



# NEWS

## AMERICANS FOR TAX REFORM

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## Workers' Rights Protected in Social Security Personal Accounts Measure

*--Legislation would give workers ownership and control over their retirement futures--*

**WASHINGTON** — The Alliance for Worker Freedom, a special project of Americans for Tax Reform, today hailed the introduction of Congressman Paul Ryan's (R-WI) Social Security personal accounts plan as a great step forward for workers. The plan would allow them to save their portion of the Social Security payroll tax in a personal retirement account (PRA) that they would own and control.

Workers choose investments by picking funds managed by major private investment firms, from a list regulated for safety and soundness, similar to how the retirement plan for federal employees operates. Benefits payable from the tax-free accounts would substitute for a portion of Social Security benefits based on the degree to which workers exercised the account option over their careers. Workers exercising the personal accounts would receive traditional Social Security benefits based on the past taxes they have already paid into the program, in addition to the money from their personal accounts.

**"The past several decades have seen a revolution in worker freedom,"** said AWF President Grover Norquist. **"Workers have been given a good degree of control over their retirement with IRA and 401(k) plans. This will finish the job and give them full control of their retirement future. No one— not unions, not corporations—should have control over worker retirement but the workers themselves."**

The accounts would produce substantially more in benefits for working people than Social Security now promises but cannot pay. Independent studies have shown that an account invested half in corporate bonds and half in stocks, and earning standard long-term market investment returns, would provide workers with roughly two-thirds more in benefits than Social Security promises, but cannot pay. An account invested two-thirds in stocks and one-third in bonds would pay workers over twice what Social Security promises today.

**"Hardworking Americans deserve to have control and ownership over their Social Security,"** continued Norquist. **"This empowerment of workers is long overdue"**

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal and state tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at [jcollegio@atr.org](mailto:jcollegio@atr.org).

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