

Congresswoman Eleanor Holmes Norton

## For Protecting not Privatizing Social Security for Families in the District of Columbia



## What Every DC Resident Needs to Know About Plans to Partially Privatize Social Security

The Congresswoman met with residents to hear their concerns about pending legislation.

### Regardless of Your Age

#### Everyone's Benefits will be Cut

The plan is not voluntary. If you choose not to invest in a private account, your benefits will still be cut over 40%.

#### There Is No Crisis

Even if no changes are made, Social Security will be able to pay full benefits for the next 50 years. The Social Security Trust Fund has accumulated more than \$1.7 trillion in reserves. We have time to develop a bipartisan solution to strengthen the Social Security system.

#### Private Accounts Make the Funding Problem Worse

Private accounts would make the challenge to Social Security worse by diverting almost \$5 trillion in costs to the Social Security system over 20 years.

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### If You are Working

#### 70% Tax on Accounts

The plan is not voluntary. If you choose not to invest in a private account, your benefits will still be cut over 40%.

#### Cannot Pass on to Children

At retirement, you will be required to turn over most of your account proceeds to an insurance company, which will give you monthly income, leaving little or nothing to be passed on to your children.

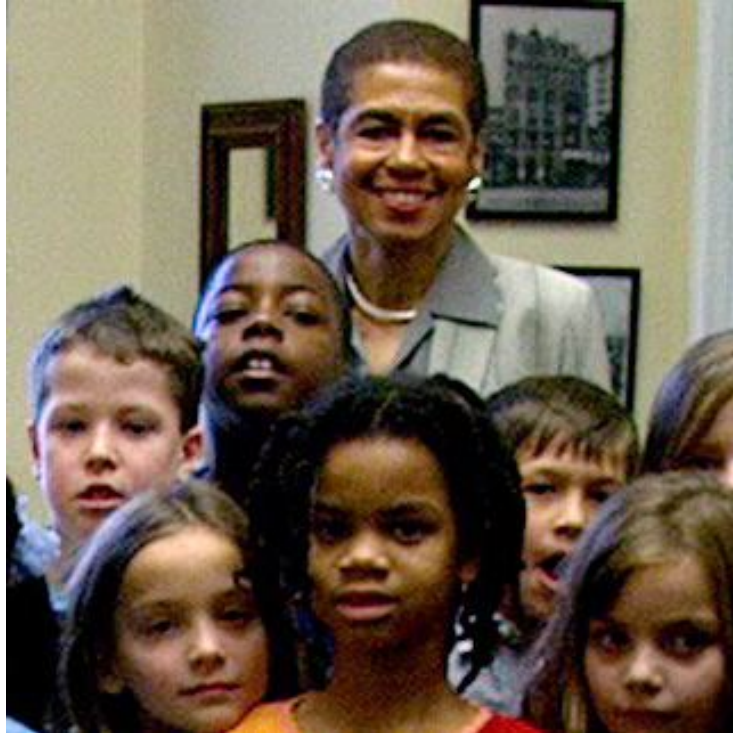
#### You Won't Control Your Own Money

The money is not yours to invest as you see fit. The government will choose which funds you are allowed to invest in.

### If a Breadwinner Dies Early or You Become Temporarily or Permanently Disabled

**Turn Over!**

# 30% of the Current 47 Million Social Security Recipients are Not Retirees



Norton tells D.C. kids in her office how she is working to protect their future.

- **3.5 million children receive social security benefits.**
- **President Bush's proposals to partially privatize the program, will particularly hurt disability and survivor benefits because workers will have less time to contribute into the system.**
- **The value of survivor benefits for an average young worker who dies and leaves a spouse and two children is the equivalent of a \$403,000 life insurance policy that is paid in monthly installments of \$1,950.**

Source: Social Security Administration 2004

## **Without Social Security almost 50% of Americans would be living in poverty.**

**The Social Security Debate is about You.**

If you are retired, are working, or expect to work, you would be hurt by proposals to privatize Social Security.

**Turn Over and See How!**