1. Overall, is your view of Social Security…? [ROTATE 4-1/1-4]

Very favorable 4
Somewhat favorable 3
Somewhat unfavorable 2
Very unfavorable 1
Not sure 5

2. How knowledgeable would you say you are about the Social Security system? [ROTATE 4-1/1-4]

Very knowledgeable 4
Somewhat knowledgeable 3
Not too knowledgeable 2
Not at all knowledgeable... 1
Not sure 5

Social Security is a federal program that financially supports retirees, disabled individuals, and survivors of deceased workers. It is mostly funded by collecting taxes from active workers and their employers.

3. Are you [IF MARRIED, S7=1]: or your spouse] currently receiving Social Security retirement benefits?

Yes, I am.. 1
[IF MARRIED, S7=1] Yes, my spouse is 2
[IF MARRIED, S7=1] Yes, we both are 3
No 4

4. [IF RESPONDENT AND/OR SPOUSE RECEIVING BENEFITS (Q3=1-3)] How important would you say Social Security retirement benefits are to your monthly income? [ROTATE 4-1/1-4]

Very important 4
Somewhat important 3
Not too important 2
Not at all important... 1
Not sure 5

5. **[IF RESPONDENT NOT RECEIVING BENEFITS (Q3=4)]** How important do you think Social Security benefits will be to your monthly income when **[IF NOT RETIRED (S9=2):** you retire/**IF RETIRED (S9=1):** you begin receiving benefits]? **[ROTATE 4-1/1-4]**

Very important 4
Somewhat important 3
Not too important 2
Not at all important... 1
Not sure 5

6. If for some reason you did not receive your Social Security retirement benefits, which of the following statements best describes the effect it would have on your lifestyle, if any, [IF NOT RETIRED AND NOT RECEIVING BENEFITS ADD (S9=2 & Q3=4): in retirement/IF RETIRED AND NOT RECEIVING BENEFITS ADD (S9=1 & Q3=4): in your later years]? [RANDOMLY REVERSE LIST]

It would have no effect... 4
My budget would be tighter, but I would get by 3
I would have to make significant sacrifices but could still afford the basics 2
I would not be able to afford the basics, such as food, clothing,

or housing 1

7. [IF RESPONDENT WORKING FULL TIME OR PART-TIME, S5=1-2] How important do you think Social Security disability benefits would be to your monthly income if you became disabled and were unable to support yourself through work? [ROTATE 4-1/1-4]

Very important 4
Somewhat important 3
Not too important 2
Not at all important 1
Not sure 5

8. [IF RESPONDENT NOT RECEIVING BENEFITS (Q3=4)] How confident are you that all of the Social Security benefits you are supposed to get will be available to you when [IF NOT RETIRED (S9=2): you retire/IF RETIRED (S9=1): you begin receiving retirement benefits]? [ROTATE 4-1/1-4]

Very confident 4
Somewhat confident 3
Not too confident 2
Not at all confident 1
Not sure 5

9. Which of the three statements below comes closest to your view? **[RANDOMIZE]**
We should ensure Social Security benefits are not reduced, even if it means raising taxes on some or all Americans 1
We should increase Social Security benefits, even if it means raising taxes on some or all Americans 2
We shouldn't raise taxes on any American, even if it means reducing Social Security benefits.. 3

10. Which of the following statements comes closest to what you believe Social Security *should* provide to retirees and disabled workers? **[RANDOMLY REVERSE LIST]**

Less income than is needed for the basic necessities of life 1
About what is needed for the basic necessities of life 2
More than is needed for the basic necessities of life, but not enough to maintain your pre-retirement lifestyle 3
Enough to maintain your pre-retirement standard of living...................... 4

11. Official Social Security Administration projections show that the Social Security system has enough money to pay all benefits until the year 2034. If no changes are made to the program, which one of the following do you think would be most likely to happen after 2034? [ROTATE 5-1/1-5]

Social Security would be able to pay 100 percent of benefits................... 1
Social Security would be able to pay 80 percent of benefits..................... 2
Social Security would be able to pay 50 percent of benefits..................... 3
Social Security would be able to pay 25 percent of benefits..................... 4
Social Security would be unable to pay benefits at all 5
Not sure 6

12. There are three different types of Social Security programs that pay benefits to Americans who qualify. Below is a list of those three programs and the average amount of monthly benefits that are paid out by each.

For each Social Security program, please indicate your feelings about the level of benefits. **[RANDOMIZE AND ROTATE 3-1/1-3]**

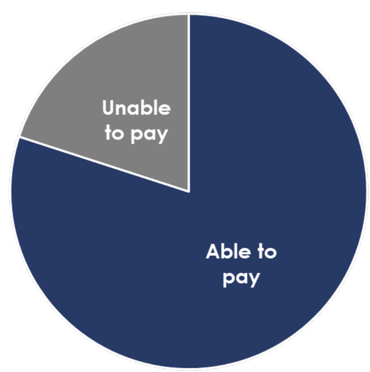
		Should be higher	Is about right	Should be lower	Not sure
a.	Retirement benefits, average is $1,866 per month	3	2	1	4
b.	Disability benefits, average is $1,538 per month	3	2	1	4
c.	Survivor benefits, average is $1,504 per month to a spouse of someone who died who would have been eligible for retirement benefits	3	2	1	4

REACTION TO PROPOSALS

If Social Security no longer has enough money to pay planned Social Security benefits, the difference in the amount that it can pay and scheduled benefits is referred to as a "financing gap." If Congress fails to act by 2034, it is projected that the system would only be able to pay about 80 percent of scheduled benefits beyond that date and would have a "financing gap" of about 20 percent. This means payments to retirees and disabled workers would be cut by about 20 percent.

Social Security Benefits in 2024

Social Security Benefits in 2034
(if no changes made)



There are a lot of proposals to reform Social Security. Proposals to increase Social Security taxes or decrease Social Security benefits would reduce the financing gap and improve Social Security's ability to pay scheduled benefits. Proposals to increase benefits or reduce Social Security taxes would increase the financing gap. Policymakers will likely combine several reform proposals into one package.

The next several questions are about some of the proposals policymakers are considering. Please click next to continue.

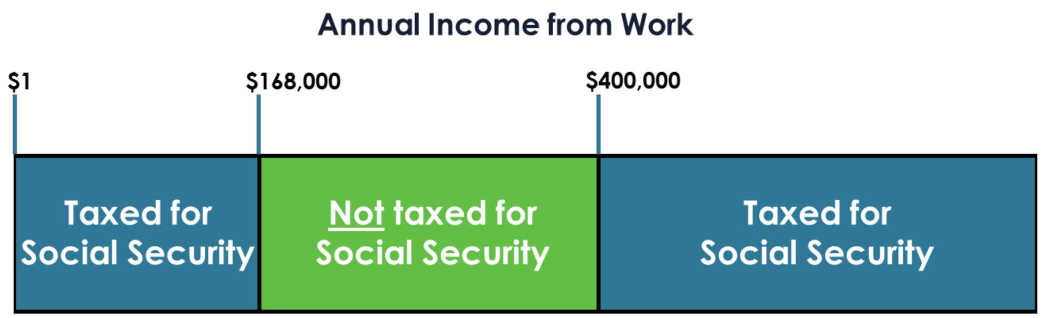
RANDOMIZE THE ORDER OF THE THREE CATEGORIES: 1) RAISE REVENUES [Q13-Q15 TOGETHER], 2) REDUCE BENEFITS [Q16-Q19 TOGETHER], 3) INCREASE BENEFITS [Q20-Q23 TOGETHER].

Increase Social Security's Taxable Earnings Cap

The next 3 proposals would raise revenues for Social Security. These changes would decrease the Social Security financing gap and therefore increase Social Security's ability to pay benefits. As a reminder, policymakers will likely combine several reform proposals into one package.

13. Currently, all workers pay Social Security taxes on their wages up to about $168,000. Any wages earned above about $168,000 per year are not taxed for Social Security. This proposal would maintain the current cap at about $168,000 but have Americans with annual wages over $400,000 start paying Social Security taxes again on wages above that amount.

For example: Workers earning under $400,000 would not see any changes. Those earning above $400,000 would now be taxed only on the money earned above $400,000 in addition to the first $168,000 of earnings that they are taxed on today.



Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat.. 2
Oppose strongly 1
Not sure 5

14. Currently, all workers pay Social Security taxes on their wages up to about $168,000 per year. This proposal would gradually eliminate the limit altogether so that by 2030, all workers would pay Social Security taxes on all of their wages.

Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat.. 2
Oppose strongly 1
Not sure 5

Increase Social Security's Tax Rate

15. Workers currently pay 6.2 percent of their wages to Social Security, and their employers pay the same share for a total of 12.4 percent. This proposal would gradually raise the rate until it hits 7.2 percent for workers and the same amount for employers.

    For example: For a worker earning $50,000 per year, this would mean an increase of $500 annually, or $42 a month, matched by the employer.

Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly	4
Favor somewhat	3
Oppose somewhat	2
Oppose strongly	1
Not sure	5

The next 3 proposals would reduce Social Security benefits. These changes would decrease the Social Security financing gap and therefore increase Social Security's ability to pay benefits. As a reminder, policymakers will likely combine several reform proposals into one package.

16. The next proposal would reduce Social Security benefits for new recipients. Individuals who earn over $60,000 a year and married couples earning over $120,000 a year (other than Social Security benefits) would have their benefits reduced. The higher their earnings, the more their benefits would be reduced. The highest reduction would be a 50 percent reduction in Social Security benefits for individuals earning more than $180,000 and married couples earning more than $360,000.

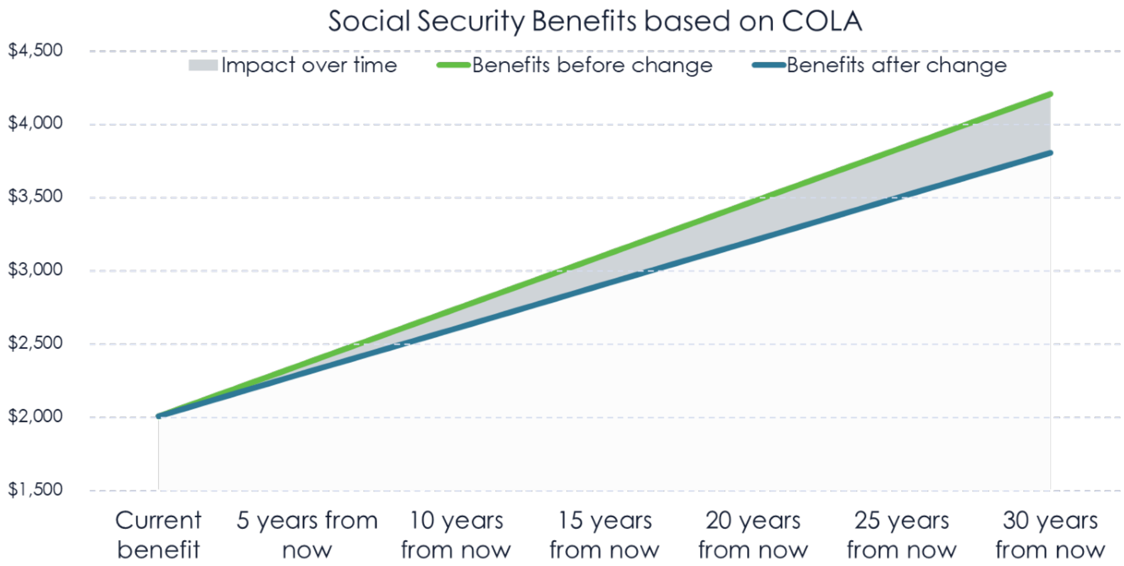
Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly	4
Favor somewhat	3
Oppose somewhat	2
Oppose strongly	1
Not sure	5

Slow the Growth of Social Security's Cost-of-Living Adjustment (COLA)

17. Social Security's annual Cost-of-Living Adjustment (COLA) increases benefits to keep up with inflation. This proposal would gradually slow down the rate of increase. The impact would grow over time.

    For example: A person receiving $2,000 per month today would, in 30 years, receive about $3,800 a month under this proposal as opposed to about $4,200 under today's rules.



Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat.. 2
Oppose strongly 1
Not sure 5

Increase Social Security's Full Retirement Age

19. Currently, the age required to get full Social Security retirement benefits is 67. People can claim reduced benefits as early as 62. Under this proposal, the age required to get full Social Security retirement benefits would be increased to 68. People can still claim as early as 62, but their benefits would be reduced from the current level no matter what age they claim benefits because of the higher age required to receive unreduced benefits. To receive the same amount of benefits available today, a person would need to wait an additional year to claim benefits.

Monthly Benefit Based on Age of Claiming
(Current vs. Proposed)

Claiming Age	*Current:* Full Benefits at **Age 67**	*Proposed:* Full Benefits at **Age 68**
62	$700	$655
63	$750	$700
64	$800	$750
65	$867	$800
66	$933	$867
67	**$1,000**	$933
68	$1,080	**$1,000**
69	$1,160	$1,080
70	$1,240	$1,160

Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat.. 2
Oppose strongly 1
Not sure.. 5

Increase Benefits for Older Workers Unable to Remain in Their Jobs

Some people believe that Social Security benefits are not as high as they should be. The next 5 proposals would increase benefits for some or all Americans. These changes would increase the Social Security financing gap and therefore decrease Social Security's ability to pay benefits. As a reminder, policymakers will likely combine several reform proposals into one package.

20. Currently, the age required to get full Social Security retirement benefits is 67. People can claim benefits as early as 62 but will receive reduced benefits if they do so. This proposal would create an exception for people with a history of physically demanding work or who are no longer able to do their current jobs due to declining health.

These workers would still face reduced benefits if they claimed before age 67, but the reduction would not be as large.

Do you favor or oppose this change? **[ROTATE 4-1/1-4]**

Favor strongly 4
Favor somewhat 3
Oppose somewhat.. 2
Oppose strongly 1
Not sure.. 5

Increase Benefits for All New Beneficiaries

21. Roughly two-thirds of retirees rely on Social Security as their primary or only source of retirement income. The average retirement benefit is about $1,866 per month. This proposal would increase Social Security benefits by about $250 per month for all people receiving Social Security benefits in the future, but not for those already receiving benefits.

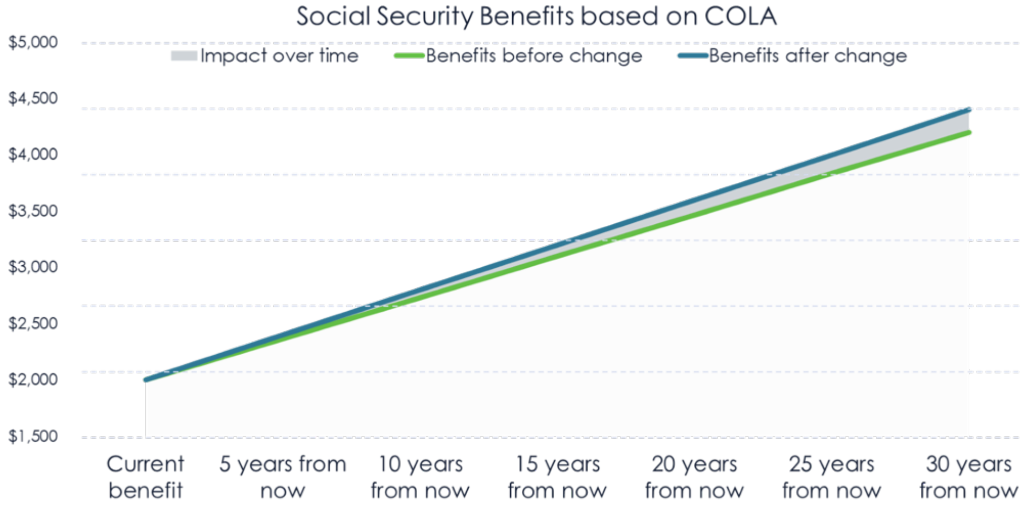
Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat.. 2
Oppose strongly 1
Not sure 5

Increase Social Security's Cost-of-Living Adjustment (COLA)

22. Social Security's annual Cost-of-Living Adjustment (COLA) increases benefits to keep up with inflation. This proposal would gradually increase the Social Security cost of living adjustment (COLA) by basing it on the spending patterns of older Americans, which differs from the spending patterns of those younger. For example, older Americans tend to spend more of their income on medical care, which tends to increase in cost more than average costs.

The impact would grow over time. For example, a person receiving $2,000 per month today would receive more than $4,400 a month in 30 years, as opposed to receiving about $4,200 under today's rules.



Do you favor or oppose this change? **[ROTATE 4-1/1-4]**

Favor strongly 4
Favor somewhat 3
Oppose somewhat.. 2
Oppose strongly 1
Not sure 5

Parenting Young Children Credit

23. Some parents of young children take time out of the workforce to take care of their children. As a result, they could face a smaller Social Security benefit in retirement. This proposal would provide a credit to increase Social Security benefits for parents who earned little or nothing while raising a child under age 6.

Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat... 2
Oppose strongly 1
Not sure... 5

23a. Some of the money used to fund Social Security comes from taxing a portion of the Social Security benefits paid to the beneficiaries who earn above a certain amount of money from work, investments and other sources outside of Social Security. About 40 percent of Social Security beneficiaries earn more than this minimum and pay a tax on their Social Security benefits. This proposal would eliminate this tax.

Do you favor or oppose this change? **[ROTATE 4-1/1-4]**

Favor strongly 4
Favor somewhat 3
Oppose somewhat... 2
Oppose strongly 1
Not sure... 5

CONJOINT

In this next section, we will show you a set of 2 different Social Security policy changes, plus a 3rd set that has no changes to the current system. The last line of each set shows what Social Security's financing gap would be after the policies are in place. On each screen, please select the set of options you most prefer.

For example:

- A financing gap that is smaller than 20 percent makes the system stronger.
- A financing gap that is bigger than 20 percent makes the system weaker.

If needed, there will be links for definitions for each policy and option presented. You can hover over with your cursor on a desktop or laptop or click on a mobile device to see a smaller window with the definition.

This next part will take about 8 minutes to complete, but you must do it all in one sitting and you cannot stop in the middle. This is best taken on larger screen devices, like a computer or tablet. If you are on a smartphone, it may take a little longer to finish.

REACTION TO MORE PROPOSALS

24. **If no changes are made to Social Security by 2034**, Social Security would only be able to pay about 80 percent of scheduled benefits. If policymakers arrive at a deal to solve the program's finances, but the changes will not take effect soon enough to prevent benefit cuts, which one of the following comes closest to what you think should be done? [RANDOMIZE]

Let benefits be cut by about 20 percent.. 1
Re-route other government funds to continue paying full benefits........... 2
Re-route other government funds to continue paying full benefits and repay those funds and treat the money as a loan to be repaid................. 3
Not sure.. 4

25. Some proposals would improve Social Security's finances by re-routing funds from other sources of federal tax revenues. Do you believe that re-routing funds from other sources of federal tax revenues should be used to fund Social Security?

Yes 1
No 2
Not sure.. 3

25b. [IF YES, Q25=1] Which of these sources of federal tax revenues do you believe should be used to fund Social Security? (Select all that apply.) [RANDOMIZE]

General government tax revenue... 1
Estate taxes, paid on estates with over $13.6 million of assets................. 2
Capital gains tax, paid on peoples' investment earnings........................... 3
Carbon tax, paid by coal, oil, and natural gas companies.......................... 4
New tax on employee benefits which are not currently taxed, like the value of health insurance or flexible spending accounts.............. 5
Other sources (please specify) ________________.................................... 6
Not sure.. 7
None of these.. 8

Updating Supplemental Security Income

Another part of the Social Security system is a program called Supplemental Security Income (SSI). It provides a modest cash benefit to low-income older and disabled people. The program's financial rules have not been updated for at least 40 years, even for inflation. There are now several proposals to update SSI's rules.

26. SSI beneficiaries are not allowed to have more than $2,000 in savings or other resources ($3,000 for married couples). Exceeding this savings limit causes people to lose their benefits. Proposals have been made to reform these savings limits.

Which one of the following proposals would you most support? Select only one. [RANDOMIZE]

Fully eliminate the savings limit 1
Increase the savings limits to $10,000 for an individual and $20,000 for a couple.. 2
Increase the savings limits to $10,000 for an individual and $20,000 for a couple and exempt some or all retirement savings, such as 401(k)s,

from the limits 3
None of these 4
Not sure 5

27. SSI benefits are reduced for people who make more than $65 per month from work or more than $20 per month from other sources, such as Social Security. A proposal has been made to increase these amounts for inflation, which would allow people to earn about $400 per month from work and receive about $125 per month from other sources without a reduction in their SSI benefits.

Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat 2
Oppose strongly 1
Not sure 5

28. SSI provides lower benefits to a married couple than it does to two individuals living together and both receiving SSI who are not married. A proposal has been made to change this so that SSI beneficiaries can marry without a reduction in SSI benefits.

Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat 2
Oppose strongly 1
Not sure 5

Funding Social Security's Administrative Services

29. The Social Security Administration (SSA) is responsible for covering its own administrative expenses, like staffing the phone lines and local offices, determining benefit eligibility and payments, and providing online services. In the last 15 years, SSA's administrative budget decreased about 20 percent, while the number of beneficiaries increased by 25 percent. This means there is less money for customer service, leading to growing wait times. A proposal has been made to increase Social Security's administrative funding so that the agency can improve its customer service and decrease wait times.

If this change alone was made, Social Security would face a financing gap one month earlier than now expected.

Do you favor or oppose this change? [ROTATE 4-1/1-4]

Favor strongly 4
Favor somewhat 3
Oppose somewhat 2
Oppose strongly 1
Not sure 5

BACKGROUND/FINAL DEMOGRAPHICS

Finally, a few questions for classification purposes.

D1. [TREND] Are you a registered voter?

Yes 1
No 2

D3. **[TREND]** How would you rate your health? **[ROTATE 5-1/1-5]**

Excellent 5
Very good 4
Good 3
Fair 2
Poor 1

D4. **[IF EMPLOYED FULL-TIME, S5=1]** Which of the following best describes your main job? **[RANDOMIZE]**

Permanent employee of a company or organization owned by others...... 1
Self-employed or work for a company you own, at least in part............... 2
Temporary employee of a company or organization 3
Freelancer, gig worker, independent contractor or consultant 4
Day laborer 5
Other (specify)________ 6

D5. **[IF S5=1 OR 2]** Last week, which type of organization employed you?

Federal Government.. 1
State or local government 2
Private for-profit company 3
Non-profit organization including tax exempt and charitable organizations 4
Self-employed with three or fewer employees 5
Another type of organization 6

D6. **[IF NOT RETIRED S9=2:** Do you [**IF SPOUSE NOT RETIRED S9A=2:** and/or your spouse] have a disability or significant health impairment that limits your ability to work?
[IF RETIRED S9=1 AND HAVE A SPOUSE WHO IS NOT RETIRED [S9a=S] Does your spouse have a disability or significant health impairment that limits his/her ability to work?

Yes 1
No 2

D7. Do you have a child or stepchild who has a disability or special needs, such as autism or Downs Syndrome?

Yes 1
No 2
Not applicable: I have no children/stepchildren.. 3

D8. [TREND] In total, about how much money would you say you [IF MARRIED, S7=1]: and your spouse] currently have in savings and investments, not including the value of your primary residence? Please include all savings and investments, including 401(k), 403(b), and 457 plans and IRAs, but not the value of your home.

Less than $10,000 1
$10,000 to $24,999 2
$25,000 to $49,999 3
$50,000 to $99,999 4
$100,000 to $149,999 5
$150,000 to $249,999 6
$250,000 to $499,999 7
$500,000 TO $750,000 8
Over $750,000 9
Prefer not to say 10

D9. Have you ever served on active duty in the U.S. Armed Forces, Military Reserves, or National Guard? Active duty does not include training for the Reserves or National Guard, but does include activation, for example, for service in the U.S. or in a foreign country, in support of military or humanitarian operations.

Yes 1
No 2

D10. [IF YES, D9=1] Are you currently on active duty in the U.S. Armed Forces, Military Reserves, or National Guard?

Yes 1
No 2

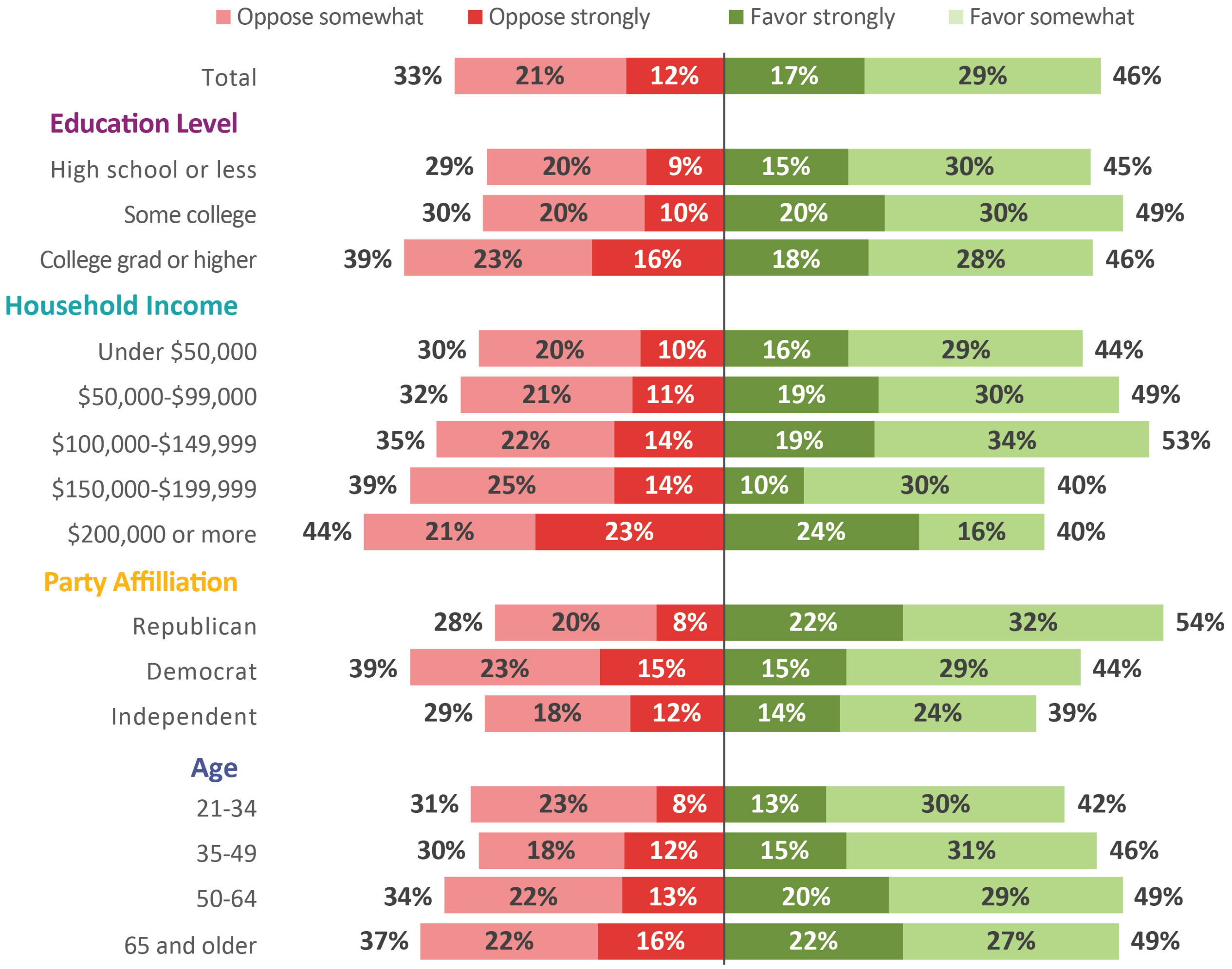
D11. [IF NO, D10=2] Please specify the year you left your active duty.

____ ____ ____ ____

Thank you for participating in this survey!

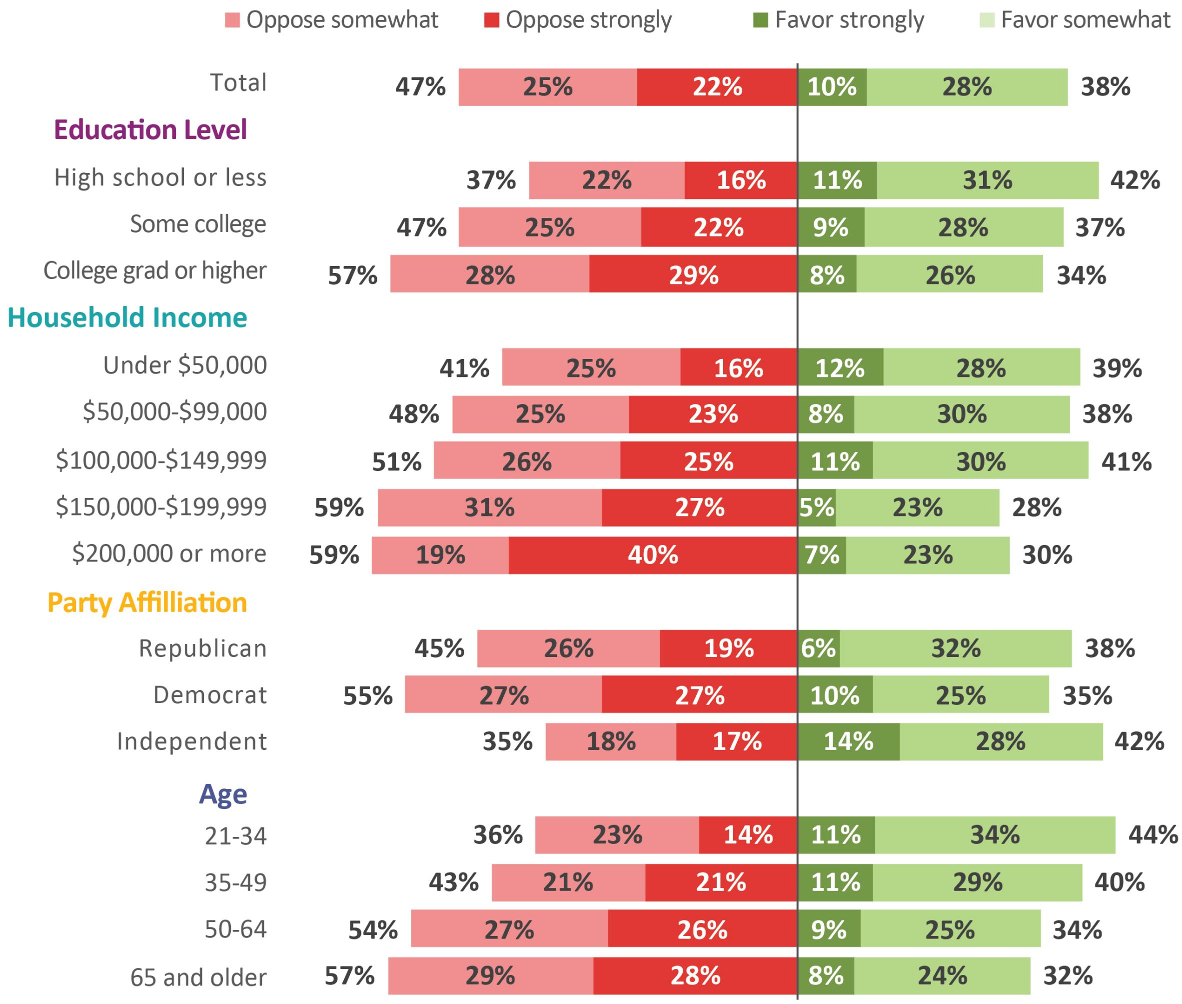
Appendix C: Additional Figures

Figure C1. **Views on Ending Taxation of Benefits for Beneficiaries with Higher Incomes in Retirement**



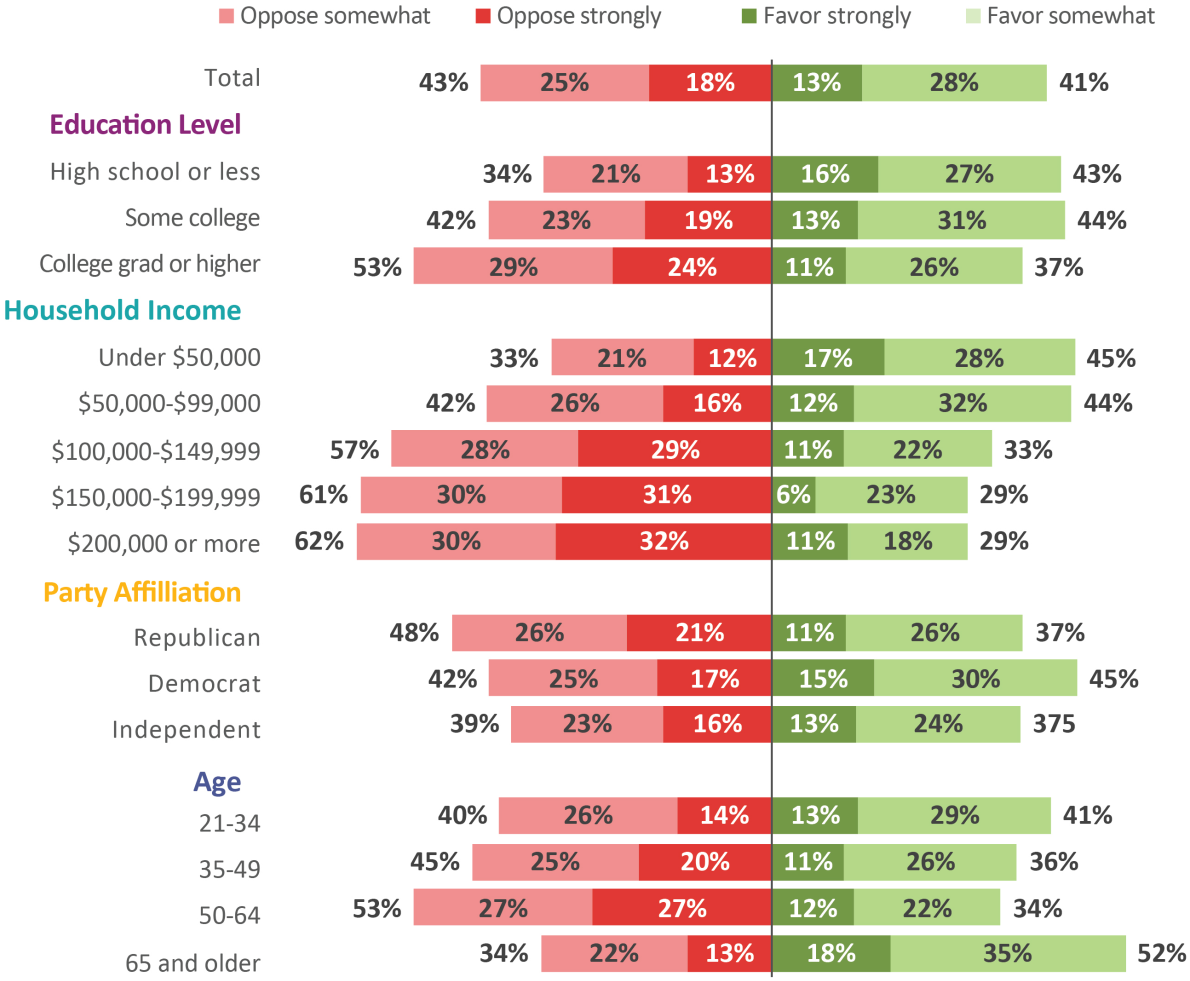
Q23A -- Some of the money used to fund Social Security comes from taxing a portion of the Social Security benefits paid to the beneficiaries who earn above a certain amount of money from work, investments and other sources outside of Social Security. About 40% of Social Security beneficiaries earn more than this minimum and pay a tax on their Social Security benefits. This proposal would eliminate this tax. Do you favor or oppose this change? *Not sure results not shown*
(n=2227)
Source: National Academy of Social Insurance Survey, January 2025

Figure C2. **Views on Slowing Down Annual Cost of Living Adjustment Increase (COLA)**



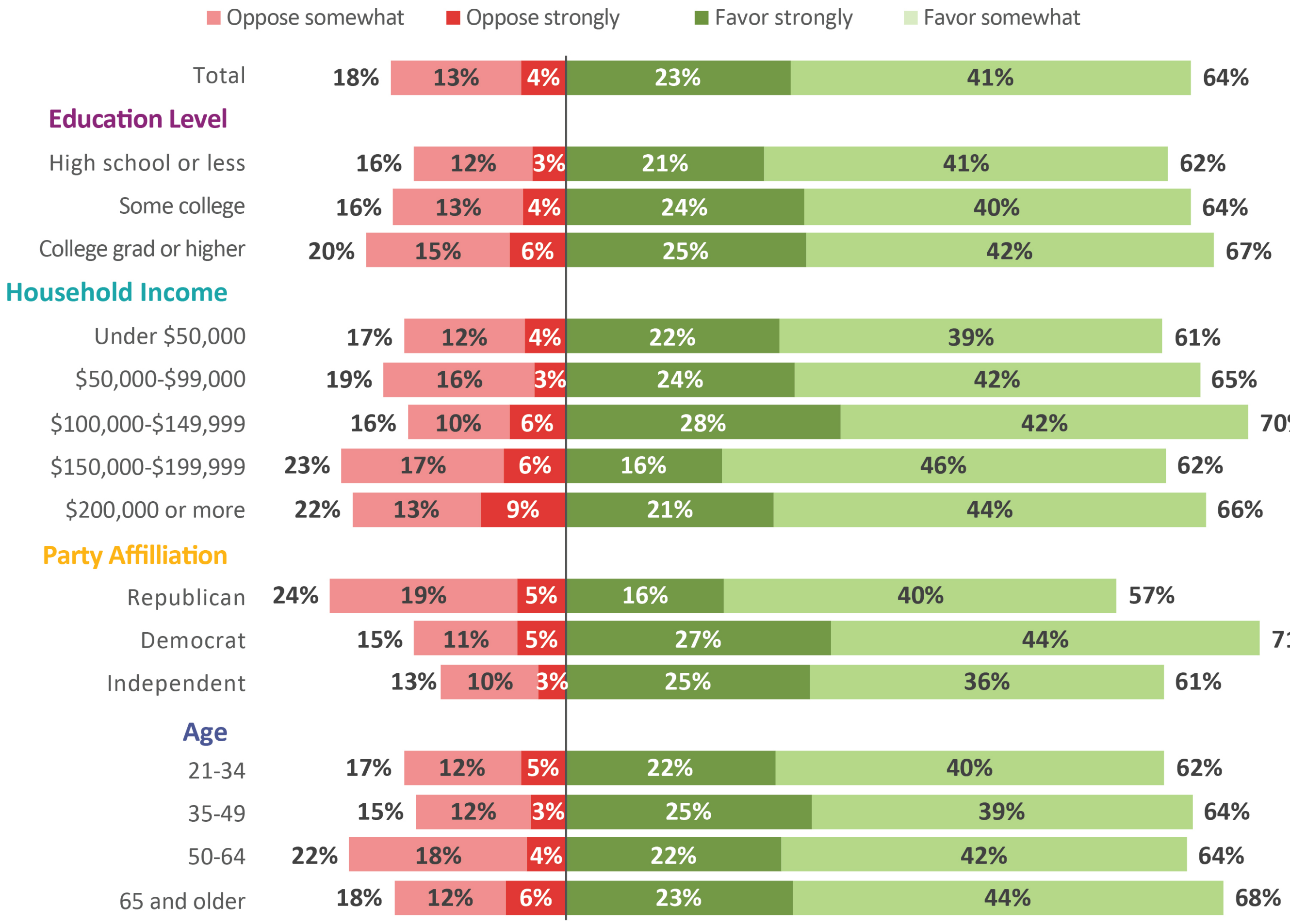
Q17 -- Social Security's annual Cost-of-Living Adjustment (COLA) benefits to keep up with inflation. This proposal would gradually slow down the rate of increase. The impact would grow over time. For example: A person receiving $2,000 per month today would, in 30 years, receive about $3,800 a month under this proposal as opposed to about $4,200 under today's rules. Do you favor or oppose this change? *Not sure results not shown*
(n=2228)
Source: National Academy of Social Insurance Survey, January 2025

Figure C3. **Views on Reducing Benefits for Those with Higher Incomes in Retirement**



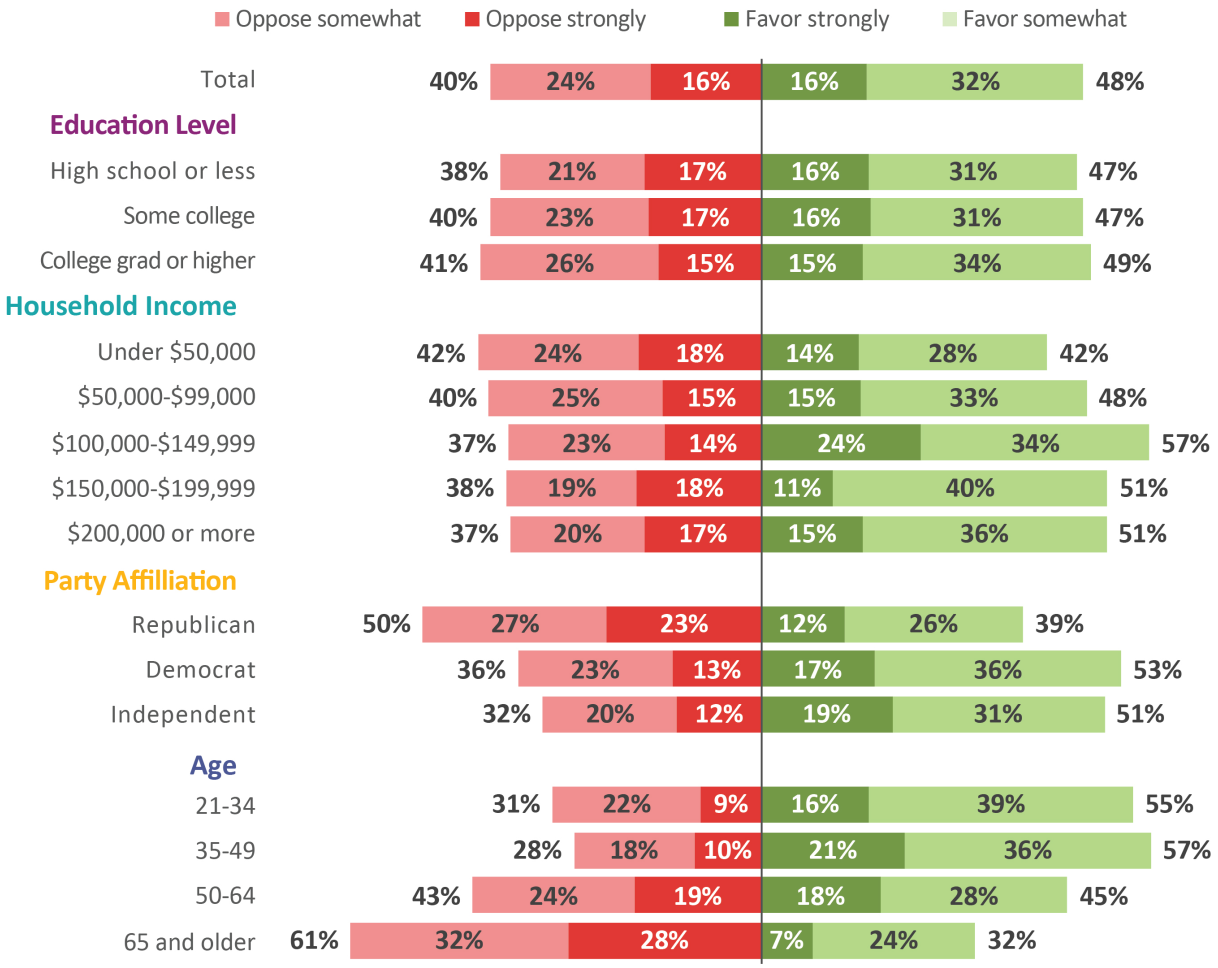
Q16 -- The next proposal would reduce Social Security benefits for new recipients. Individuals who earn over $60,000 a year and married couples earning over $120,000 a year (other than Social Security benefits) would have their benefits reduced. The higher their earnings, the more their benefits would be reduced. The highest reduction would be a 50% reduction in Social Security benefits for individuals earning more than $180,000 and married couples earning more than $360,000. Do you favor or oppose this change? *Not sure results not shown*
(n=2235)
Source: National Academy of Social Insurance Survey, January 2025

Figure C4. **Views on Increasing Annual Cost of Living Adjustment Based on Spending Patterns of Older Americans**



Q22 -- Social Security's annual Cost-of-Living Adjustment (COLA) increases benefits to keep up with inflation. This proposal would gradually increase the Social Security cost of living adjustment (COLA) by basing it on the spending patterns of older Americans, which differs from the spending patterns of those younger. For example, older Americans tend to spend more of their income on medical care, which tends to increase in cost more than average costs. Do you favor or oppose this change? *Not sure results not shown*
(n=2225)
Source: National Academy of Social Insurance Survey, January 2025

Figure C5. **Views on Increasing Monthly Social Security Benefits for All Beneficiaries by $250**



Roughly two-thirds of retirees rely on Social Security as their primary or only source of retirement income. The average retirement benefit is about $1,866 per month. This proposal would increase Social Security benefits by about $250 per month for all people receiving Social Security benefits in the future, but not for those already receiving benefits. Do you favor or oppose this change? *Not sure results not shown* (n=2227)
Source: National Academy of Social Insurance Survey, January 2025

Appendix D: Trade-off Analysis Example

Attribute LETTER	Attribute	Attribute Definition	Level NUMBER	Policy Levels	Level Definition
A	Social Security's Taxable Earnings Cap	Currently, annual wages above about $168,000 are not taxed for Social Security, and individuals with wages above that do not earn Social Security benefits from those wages. About 6% of workers earn more than that amount.	1	Eliminate cap by 2030; Those who earn more would also get somewhat higher benefits	Gradually remove the earnings cap so that all wages are subject to the payroll tax by 2030. Those who earn more would get somewhat higher benefits. • All wage earners and their employers would pay payroll taxes on all money earned in a given year. • This change alone would reduce the financial gap.
			2	Eliminate cap by 2030; Those who earn more would not get any additional benefits	
			3	Raise the earnings cap from $168,000 to $350,000; Those who earn more would also get somewhat higher benefits	Raise the earnings cap from $168,000 to $350,000. Those paying more in taxes would get somewhat higher benefits. • This change would gradually increase the cap to $350,000 per year. • This change alone would reduce the financial gap.
			4	Raise the earnings cap from $168,000 to $350,000; Those who earn more would not get any additional benefits	
			5	Keep current cap of about $168,000 and also collect Social Security taxes on earnings above $400,000; Those who earn more than $400,000 would also get somewhat more benefits	Keep the current earnings cap at about $168,000 but tax all earnings above $400,000 as well. Those paying more in taxes would get somewhat higher benefits. • This change would only raise payroll taxes for those making more than $400,000 annually. They would not pay Social Security taxes on their wages between about $168,000 to $400,000. But they, and their employers, would pay Social Security taxes on all wages above $400,000. • This change alone would reduce the financial gap.
			6	Keep current cap of about $168,000 and also collect Social Security taxes on earnings above $400,000; Those who earn more than $400,000 would not get any additional benefits	
			7	No change	

Attribute LETTER	Attribute	Attribute Definition	Level NUMBER	Policy Levels	Level Definition
B	Social Security Tax Rate	Workers currently pay 6.2% of their wages up to the cap to Social Security, and employers also pay 6.2% up to the cap.	1	Increase tax rate from 6.2% to 8.2% for both employees and employers	Gradually, over 20 years, raise the Social Security tax rate for workers and employers from 6.2% to 8.2%. • Each worker and employer would pay an additional .1% of their paycheck – or .2% for self-employed workers – into Social Security per year. • For a worker earning $50,000, this would mean an increase of $1,000 annually, or $84 a month, matched by the employer. • This change alone would reduce the financial gap.
			2	Increase tax rate from 6.2% to 7.2% for both employees and employers	Gradually, over 20 years, raise the Social Security tax rate for workers and employers to 7.2%. • Each worker and employer would pay an additional .05% of their paycheck – or .1% for self-employed workers – into Social Security per year. • For example: For a worker earning $50,000 per year, this would mean an increase of $500 annually, or $42 a month, matched by the employer. • This change alone would reduce the financial gap.
			3	No Change	

Attribute LETTER	Attribute	Attribute Definition	Level NUMBER	Policy Levels	Level Definition
C	Social Security's Age for Full Retirement Benefits	Currently, the age required to get full Social Security retirement benefits is 67. People can claim reduced benefits as early as 62.	1	Gradually raise the full retirement age from 67 to 68	Increase the full retirement age by 1 month every 2 years until it reaches 68 in 2048. • For example, a person receiving $2,000 a month would have to wait a year longer to get the same amount of benefits. If the same person claimed benefits at age 62, their monthly benefits would be $1,300, not the $1,400 it would be under current law • To receive the same amount of benefits available today, a person would need to wait an additional year to claim benefits. • This change alone would reduce the financial gap.
			2	Gradually raise the full retirement age from 67 to 69	Increase the full retirement age by 2 months every year until it hits 69 in 2034. • For example, a person receiving $2,000 a month would have to wait two years longer to get the same amount of benefits. If the same person claimed benefits at age 62, their monthly benefits would be $1,200 not the $1,400 it would be under current law • To receive the same amount of benefits available today, a person would need to wait an additional two years to claim benefits. • This change alone would reduce the financial gap.
			3	No change	

Attribute LETTER	Attribute	Attribute Definition	Level NUMBER	Policy Levels	Level Definition
D	Social Security's Cost of Living Adjustment (COLA)	The purpose of Social Security's COLA is to increase benefits to keep up with inflation. The Social Security Administration pays a COLA benefit when the cost-of-living increases.	1	Increase COLA by basing it on inflation for older people	Increase the COLA by basing it on the spending patterns of older Americans, accounting for higher medical costs but also things like senior discounts. • The impact would grow over time. For example, a person receiving $2,000 per month today would receive more than $4,400 a month in 30 years, as opposed to receiving about $4,200 under today's rules. • This change alone would increase the financial gap.
			2	Decrease COLA by basing it on a different calculation that goes up more slowly than current method	Lower the COLA by using a new measure of inflation that generally rises more slowly than the current measure. • The impact would grow over time. For example, a person receiving $2,000 per month today would, in 30 years, receive about $3,800 a month under this proposal as opposed to about $4,200 under today's rules. • This change alone would reduce the financial gap.
			3	No change	
E	Benefits for All Beneficiaries	The average retirement benefit in December 2023 was $1,767 per month. For about two-thirds of retirees, Social Security benefits are their primary or only source of retirement income.	1	Increase benefits by $250 per month for all new beneficiaries	Increase Social Security benefits by about $250 per month for all for all people who will receive Social Security benefits in the future, but not for those already receiving benefits. • This change alone would increase the financial gap.
			2	No change	

Attribute LETTER	Attribute	Attribute Definition	Level NUMBER	Policy Levels	Level Definition
F	Work Credit to Parents Who Are Caregivers	Some parents of young children take time out of the workforce to raise these children. As a result, they could face a smaller Social Security benefit in retirement. This proposal would provide a parenting "credit" to increase Social Security benefits for parents who earned little or nothing while raising a child under age 6.	1	Give parents who are caregivers for children under age 6 with credit for work for calculating Social Security benefits	Provide a parenting "credit" when computing Social Security benefits for up to five years of doing little or no work while raising a child under 6 years old. The credit would essentially replace a year of no earnings with earnings based on average national wages. • This change alone would increase the financial gap.
			2	No change	
G	Changing Benefits for Some Beneficiaries		1	Reduce benefits for beneficiaries who get more than average Social Security benefits	Reduce benefits for new recipients of Social Security who earn, not including Social Security, an income over $60,000 for individuals or $120,000 for a married couple. The reduction would be larger for those who earn more but would be no higher than a 50% reduction for those making more than $180,000 individually or $360,000 for a married couple. • This change alone would reduce the financial gap.
			2	No change	
H	Bridge Benefit	Currently, the age required to get full Social Security retirement benefits is 67. People can claim benefits as early as 62 but receive reduced benefits if they do so.	1	Reduce the penalty for receiving Social Security benefits early for people with a history of physically demanding work or who are no longer able to work due to declining health	This proposal would create an exception for people with a history of physically demanding work or who are no longer able to do their current jobs due to declining health. These workers would still face reduced benefits if they claimed before age 67, but the reduction would not be as large. • This change alone would increase the financial gap.
			2	No change	

Attribute LETTER	Attribute	Attribute Definition	Level NUMBER	Policy Levels	Level Definition
I	Taxation of Benefits	Some of the money used to fund Social Security benefits comes from taxing a portion of Social Security benefits received by beneficiaries who earn a substantial amount of money in retirement outside of the Social Security system from sources such as work income and earnings on their investments. This was designed to mainly hit the highest earners but due to inflation, about 40 percent of those who receive Social Security retirement benefits pay a tax on some of their benefits.	1	Eliminate the tax on a portion of Social Security benefits received by those earning substantial money in retirement outside of the Social Security system	Eliminating the tax on Social Security benefits altogether. • This change alone would increase the financing gap.
			2	Increase the threshold on the tax on a portion of Social Security benefits received by those earning substantial money in retirement outside of the Social Security system from $25,000 to $50,000 for individuals and from $32,000 to $100,000 for those filing jointly	Only taxing individual Social Security beneficiaries who earn at least $50,000 per year outside of Social Security, instead of the current minimum of individuals who earn $25,000 outside of Social Security and only taxing married people filing taxes jointly who earn at least $100,000 a year outside of Social Security instead of the current minimum of $32,000. • This change alone would increase the financial gap.
			3	No change	

Attribute LETTER	Attribute	Attribute Definition	Level NUMBER	Policy Levels	Level Definition
J	Financing Gap after Policies (lower means Social Security is stronger)	Social Security currently faces a long-term revenue shortfall. If Congress does not act before 2034, Social Security's trust fund reserves will be used up, and the revenue continuing to come in from payroll taxes will cover only about 80% of promised benefits The shortfall in Social Security's revenues is called a "financing gap." Proposals to increase Social Security's revenues (a.k.a. taxes) and increase the normal retirement age will reduce the financing gap. Proposals to increase Social Security benefits will increase the financing gap. Reducing the financing gap improves Social Security's ability to pay benefits as promised.	1	Gap stays at 20% (benefits cut in 2034)	
			2	Gap is increased to [INSERT PERCENT]%	
			3	Gap stays at 20% (benefits cut in 2034)	
			4	Gap is reduced to [INSERT PERCENT]%	
			5	Gap eliminated	
			6	Gap eliminated and [INSERT PERCENT]% surplus created	

If you had to select one Social Security reform package from the options below, which would you prefer? Each package includes different policy changes across multiple areas, such as tax caps, caregiver credits, and benefit adjustments. Please consider each option carefully and choose the one that you believe would have the most positive impact.

Social Security's Taxable Earnings Cap	Eliminate cap by 2030; Those who earn more would not get any additional benefits	No Change	No Changes. Gap stays at 20% (benefits cut in 2034)
Changing Benefits for Some Beneficiaries	No Change	Reduce benefits for beneficiaries who get more than average Social Security benefits	
Bridge Benefit	Reduce the penalty for receiving Social Security benefits early for people with a history of physically demanding work or who are no longer able to work due to declining health	No Change	
Financing Gap after Policies (lower means Social Security is stronger)	Gap is reduced to 6%	Gap is reduced to 14%	

If you had to select one Social Security reform package from the options below, which would you prefer? Each package includes different policy changes across multiple areas, such as tax caps, caregiver credits, and benefit adjustments. Please consider each option carefully and choose the one that you believe would have the most positive impact.

Social Security's Taxable Earnings Cap	Raise the earnings cap from $168,000 to $350,000; Those who earn more would not get any additional benefits.	Eliminate cap by 2030; Those who earn more would not get any additional benefits	No Changes. Gap stays at 20% (benefits cut in 2034)
Benefits for All Beneficiaries	Increase benefits by $250 per month for all new beneficiaries	No Change	
Changing Benefits for Some Beneficiaries	No Change	Reduce benefits for beneficiaries who get more than average Social Security benefits	
Financing Gap after Policies (lower means Social Security is stronger)	Gap is increased to 22%	Gap Eliminated	

Appendix E: Individual Policy Options Definitions

Social Security's Taxable Earnings Cap: Currently, annual wages above about $168,000 are not taxed for Social Security, and individuals with wages above that do not earn Social Security benefits from those wages. About 6 percent of workers earn more than that amount.

Option: Gradually remove the earnings cap so that all wages are subject to the payroll tax by 2030. Those who earn more would get somewhat higher benefits.

- All wage earners **and** their employers would pay payroll taxes on all money earned in a given year.
- This change alone would <u>reduce</u> the financial gap.

Option: Gradually remove the earnings cap so that all wages are subject to the payroll tax by 2030. Those who earn more would **not** get any additional benefits.

- All wage earners **and** their employers would pay payroll taxes on all money earned in a given year.
- This change alone would <u>reduce</u> the financing gap.

Option: Keep the current earnings cap at about $168,000 but tax all earnings above $400,000 as well. Those paying more in taxes would get somewhat higher benefits.

- This change would only raise payroll taxes for those making more than $400,000 annually. They would not pay Social Security taxes on their wages between about $168,000 to $400,000. But they, and their employers, would pay Social Security taxes on all wages above $400,000.
- This change alone would <u>reduce</u> the financial gap.

Option: Keep the current earnings cap at about $168,000, but tax all earnings above $400,000 as well. Those paying more in taxes would not get any change in their benefits.

- This change would only raise payroll taxes for those making more than $400,000 annually. They would not pay Social Security taxes on their wages between about $168,000 to $400,000. But they, and their employers, would pay Social Security taxes on all wages above $400,000.
- This change alone would <u>reduce</u> the financial gap.

Option: Raise the earnings cap from $168,000 to $350,000. Those paying more in taxes would get somewhat higher benefits.

- This change would gradually increase the cap to $350,000 per year.
- This change alone would <u>reduce</u> the financial gap.

Option: Raise the earnings cap from $168,000 to $350,000. Those paying more in taxes would not get any change in their benefits.

- This change would gradually increase the cap to $350,000 per year.
- This change alone would <u>reduce</u> the financial gap.

Social Security Tax Rate: Workers currently pay 6.2 percent of their wages up to the cap to Social Security, and employers also pay 6.2 percent up to the cap.

Option: Gradually, over 20 years, raise the Social Security tax rate for workers and employers to 7.2 percent.

- Each worker and employer would pay an additional .05 percent of their paycheck – or .1 percent for self-employed workers – into Social Security per year.
- For example: For a worker earning $50,000 per year, this would mean an increase of $500 annually, or $42 a month, matched by the employer.
- This change alone would <u>reduce</u> the financial gap.

Option: Gradually, over 20 years, raise the Social Security tax rate for workers and employers from 6.2 percent to 8.2 percent.

- Each worker and employer would pay an additional .1 percent of their paycheck – or .2 percent for self-employed workers – into Social Security per year.
- For a worker earning $50,000, this would mean an increase of $1,000 annually, or $84 a month, matched by the employer.
- This change alone would <u>reduce</u> the financial gap.

Social Security's Full Retirement Age: Currently, the age required to get full Social Security retirement benefits is 67. People can claim reduced benefits as early as 62.

Option: Increase the full retirement age by 1 month every 2 years until it reaches 68 in 2048.

- For example, a person receiving $2,000 a month would have to wait a year longer to get the same amount of benefits. If the same person claimed benefits at age 62, their monthly benefits would be $1,300, not the $1,400 it would be under current law
- To receive the same amount of benefits available today, a person would need to wait an additional year to claim benefits.
- This change alone would <u>reduce</u> the financial gap.

Option: Increase the full retirement age by 2 months every year until it hits 69 in 2034.

- For example, a person receiving $2,000 a month would have to wait two years longer to get the same amount of benefits. If the same person claimed benefits at age 62, their monthly benefits would be $1,200 not the $1,400 it would be under current law
- To receive the same amount of benefits available today, a person would need to wait an additional two years to claim benefits.
- This change alone would <u>reduce</u> the financial gap.

Social Security's Cost-of-Living Adjustment (COLA): The purpose of Social Security's COLA is to increase benefits to keep up with inflation. The Social Security Administration pays a COLA benefit when the cost-of-living increases.

Option: Increase the COLA by basing it on the spending patterns of older Americans, accounting for higher medical costs but also things like senior discounts.

- The impact would grow over time. For example, a person receiving $2,000 per month today would receive more than $4,400 a month in 30 years, as opposed to receiving about $4,200 under today's rules.
- This change alone would <u>increase</u> the financial gap.

Option: Lower the COLA by using a new measure of inflation that generally rises more slowly than the current measure.

- The impact would grow over time. For example, a person receiving $2,000 per month today would, in 30 years, receive about $3,800 a month under this proposal as opposed to about $4,200 under today's rules.
- This change alone would <u>reduce</u> the financial gap.

Benefits for All Beneficiaries: The average retirement benefit in December 2023 was $1,767 per month. For about two-thirds of retirees, Social Security benefits are their primary or only source of retirement income.

Option: Increase Social Security benefits by about $250 per month for all for all people who will receive Social Security benefits in the future, but not for those already receiving benefits.

- This change alone would <u>increase</u> the financial gap.

Provide Social Security Work Credit to Parents Raising Young Children: Some parents of young children take time out of the workforce to raise these children. As a result, they could face a smaller Social Security benefit in retirement. This proposal would provide a parenting "credit" to increase Social Security benefits for parents who earned little or nothing while raising a child under age 6.

Option: Provide a parenting "credit" when computing Social Security benefits for up to five years of doing little or no work while raising a child under 6 years old. The credit would essentially replace a year of no earnings with earnings based on average national wages.

- This change alone would <u>increase</u> the financial gap.

Reduce Benefits for Those Getting Higher Than Average Social Security Benefits:

Option: Reduce benefits for new recipients of Social Security who earn, not including Social Security, an income over $60,000 for individuals or $120,000 for a married couple. The reduction would be larger for those who earn more but would be no higher than a 50 percent reduction for those making more than $180,000 individually or $360,000 for a married couple.

- This change alone would <u>reduce</u> the financial gap.

Bridge Benefit: Currently, the age required to get full Social Security retirement benefits is 67. People can claim benefits as early as 62 but receive reduced benefits if they do so.

Option: This proposal would create an exception for people with a history of physically demanding work or who are no longer able to do their current jobs due to declining health. These workers would still face reduced benefits if they claimed before age 67, but the reduction would not be as large.

- This change alone would <u>increase</u> the financial gap.

Taxation of Benefits: Some of the money used to fund Social Security benefits comes from taxing a portion of Social Security benefits received by beneficiaries who earn a substantial amount of money in retirement outside of the Social Security system from sources such as work income and earnings on their investments. This was designed to mainly hit the highest earners but due to inflation, about 40 percent of those who receive Social Security retirement benefits pay a tax on some of their benefits.

Option: Eliminating the tax on Social Security benefits altogether.

- This change alone would <u>increase</u> the financing gap.

Option: Only taxing individual Social Security beneficiaries who earn at least $50,000 per year outside of Social Security, instead of the current minimum of individuals who earn $25,000 outside of Social Security and only taxing married people filing taxes jointly who earn at least $100,000 a year outside of Social Security instead of the current minimum of $32,000.

- This change alone would <u>increase</u> the financial gap.

Appendix F: Detailed Descriptions and Impact of Individual Policy Options on the Financing Gap

Key: Green = Improves Social Security's ability to pay benefits by reducing the gap   Red = Worsens Social Security's ability to pay benefits by increasing the gap

Attribute LETTER	Attribute	Level NUMBER	Policy Levels	Impact on Financing Gap
A	Social Security's Taxable Earnings Cap	1	Eliminate cap by 2030; Those who earn more would also get somewhat higher benefits	-65%
		2	Eliminate cap by 2030; Those who earn more would not get any additional benefits	-70%
		3	Raise the earnings cap from $168,000 to $350,000; Those who earn more would also get somewhat higher benefits	-18%
		4	Raise the earnings cap from $168,000 to $350,000; Those who earn more would not get any additional benefits	-30%
		5	Keep current cap of about $168,000 and also collect Social Security taxes on earnings above $400,000; Those who earn more than $400,000 would also get somewhat more benefits	-60%
		6	Keep current cap of about $168,000 and also collect Social Security taxes on earnings above $400,000; Those who earn more than $400,000 would not get any additional benefits	-63%
		7	No change	**0%**
B	Social Security Tax Rate	1	Increase tax rate from 6.2% to 8.2% for both employees and employers	-40%
		2	Increase tax rate from 6.2% to 7.2% for both employees and employers	-25%
		3	No Change	0%
C	Social Security's Age for Full Retirement Benefits	1	Gradually raise the full retirement age from 67 to 68	-10%
		2	Gradually raise the full retirement age from 67 to 69	-30%
		3	No Change	0%
D	Social Security's Cost of Living Adjustment (COLA)	1	Increase COLA by basing it on inflation for older people	**10%**
		2	Decrease COLA by basing it on a different calculation that goes up more slowly than current method	-15%
		3	No Change	0%
E	Benefits for All Beneficiaries	1	Increase benefits by $250 per month for all new beneficiaries	**40%**
		2	No Change	0%

Attribute LETTER	Attribute	Level NUMBER	Policy Levels	Impact on Financing Gap
F	Work Credit to Parents Who Are Caregivers	1	Give parents who are caregivers for children under age 6 with credit for work for calculating Social Security benefits	5%
		2	No Change	0%
G	Changing Benefits for Some Beneficiaries	1	Reduce benefits for beneficiaries who get more than average Social Security benefits	-28%
		2	No Change	0%
H	Bridge Benefit	1	Reduce the penalty for receiving Social Security benefits early for people with a history of physically demanding work or who are no longer able to work due to declining health	-2.5%
		2	No Change	0%
I	Taxation of Benefits	1	Eliminate the tax on a portion of Social Security benefits received by those earning substantial money in retirement outside of the Social Security system	18%
		2	Increase the threshold on the tax on a portion of Social Security benefits received by those earning substantial money in retirement outside of the Social Security system from $25,000 to $50,000 for individuals and from $32,000 to $100,000 for those filing jointly	5%
		3	No Change	0%

NATIONAL ACADEMY OF SOCIAL INSURANCE