



Debunking Popular Myths About Social Security

Myth:

'There is no money left in the Social Security Trust Fund. Congress raided it all and stole our retirement.'

Background:

When it comes to discussing issues that relate to the retirement and economic security of our families, it's important to fully analyze oft repeated myths that fail to fully educate our communities properly on vital programs like Social Security. By simply repeating messages that are based on little or no substantive fact, we may inadvertently be lending credence to efforts that are focused on dismantling public programs like Social Security.

The Issue:

When discussing the solvency of the Social Security Trust Fund, many state that the fund is no longer solvent and that Congress already stole the money. This is an untrue, unsubstantiated statement. These messages prey on the very real fears that many of us have around ensuring that ourselves and our loved ones can achieve economic security when we retire. These messages are also used to undermine the overall confidence in Social Security, our nation's most effective anti-poverty program.

The Facts:

The Social Security Trust Fund was established by an act of Congress in 1939. There has never been any change in the way the Social Security Program is financed or the way that Social Security payroll taxes are used by the federal government.

Where the confusion is created, and taken advantage by forces that are seeking to undermine the public's confidence in the program, relates to how the Social Security Trust Fund is treated in federal budget accounting. Starting in 1969, the transactions to the Trust Fund were included in what is known as the 'unified budget'. This means that every function of the federal government was included in a single budget. In 1990, the Trust Fund was taken 'off budget' in an attempt to clarify that there isn't, nor has there ever been, any change to the actual operations of the Trust Fund. – (Social Security History by Social Security Administration: www.ssa.gov/history/InternetMyths.html)

How to Respond:

MHAction recommends two key strategies in responding to this myth. First, it's important to share your personal testimony about the vital role that Social Security plays for you and your family. In addition, it's good to present a 'turn the tables' argument. What do we mean by this? Most likely, the person perpetuating this common myth is acting out of fears linked to the long-term solvency of the Trust Fund. Long term solvency of the program can be easily achieved by simply scrapping the income tax cap that is in place for Social Security. This would ensure that millionaires and billionaires pay their fair share into the Social Security system. This is the best protection available to our nation to create long term stability of the program for current and future generations. This also provides the necessary financing to make other needed fixes to the program such as updating the Cost of Living formula so that Social Security benefits more realistically reflect the true cost of living increases that many face.

For more information, please contact MHAction at info@mhaction.org
www.mhaction.org