

WASHINGTON, DC – House Democratic Whip Steny H. Hoyer (MD) made the following statement today after releasing a new report from the Joint Economic Committee with JEC Senior House Democrat Rep. Carolyn Maloney (NY) and JEC Ranking Democrat Senator Jack Reed (RI). The report highlights the negative impact that Republican privatization and benefit cut proposals would have on workers aged 40-50. [Click here to read the Report, *How the President's Social Security Proposals Would Affect Late Baby Boomers*](#)

“In the Social Security debate, Republicans tell workers 55 and over that their benefits will not be affected by their privatization and middle-class benefit cut proposals. And they purposely continue to feed the mistaken impression that young workers cannot rely on Social Security for retirement.

“Lost in Republicans’ Social Security rhetoric are America’s Baby Boomers.

“The report we are releasing today shows how ‘late’ Baby Boomers – those between the ages 40 to 50 – would be uniquely and negatively affected by the Republican privatization and middle-class benefit cut proposals.

“The Republican proposals could very well make Baby Boomers’ retirement go bust.

“There are two elements to the Republican plan. Middle-class benefit cuts, which would reduce guaranteed benefits for anyone making more than \$20,000, and private accounts, which would force retiring workers to pay back every dollar borrowed from the trust fund and diverted to their private accounts out of their already reduced guaranteed benefits, plus 3 percent with inflation.

“This is where the unique position of Boomers kicks in – because Baby Boomers are nearing retirement, they are more vulnerable to stock market vulnerability, and have less time to plan for and absorb the Republicans’ deep guaranteed benefit cuts.

“Baby Boomers have earned their Social Security benefits and have counted on them to be a rock solid foundation of their retirement savings. The proposal put forward by President Bush

and supported by many Republicans would replace this guarantee with a gamble.

“Recent events have highlighted all too well why Social Security is vital for America’s Baby Boomers’ dignity and independence in retirement. Tens of thousands of Americans, most recently United Airlines employees, have watched their employee-sponsored pensions go bankrupt. The move to 401(k)s from defined benefit pensions already has increased personal risk for many Boomers and the few companies that offer retiree health benefits are largely either dropping or cutting back on benefits.

“We owe it to Baby Boomers to strengthen their Social Security and protect their retirement security. It is past time for President Bush and Republicans to drop their misguided focus on middle-class benefit cuts and private accounts, and come together in a bipartisan way to solve Social Security’s challenges.

“Democrats are more than ready to roll up our sleeves and get to work.”

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