Saving Social Security

Without action, Social Security’s Trust Fund will be depleted by 2033, resulting in automatic 23% benefit cuts. Policymakers have options — but must take action urgently:

**SOLUTIONS**

**Options for a reform package framework:**

- **Gradually raise** the full retirement age to 69, preserving the option for early receipt of benefits
- **Implement modest** additional means testing for high-income beneficiaries
- **Gradually raise** the maximum earned income subject to the payroll tax to cover 90% earnings
- **Phase-in reforms** to provide time for workers to adjust their retirement planning
- **Remove work disincentives for retirees**
- **Consider diversifying** Social Security Trust Fund investments beyond Treasury securities
- **Reform CPI calculation** of cost-of-living adjustments
- **Cover newly hired state and local workers**
- **To evaluate** these options, establish a Bipartisan Congressional Commission on Fiscal Responsibility

Source: The Conference Board, 2024