



500 Montgomery St.
Suite 400
Alexandria, VA 22314
1-800-333-8725
www.SeniorsLeague.org

Media Contacts:
Jessie Gibbons: 800-333-8725
jgibbons@tsclhq.org
Mary Johnson: 540-832-5513
mary.johnson.nld@gmail.com

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Using Social Security For Paid Family Leave Undermines Social Security, Says The Senior Citizens League

(Washington, DC) A new proposal to use Social Security to provide paid family leave is a bad deal for families that would undermine Social Security's financing, warns [The Senior Citizens League](#). The proposal, introduced by Senator Marco Rubio (FL) would allow new parents to receive a paid family leave benefit financed from Social Security, in exchange for postponing future Social Security retirement benefits. "That would result in reduced lifetime Social Security income, which would fall the hardest on women," says Mary Johnson, The Senior Citizens League's Social Security policy analyst. "The proposal would take Social Security funds out of the system at the same time those funds are needed to pay benefits to today's retirees," Johnson says. "Taking money out of Social Security now would only hasten Social Security's insolvency date," she says.

Senator Rubio's legislation would allow eligible working parents to receive a Social Security benefit for at least two months of paid leave after the birth or adoption of a child, according to his fact sheet. To pay for the benefit, parents would need to delay the date they begin receiving Social Security retirement benefits by up to 6 months *per* leave. "A woman who has three kids would wait up to a year and a half longer than she would under current law to get her retirement benefit," Johnson notes.

"This is a bad deal for women, and one that will exacerbate the problem of women tending to have lower Social Security benefits than men," Johnson says. According to Social Security's most recent [annual statistical supplement](#) through December 2016, the average monthly benefit is about 26 percent higher for male retirees, \$1,403 versus \$1,117 for women. "Women tend to have lower paying salaries than men, and may work in part-time jobs," Johnson notes. "The time away from the job to have children can have an enormous impact on what women receive in lifetime Social Security benefits," she says.

When workingwomen have children or care for older family members, the time out of the workforce can result in "'holes' in their Social Security earnings record," Johnson says. It can result in "zeros" in a woman's Social Security earnings history if she is off the time - clock for an entire year, or it could mean years of low earnings when part of the year was impacted by family care giving. Social Security retirement benefits, however, are calculated on the individual's earnings history.

Social Security uses the 35 years of the highest earnings to calculate benefits. "Today, more mothers and caregivers are working past the age of 66 in order to fill in the holes in their work records with higher earning years," Johnson points out. "This new family leave proposal does nothing to address this problem, but it would require women who took the benefit to work longer to pay back their leave."

“Our nation needs to work together to strengthen families,” Johnson says. “Babies grow up to be workers, and workers pay into Social Security, supporting its beneficiaries,” she adds. “However, government - based paid family leave would be a temporary benefit program that should be separate from Social Security, which provides long-term benefits for retirement, survivors, and disability,” she explains.

The Senior Citizens League believes that to be fiscally responsible, paid family leave should not exacerbate Social Security’s funding problems. “If Congress wants to implement such a program, paid family leave should be funded through a separate, alternate source of revenue,” Johnson says. “Any family leave program should be designed to provide incentives for employers in order to prevent transferring corporate responsibility for employees to U.S. taxpayers.” To learn more, visit www.SeniorsLeague.org.

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