



***EXPANDING SOCIAL SECURITY SO AMERICANS CAN RETIRE
WITH DIGNITY***

Our parents and grandparents should be able to retire in dignity—not poverty. Yet today in America, too many retirees are struggling to make ends meet. At the same time, the economic pressures on millions of families—from stagnant wages and high housing costs, to a lack of affordable childcare and skyrocketing college tuition—have resulted in meager, if any, retirement savings for tomorrow’s retirees.

Our government must do more to improve the economic and retirement security of all Americans. **That is why Governor O’Malley has set a national goal of increasing the number of Americans with adequate retirement savings by 50 percent within two terms in office.**

As the first and most important step toward meeting that goal, Governor O’Malley will expand Social Security benefits—not reduce them or undermine Social Security in any other way. Second, O’Malley will also make it easier for private-sector workers to invest in their retirement. He will put commonsense protections in place to prevent older Americans from losing the savings they already have. And to ensure that all families can afford to save for retirement in the first place, O’Malley will continue to put forward detailed policies to raise the wages of all workers.

**EXPAND AND PROTECT SOCIAL SECURITY FOR CURRENT AND FUTURE
RETIREES**

Social Security is one of our country’s greatest collective achievements. Since it was first implemented in 1935, Social Security has kept millions of elderly Americans out of poverty. Today—following the Great Recession, which decimated the retirement savings of millions of Americans—Social Security remains an especially critical lifeline for our parents and grandparents: without it, [more than four in 10 Americans over 65](#) would be living in poverty.

We cannot ask seniors with modest savings to live on even less. Instead, we should expand Social Security so they can retire with the dignity they have earned over the course of their working lives.

As president, Governor O'Malley will:

- **Increase Social Security benefits for all retirees—both today's and tomorrow's.** Governor O'Malley supports immediately boosting monthly benefits in a progressive manner for *all* retirees. Social Security was intended as a supplement to individual savings and pensions, but today, [one in five married couples, and nearly half of unmarried individuals](#), rely almost exclusively on Social Security checks to survive. More than two-thirds of Americans near retirement will not have enough savings to maintain their current standard of living.
- **Strengthen Social Security's long-term fiscal outlook.** The solvency of Social Security is not in crisis: Social Security [has adequate funds](#) to pay full benefits through 2034. But to pay for expanded benefits, Governor O'Malley supports lifting the cap on the payroll tax for workers earning more than \$250,000.

In addition, Congress should implement policies to lift the wages of all workers, which will make meaningful contributions to Social Security's long-term balance sheet. This includes raising the minimum wage to \$15 an hour and enacting comprehensive immigration reform.

- **Ensure Social Security benefits are sufficient to keep retirees out of poverty.** The immediate future is dire for many Americans nearing retirement: one in five Americans has no retirement savings at all. To keep seniors out of poverty, Governor O'Malley supports increasing the special minimum social security benefit to 125 percent of the poverty line for Americans who have worked at least 30 years.
- **Increase Social Security benefits for minimum wage- and lower-income workers.** As wealth inequality continues to widen and traditional middle class jobs prove harder to come by, Governor O'Malley supports adjusting "bend points" in the formula to give minimum-wage and lower- and middle-income workers more financial security.
- **Prevent benefits from eroding over time.** Governor O'Malley supports using the Consumer Price Index for the Elderly (CPI-E) instead of the Consumer Price Index for Urban Wage Earners (CPI-W) to determine Social Security's cost-of-living adjustments. The CPI-E provides a more accurate reflection of the higher cost of living for retirees than the current measure, which focuses on younger workers. Using the CPI-E will ensure that benefits do not erode for future generations of retirees.
- **Reform Social Security to support, rather than penalize, caregiving.** Governor O'Malley supports providing up to five years of "caregiver credits" that would increase the 35-year wage base for those who spend an extended period of time providing full-time care for children, elderly parents, or other dependents. In practice, current methods of calculating benefits penalize workers, most often women, who take extended time off to care for their families.
- **Reject efforts to raise the Social Security retirement age.** Governor O'Malley believes that raising the retirement age is a back-door way to cut benefits for lower-income

workers. It harms these workers in two ways: by forcing them to delay retirement in jobs that are often physically difficult, and by reducing lifetime payouts compared to wealthier retirees, who live [five years longer](#) on average than their lower-income counterparts.

CREATE SIMPLE, STREAMLINED RETIREMENT SAVINGS OPPORTUNITIES

With the days of defined benefit plans long past, millions of hardworking Americans lack adequate savings to support their standards of living when they retire. [Nearly one in three Americans](#) has no retirement savings, rising to one in two for Americans under the age of 30. Current investment vehicles such as defined contribution plans and IRAs have been grossly inadequate and underutilized for preparing most working Americans for comfortable retirements.

As president, Governor O'Malley will:

- **Dramatically expand access to employer-based retirement plans.** Half of all workers do not have access to a retirement plan. Among part-time and low-income workers, [roughly seven in 10](#) lack an employer-based retirement option. Governor O'Malley would require employers with more than 10 employees to process an automatic employee contribution to an IRA for all employees, at a level determined by the employee (who would have the option to opt out).
- **Raise wages so all workers can afford to save.** Since millions of hardworking Americans live paycheck-to-paycheck and struggle to save for retirement, raising the minimum wage and other wage policies are also critical to ensuring that today's workers can retire with dignity and security in the future.

PROTECT SENIORS FROM RISKS TO THEIR FINANCIAL SECURITY

Older Americans face increased financial risks that threaten their ability to retire with dignity. Every day, unscrupulous lenders and scam artists attempt to separate seniors from their lifelong earnings. Republicans in Congress bent on slashing budgets attempt to undermine Social Security and other vital programs. And a growing number of aging Americans who need quality long-term care cannot afford it.

Implementing measures to better protect seniors from these threats to their financial security will help provide a stronger retirement firewall for millions of Americans.

As president, Governor O'Malley will:

- **Reject efforts to privatize Social Security.** Governor O'Malley views proposals to privatize Social Security for what they are—a massive benefits cut that will [gut Social Security, add to the federal debt](#), and leave future generations without the critical protections Social Security has provided for decades.

- **Increase penalties for those who defraud our seniors.** Older Americans are often targets for financial scams and exploitation, at an estimated cost of [nearly \\$3 billion](#) a year. The [vast majority of frauds](#) go unreported. Governor O'Malley will advocate for policies to protect our seniors from financial fraud, including laws to [increase penalties for the financial exploitation](#) of older Americans, laws to allow financial advisors to [refuse or delay transactions](#) where clients are being defrauded or exploited, programs to better identify and report financial exploitation among older Americans, and increased investment in prosecutors and advocates to go after elderly abuse.
- **Fully implement the fiduciary rule.** Under existing retirement advice rules, some brokers and financial advisers are allowed to sell Americans products even if they know they are poor investments. This conflict of interest, where advisers put their own bottom lines before helping their clients, costs workers saving for retirement [\\$17 billion every year](#). President Obama has proposed a critical and commonsense rule to require those who give financial advice to put their clients' interests first. Governor O'Malley will fully enforce this important fiduciary standard, protecting the retirement savings of millions of Americans and creating a level playing field for the many investment advisers who already act in their customers' best interests.
- **Make affordable, high-quality long-term care a national priority.** Americans' longer lifespans are outpacing our ability to provide quality and affordable long-term care. Although [seven out of 10 Americans](#) will need home care at some point in their lives, many Americans and their families struggle to afford it. [Nine out of 10 people](#) who provide long-term care are women, while home care workers are underpaid, overworked, and lack important benefits and protections.

As baby boomers age, now is the time to move forward, working with the private sector, to develop an efficient, affordable, and high-quality system to provide a diverse range of long-term care services for our seniors. Governor O'Malley will lay out a comprehensive plan for reforming long-term care and supporting caregivers in the coming weeks and months.