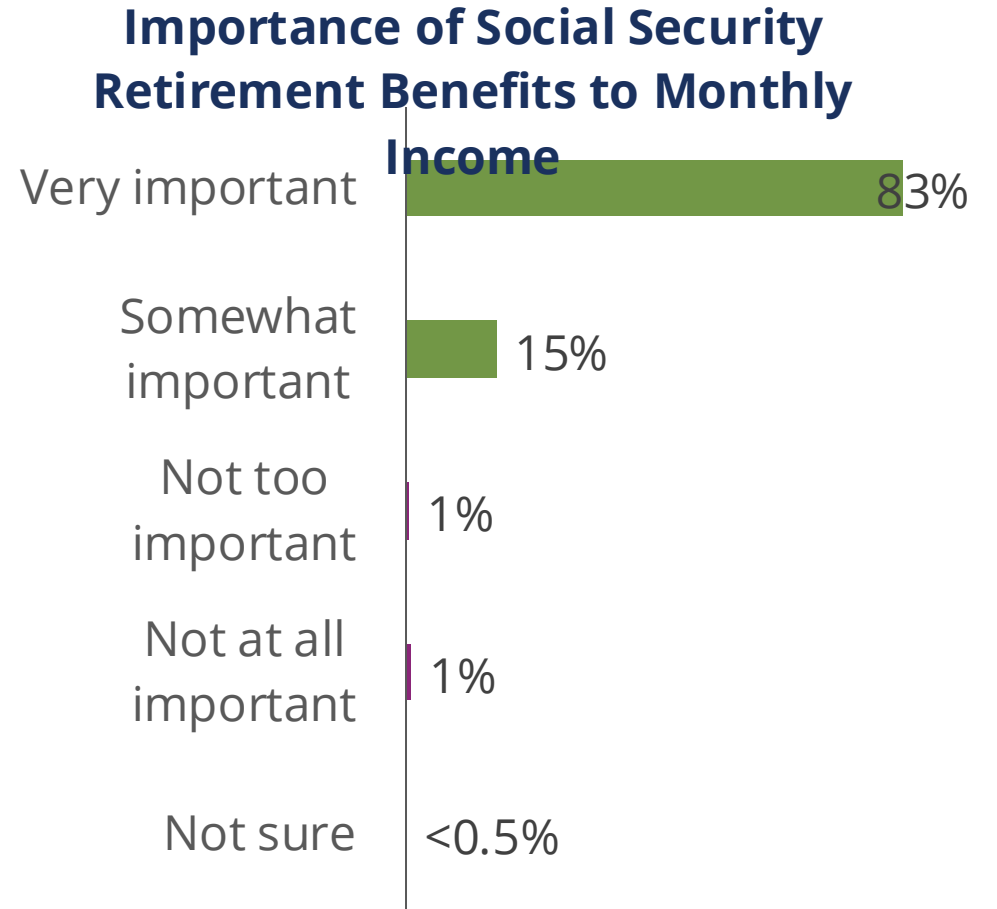


Social Security benefits highly important

- Among those in households receiving benefits, 4 in 5 say benefits are very important to monthly income
- Only 1% say benefits received are not at all important

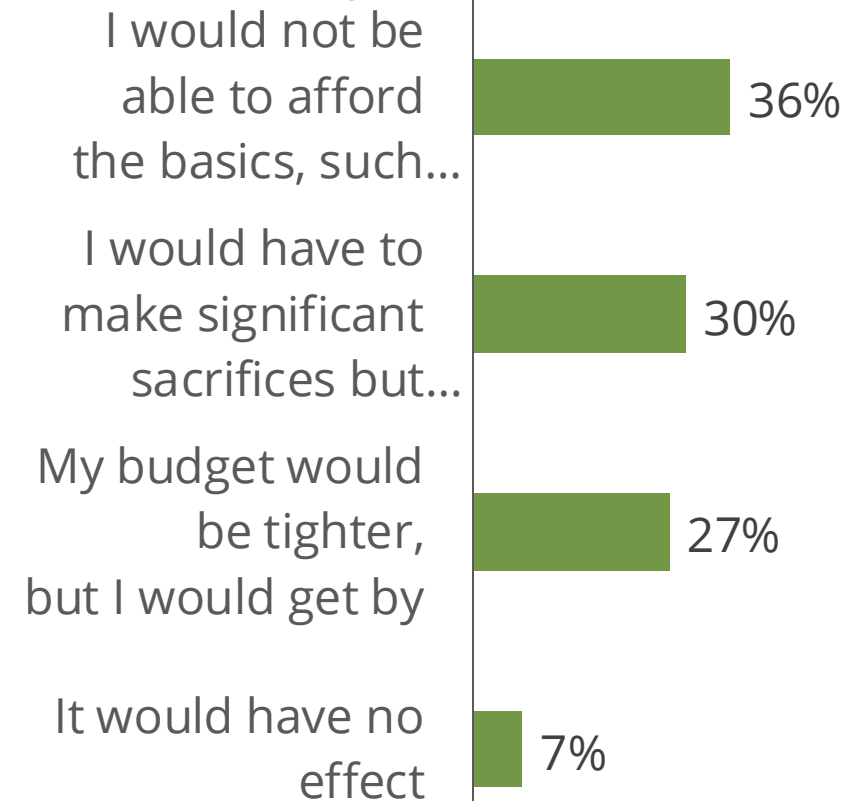


How important would you say Social Security retirement benefits are to your monthly income?
(FILTER: Self and/or spouse is currently receiving Social Security=651)

Benefits crucial to 2 in 3

- 1 in 3 would not be able to afford basics without Social Security
- 3 in 10 would have to make significant cuts
- Only 1 in 14 would not be affected if could not get Social Security

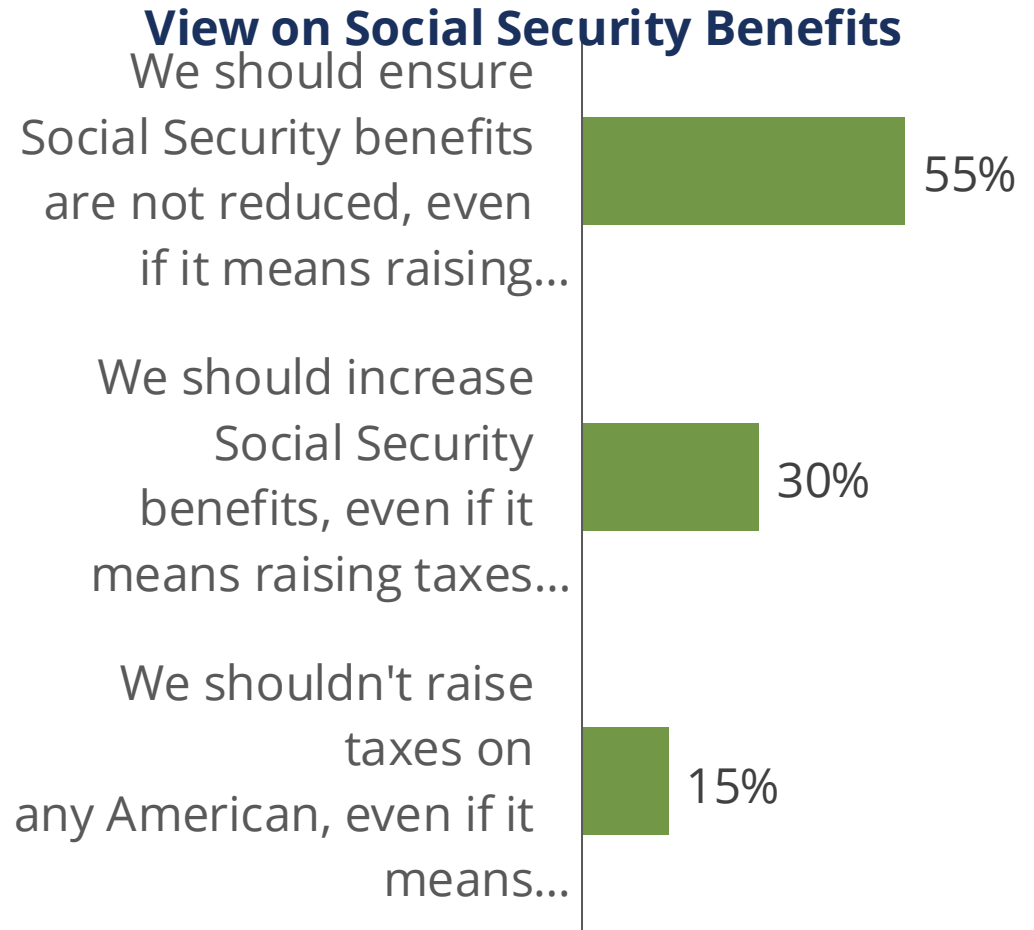
Expected Lifestyle Without Social Security Retirement Benefits



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)

Strong support for keeping or raising benefits

- Over half think we should at least retain Social Security benefit levels, even if it means raising taxes
- 3 in 10 favor raising benefit levels
- Only 3 in 20 think we should not raise taxes even if benefits will have to be reduced



Which of the three statements below comes closest to your view?
(n=2200)

What is Trade-Off Analysis?

Conjoint analysis measures preferences and the strength of preferences by having survey respondents make a series of carefully designed choices.

In this study:

- **Respondents made 12 choices, each between three packages of policy options**
 - **For each package, respondents were informed of the impact the package would have on the Social Security financing gap, based on analyses from the Social Security Administration**
 - **In every case, one package was for no changes**
- **An analysis of responses allows a calculation of:**
 - **Which package is preferred**
 - **By how many respondents**
 - **The impact of each policy option on overall preferences**

Components of Analysis

Nine types of policy options were tested:

- **Changing taxable earnings cap: 6 new options**
- **Changing tax rate: 2 new options**
- **Changing age of retirement for full benefits: 2 new options**
- **Changing the COLA: 2 new options**
- **Work credit for parents who are care givers: 1 new option**
- **Increase benefits for all beneficiaries: 1 new option**
- **Taxation of benefits: 2 new options**
- **Bridge benefit for those doing physical hard work: 1 new option**
- **Reducing benefits for some: 1 new option**

For all 9 policy options, no change from current system was also offered

Trade-Off Analysis

The Preferred Package

- The preferred package provides a slight surplus

Category Policy	
Taxable Earnings Cap	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
Tax Rate	Increase tax rate from 6.2% to 7.2% 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 with credit for work for 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
Changing Benefits for some	Reduce benefits for beneficiaries who get more than average Social Security benefits