

The Devastating Consequences of U.S. Default on Social Security

Chairman Bob Casey, Senate Committee on Aging

Nearly 97 percent of adults over age 60 either will or currently receive Social Security benefits.¹

Defaulting on our Nation's financial obligations could result in cuts to critical Social Security benefits and would impact older adults, children, people with disabilities, veterans, and people of color.



Damaging the Economic Security of Older Adults

Social Security keeps about 4 in 10 adults ages 65 and older out of poverty. A U.S. default would result in more older adults unable to meet their daily needs.²



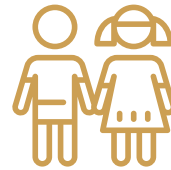
Slashing Benefits for People with Disabilities

Roughly 8.7 million people receive disabled workers benefits. Program cuts due to default would affect their economic stability and their ability to access critical health care.³



Harming Veterans

Over 8 million veterans received Social Security benefits in 2022, accounting for 14.5% of all adult beneficiaries. A government default would hurt those who have served our Nation.⁴



Increasing Child Poverty

In 2021, Social Security lifted 1.1 million children above the poverty line. A default on our Nation's debt would disproportionately hurt children with the lowest incomes.⁵



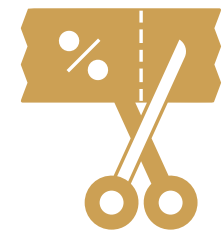
Cuts to Vulnerable Families

A default could impact the nearly 5.8 million survivors of deceased workers, including their children, widows, and widowers, who rely on survivor benefits.⁶



Increasing Disparities for Communities of Color

Nearly twice as many Black and Hispanic older adults rely on Social Security retirement benefits as their sole source of income, compared to white older adults.⁷



Government Default Threatens Critical Benefits

If the U.S. government defaults on its debt, it will be unable to fulfill all its payments. This could place in jeopardy \$100 billion in Old Age, Disability, Surviving Child, and Widow(er) benefits scheduled for June 2023.⁸

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