

SOCIAL SECURITY WORKS FOR WISCONSIN



2016

www.socialsecurityworks.org

Our *Social Security Works for America* series of reports is written for public officials, members of the press, advocates and other concerned citizens. In addition to providing information about Social Security's history, character and vitality, as well as relating compelling, real-life stories, every report includes statistics about the number of people who receive benefits, the types of benefits they receive, and the total amount of funds flowing from Social Security into each state, including its congressional districts and counties. Reports are available online for all 50 states, the District of Columbia, Puerto Rico, American Samoa, Guam, the Northern Mariana Islands and the U.S. Virgin Islands. Reports in Spanish are also available for Arizona, California, Colorado, Florida, Illinois, Iowa, Nevada, New Jersey, New Mexico, New York, Texas, Puerto Rico, and the United States. A national report, "Social Security Works for the United States," is also available.

Please note that a short fact sheet summarizing the data in this report can be found at the end of the report, directly following the endnotes.

For Social Security data at the congressional district level, please see "Appendix 1: Social Security Works for Wisconsin's Congressional Districts," toward the back of the report, just before the endnotes.

For county-level Social Security demographic data, please see "Appendix 2: Social Security Works for Wisconsin's Counties," toward the back of the report, just before the endnotes.

ACKNOWLEDGMENTS

Like our Social Security system, this report would not have been possible without the foresight and hard work of many people. Social Security Works partnered closely with the Alliance for Retired Americans, which is coordinating the release of this report across the country, with assistance from People Demanding Action.

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Any remaining errors, and all interpretations of the data, are our own.

We hope the report is useful to you as you work to strengthen Social Security in its 81st anniversary year. Please contact our Communications Director, Linda Benesch (lbenesch@socialsecurityworks.org), if you have questions about this report.

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The Alliance for Retired Americans is a grassroots organization representing more than 4 million retirees and seniors nationwide. Headquartered in Washington, DC, the Alliance's mission is to advance public policy that protects the health and economic security of older Americans by teaching seniors how to make a difference through activism. Learn more about The Alliance and its work at www.retiredamericans.org.



The mission of Social Security Works is to protect and improve the economic status of all Americans, especially disadvantaged and at-risk populations, and, in so doing, to promote social justice for current and future generations of children as well as young, middle-aged and older adults. www.socialsecurityworks.org.



The Strengthen Social Security Coalition is made up of more than 320 national and state organizations, representing more than 50 million Americans. The Coalition is united around core principles, which include that Social Security benefits should be expanded, and the belief that our nation's Social Security, Medicare and Medicaid systems are fundamental to the well-being of America's families and to the type of nation we are. www.strengthensocialsecurity.org.

INTRODUCTION AND SUMMARY



“We can never insure one-hundred percent of the population against one-hundred percent of the hazards and vicissitudes of life. But we have tried to frame a law which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age. This law, too, represents a cornerstone in a structure which is being built but is by no means complete. It is a structure intended to lessen the force of possible future depressions. It will act as a protection to future Administrations against the necessity of going deeply into debt to furnish relief to the needy. The law will flatten out the peaks and valleys of deflation and of inflation. It is, in short, a law that will take care of human needs and at the same time provide for the United States an economic structure of vastly greater soundness.”

—Franklin D. Roosevelt, August 14, 1935

In 1935, when President Franklin D. Roosevelt signed the Social Security Act into law, he called it a cornerstone of a structure to be maintained and built upon by and for future generations. Social Security could not protect all Americans against every risk, but it could reduce the impact of lost earnings in old age for workers and their families.

Since then, we have expanded Social Security carefully and deliberately, first adding life insurance for survivors in 1939—initially for widows and dependent children, but eventually extended to widowers as well. Disability Insurance benefits were added in 1956. The automatic cost-of-living adjustment, added in 1972, was created to ensure that benefits retained their purchasing power over many years. We built, maintained and strengthened Social Security for a reason: to enable working men and women to protect themselves and their families, and because we, as a nation, value hard work, human dignity and caring for our parents, our children, our spouses, our neighbors and ourselves.

This report highlights the success of Social Security in Wisconsin and the nation. The numbers tell part of the story—how many people receive benefits in Wisconsin, in its congressional districts and counties;

how many dollars flow into these jurisdictions in a year; the types of benefits paid and the wide range of people who receive them. Alongside these numbers, this report presents the stories of hard-working Wisconsinites and their families whose lives have been made more secure by the protections they have earned.

As you read through this report, we urge you to think of the people you know: Family members who live in dignity in old age because they can count on a Social Security check, each and every month—checks that they or another family member have earned. Workers who are able to support themselves and their families after a severe and work-ending disability. Widowed spouses and children who can remain financially stable after a worker’s untimely death.

Think, too, of how Social Security, like the nation’s highway system, is part of a rich legacy of those who came before, a legacy that continues to work through good times and bad. Throughout the difficult years of the Great Recession and its aftermath, Social Security has been even more vital than ever before for Wisconsin residents, and the lifeblood of many small businesses and local economies. Virtually all of the jobs Social Security supports stay in America.

SOCIAL SECURITY WORKS

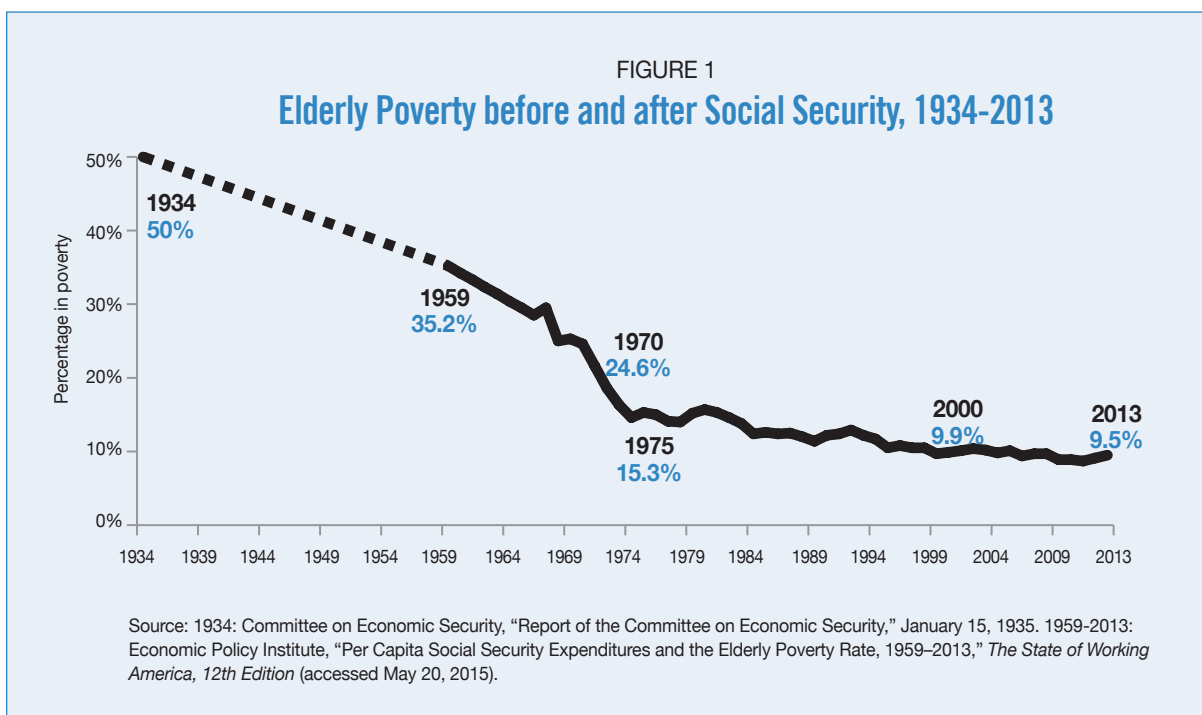
As we celebrate the 81st anniversary of the enactment of Social Security—and the 60th anniversary of its vital disability protections—it is time to recall the contributions that our Social Security system has made to American economic security. For 81 years, even as our nation has endured wars, political crises and, severe economic recessions, Social Security has never missed a payment. It has paid every dollar of earned benefits, on time and in full.

Before the creation of Social Security, poverty among older Americans was pervasive. In 1934, President Roosevelt's Committee on Economic Security estimated that "at least one-half" of all Americans aged 65 and older were poor,¹ and relied on family, friends and private charity for support—if they were able to do so. Those who had no other option went, literally, to the poor house. In addition to short-term measures designed to address the immediate crisis, F.D.R. introduced Social Security old-age insurance in 1935 to ensure that current and future generations of

Americans could enjoy a measure of security in their later years. By 1959, when the Census first began to officially count the poor, poverty among older Americans had declined to 35 percent [Figure 1].

Poverty among seniors continued to fall over the course of the 20th century—to 25 percent in 1970, then to about 10 percent in 2000, where it has remained since.² Research suggests that the entire decline in elderly poverty between 1967 and 2000 can be attributed to expansions in our Social Security system.³

In 2015, Social Security provided \$886 billion in benefits to nearly 60 million beneficiaries—nearly 1 in 5 (18.7 percent) Americans.⁴ These benefits extend beyond Social Security's original retirement protections for seniors; today, they include disability and survivors' protections as well. Nearly 17 million people under age 65 received Social Security benefits in 2015—about 2 in 7 (27.9 percent) beneficiaries.⁵



In addition to being a vital source of retirement protection for seniors, Social Security is the nation's largest and most generous children's program. Virtually all American children are insured in the event of the death, disability, or old age of the workers whose wages support them. In 2014, Social Security protections reached an estimated 8.5 million children under age 18, 11.6 percent of the nation's children. These included an estimated 3.2 million children who received Social Security benefits directly, as well as 5.3 million children living in a household with family members who receive benefits.⁶ Social Security's child protections extend beyond children under 18; in 2014, 140,000 students ages 18-19 received benefits, as well as 1 million disabled adult children.⁷

Social Security benefits are modest: the average annual Social Security benefit for all beneficiaries was \$14,737 in 2015, and \$16,101 for retired workers—just barely enough to keep an individual out of poverty.⁸ Despite their modesty, Social Security's benefits are vital for the vast majority of those who receive them, young and old alike. Over 3 in 5 (61.1 percent) of elderly beneficiaries relied on Social Security for at least half of their income in 2014.⁹ And Social Security benefits lifted 21.4 million Americans out of poverty in 2014, including 1.1 million children.¹⁰

Social Security Provides Critical Insurance Protections against Disability and Death

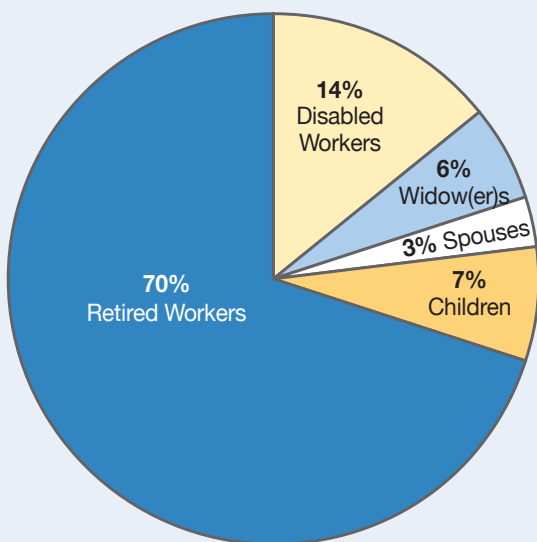
Since 1956, Social Security Disability Insurance (DI) has provided vital protections against a risk that all Americans face: the experience of a life-altering disability that makes any kind of substantial work impossible. When workers who have paid into Social Security are no longer able to support themselves through work, as defined by the program's strict eligibility criteria, they can expect to have a portion of their wages replaced by DI. For these disabled workers and their families, Social Security is a lifeline. Nearly 6 in 10 non-institutionalized DI beneficiaries rely on Social Security benefits for 75 percent or more of their incomes.¹¹ Yet, even with Social Security's vital protections, nearly 1 in 5 DI beneficiaries remains in poverty.¹²

Through their hard work and Social Security contributions, nearly all working Americans earn Social Security's retirement, disability and survivors' protections for themselves and their families. Indeed, Social Security is the primary disability and life insurance protection for most Wisconsin workers. In 2015, just over half (57 percent) of all private workers in the United States had access to employer-sponsored life insurance, and only 34 percent had access to long-term disability insurance.¹³ In contrast, virtually all workers are insured for Social Security's disability and survivors' benefits. These protections are significant: A 30-year-old worker with a spouse and two young children, earning \$30,000-\$35,000 has earned Social Security benefits equivalent to over \$631,000 in disability insurance protections and over \$612,000 in life insurance protections.¹⁴ Today, 213 million working Americans have earned Social Security's protections for themselves and their families.¹⁵

No one expects to experience a life-altering disability or die during their working years. Yet the chances that working Americans will need Social Security's disability and/or survivor protections before reaching retirement are significant. Nationwide, an estimated 1 in 3 young adults entering the workforce today will die or become disabled before reaching their full retirement age—about 1 in 4 will experience a severe and work-ending disability, and 1 in 8 will die.¹⁶ Social Security provides peace of mind at every age, insuring workers and their families against lost wages due to old age, disability or death.

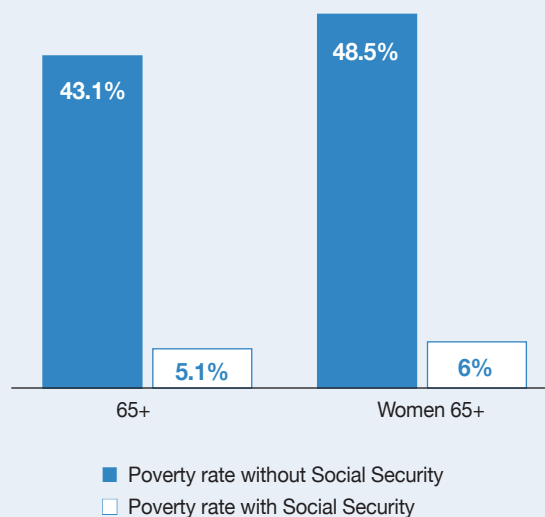


FIGURE 2
Wisconsin's Social Security Beneficiaries, 2015



Source: Social Security Administration, 2016

FIGURE 3
Poverty Rate for Wisconsin Beneficiaries 65+ with/without Social Security, 2011-2013



Source: Center on Budget & Policy Priorities, 2015

Social Security Works for Wisconsin's Residents and Economy [Figure 2]

- Social Security provided benefits to 1,170,705 Wisconsinites in 2015, around 1 in 5 (20.3 percent) residents.¹⁷
- Wisconsinites received Social Security benefits totaling \$17.9 billion in 2015, an amount equivalent to 6.8 percent of the state's total personal income.¹⁸
- The average Social Security benefit in Wisconsin was \$15,257 in 2015.¹⁹
- Social Security lifted 431,000 Wisconsinites out of poverty in 2013.²⁰

Social Security Works for Wisconsin's Seniors²¹

- Social Security provided benefits to 822,488 of Wisconsin's retired workers in 2015, 5 in 7 (70.3 percent) beneficiaries [Figure 2].²²
- The typical benefit received by a retired worker in Wisconsin was \$16,739 in 2015.²³
- Social Security lifted 314,000 Wisconsinites aged 65 or older out of poverty in 2013.²⁴
- Without Social Security, the elderly poverty rate in

Wisconsin would have increased from 1 in 20 (5.1 percent) to 3 in 7 (43.1 percent) [Figure 3].²⁵

Social Security Works for Wisconsin's Women

- Social Security provided benefits to 600,895 Wisconsin women in 2015, 1 in 9 (10.4 percent) Wisconsin women.²⁶
- Social Security provided benefits to 36,006 Wisconsin spouses in 2015, 1 in 33 (3.1 percent) beneficiaries [Figure 2].²⁷
- Social Security lifted 196,000 Wisconsin women aged 65 or older out of poverty in 2013.²⁸
- Without Social Security, the poverty rate of elderly women would have increased from 1 in 17 (6 percent) to half (48.5 percent) [Figure 3].²⁹

Social Security Works for Wisconsin's Widow(er)s

- Social Security provided survivors benefits to 73,240 Wisconsin widow(er)s in 2015, 1 in 16 (6.3 percent) Wisconsin beneficiaries [Figure 2].³⁰
- The typical benefit received by a widow(er) in Wisconsin was \$16,523 in 2015.³¹

Social Security Works for Wisconsin's Workers with Disabilities³²

- Social Security provided disability benefits to 161,864 Wisconsin workers in 2015, 1 in 7 (13.8 percent) Wisconsin beneficiaries [Figure 2].³³
- The typical benefit received by a disabled worker beneficiary in Wisconsin was \$12,888 in 2015.³⁴

Social Security Works for Wisconsin's Children

- Social Security is the primary life and disability insurance protection for 98 percent of Wisconsin's 1,294,626 children.³⁵
- Social Security provided benefits to 77,107 Wisconsin children in 2015, 1 in 15 (6.6 percent) Wisconsin beneficiaries [Figure 2].³⁶

GUS, Wisconsin

Gus was a “tunnel rat” in Vietnam—one of the volunteer Army infantrymen who specialized in entering the web of narrow tunnels created by the VietCong. The tunnel rats would kill enemy soldiers hiding there and plant explosives to destroy these underground avenues of guerilla warfare.

For his service in this capacity he was awarded the Silver Star, the third highest decoration for valor given by the Army. Sixteen days after he was mustered out of the Army, he returned to his home in Wisconsin—and was in a serious car crash, sustaining a high-level spinal cord injury.

Because his injury was sustained outside military service, he was not eligible for service-connected disability compensation and had to turn to Social Security Disability Insurance. “To put it quite simply,” he says, “SSDI was a life saver.”

- Social Security is the most important source of income for the 74,736 children living in Wisconsin's grandfamilies, which are households headed by a grandparent or other relative.³⁷

Social Security Works for Wisconsin's African Americans

- In Wisconsin, Social Security provided benefits to 2 in 7 (27.6 percent) African American households in 2014, 34,818 households.³⁸
- Nationwide, Social Security lifted 1,300,000 African Americans aged 65 or older out of poverty in 2014.³⁹ Without Social Security, the poverty rate among African American seniors would have increased from 1 in 5 (19.1 percent) to half (50.7 percent).⁴⁰
- Nationwide, Social Security provided nearly three-quarters (70.2 percent) of the income of African American elderly couples and unmarried individuals receiving benefits, on average, in 2014. Social Security made up 90 percent of the total income for nearly half (45.2 percent) of these African American elderly households.⁴¹
- African Americans were 12.6 percent of the population in 2011, but represented 19 percent of disabled worker beneficiaries.⁴²



Social Security Works for Wisconsin's Latinos

- In Wisconsin, Social Security provided benefits to 1 in 7 (15.1 percent) Latino households in 2014, 14,340 households.⁴³
- Nationwide, Social Security lifted 1,000,000 Latinos aged 65 or older out of poverty in 2014.⁴⁴ Without Social Security, the poverty rate among Latino seniors would have increased from 1 in 5 (18.1 percent) to half (46.7 percent).⁴⁵
- Nationwide, Social Security provided three-quarters (74.2 percent) of the total income of Latino elderly couples and unmarried individuals receiving benefits, on average, in 2014. Social Security was 90 percent of the income for more than half (52.2 percent) of these Latino elderly households.⁴⁶
- The Social Security Administration estimates that Latinos receive a higher rate of return on their Social Security contributions than the overall population—the highest of any group. That's because they tend to have lower lifetime income, longer life expectancy, higher incidence of disability, and larger families.⁴⁷



SUSIE, North Dakota

Susie worked with her husband in their family shoe store for more than 22 years.

“That’s how we made our living,” she says. “We made about \$100,000 a year during good years. It wasn’t all profit, we also had expenses but we got by.” And even though her husband passed away 19 years ago, she’s reminded of their sacrifices and successes when she receives her earned Social Security and Medicare.

She began work as a waitress at 14 years old in tiny Reeder, North Dakota. From there she maintained a series of jobs including later on, at her own shoe store. Today, she receives about \$700 a month from Social Security along with support from Medicare. Even in Dickinson, the money doesn’t go far. “I’m on both Medicare and Social Security, and together they pay less than I earned when I worked,” Susie says.

At 68 years old, Susie has the benefit of hindsight when she surveys her life and the lives of other seniors. When asked how she feels about some who say seniors could afford to get by on \$50 less each month if Social Security were cut, she has a stark reminder for younger generations: “Yes, \$50 is a big deal! That means that I will have to drastically cut my food budget. It’s already being cut as we speak. I don’t even do entertainment out of the house anymore, because I can’t afford it. My way of living has been reduced dramatically.”

Social Security Works for Wisconsin's Asian Americans, Hawaiian Natives and Pacific Islanders

- In Wisconsin, Social Security provided benefits to 1 in 9 (11.6 percent) Asian American, Hawaiian Native and Pacific Islander households in 2014, 5,031 households.⁴⁸
- Nationwide, Social Security provided, on average, two-thirds (65.5 percent) of the total income for Asian American households with beneficiaries aged 65 or older in 2014. Social Security was 90 percent of the income for over 2 in 5 (41.1 percent) Asian American elderly households.⁴⁹
- Nationwide, Asian Americans and Pacific Islanders receive a high rate of return from Social Security because of their long life expectancies. An Asian American or Pacific Islander man aged 65 in 2011, can expect to live until age 85, compared to age 82 for all men. An Asian American or Pacific Islander woman of the same age can expect to live until age 88, compared to age 85 for all women.⁵⁰

Social Security Works for Wisconsin's Rural Communities

- Social Security is more important to Wisconsinites living in rural or non-metropolitan counties than to Wisconsinites living in metropolitan counties. One-quarter (24.8 percent) of rural Wisconsinites received Social Security in 2015, compared with 1 in 5 (18.8 percent) metropolitan Wisconsinites.⁵¹
- Social Security is more important to the local economies of Wisconsin's rural or non-metropolitan counties than to its metropolitan counties. Total personal income in Wisconsin's rural counties was \$59.6 billion in 2015 of which \$5.5 billion, or 9.2 percent, was from Social Security. By comparison, total personal income in the state's metropolitan counties was \$194.8 billion, of which \$12.4 billion, or 6.4 percent, was from Social Security.⁵²

RUBY, Arizona

I was born when Franklin Delano Roosevelt was elected into office in 1932, and three short years later he signed Social Security into law. I am retired now, so Social Security affects my life that way, but it also affected my life, and my children's lives, through survivors' benefits because we received benefits after their father died prematurely. It was a hunting accident. A guy across the hill from him shot, and my husband was hit, so I was left with the five kids.

It was such a shock that I didn't really know what I was going to do. It was really difficult. I got to the point where for three months, I could barely do anything and I finally had to go to the doctor. I could barely put one foot in front of me to physically walk to the doctor's office. I don't know what I would have done without Social Security. When I went to work, I only earned one dollar thirty cents an hour.

It was tough but it was workable. Without Social Security I don't know how it would have been.

Social Security Works for Immigrants

- Social Security is critical for immigrants, of whom 7 in 10 (71.9 percent) are Latino or Asian American in 2014.⁵³
- New immigrants tend to have lower career earnings, so Social Security is likely to be a larger source of retirement income for them. Nationwide, the median household income of foreign-born residents was \$49,487 in 2014, 8.4 percent lower than the median for native-born Americans, which was \$53,657.⁵⁴
- Social Security is a lifeline for older workers who have serious health problems, difficult jobs or major work disabilities, among whom immigrants are disproportionately represented.⁵⁵ Nearly half (46.6 percent) of immigrant workers aged 58 or older work in physically demanding jobs or difficult conditions, compared with nearly one-third (32.7 percent) of native-born workers.⁵⁶
- An analysis by the Office of the Chief Actuary of the Social Security Administration shows that providing a path to citizenship for the country's 11 million unauthorized immigrants would net Social Security \$284 billion by 2024, and extend Social Security's full solvency by two years.⁵⁷

Social Security Works for Same-Sex Couples and Their Families

Social Security has generally looked to state law to determine who is married. Until recently, however, the federal Defense of Marriage Act and state restrictions

on the right of same-sex couples to marry prevented same-sex couples and their families from obtaining all of Social Security's spousal and family protections. With the Supreme Court's historic rulings in *U.S. v. Windsor* (June 26, 2013) striking down the Defense of Marriage Act, and in *Obergefell v. Hodges* (June 26, 2015), affirming the constitutional right of same-sex couples to marry in all states, federal marriage benefits and protections are now available to all same-sex couples, regardless of state of residence.

Married same-sex couples and their families in every state are now able to claim the same spousal, survivor, and dependent child benefits guaranteed to all other married couples and their families.⁵⁸ Social Security's crucial protections will potentially benefit thousands of Americans, including:

- the 486,000 same-sex couples who are currently married under state law,⁵⁹
- and the estimated 210,000 children being raised by same-sex couples.⁶⁰

Social Security's Services to Wisconsinites are Under Threat

Social Security is the nation's most efficiently managed retirement, disability, and life-insurance system, with administrative expenses accounting for less than one penny of every dollar spent.⁶¹ As the population ages, the demand on its services continues to grow. Yet, over the past six years, the Social Security Administration's (SSA's) operating



budget has shrunk by 10 percent (after adjusting for inflation), due to Congressional budget cuts, while the agency's workloads have risen to record highs.⁶² All Wisconsin residents and Social Security beneficiaries utilize and benefit from SSA's services, many at critical moments in their lives when dependable and easily accessible in-person service is especially important. SSA's budget cuts, which have already resulted in office closings, reduced hours at remaining offices, and staff reductions, are greatly harmful to Wisconsin's Social Security beneficiaries and residents.

- From FY 2011 to June 30th, 2016, SSA has lost 251 employees in Wisconsin.⁶³

Not only are these budget cuts harmful to Wisconsin residents and Social Security beneficiaries who depend on SSA's many in-person services, they are unnecessary and wrong. Unlike most government programs, Social Security is entirely self-funded, and contributes nothing to the federal debt. Its administrative expenses, which are modest by any standard, are paid directly by its revenues, most of which come directly from payroll contributions. Congress does not appropriate money for Social Security. It simply limits how much of Social Security's surplus SSA may spend. Those Congressionally-imposed limitations do nothing to reduce the federal debt and only hamper SSA's ability to meet its growing workload and provide the services all Wisconsin beneficiaries deserve—and have paid for. Instead of continuing to reduce SSA's operating budget, lawmakers should ensure that Wisconsin residents and Social Security beneficiaries have access to conveniently located and adequately staffed field offices so that they can continue to receive SSA's vital services in the world-class manner they have paid for.

Social Security is Fiscally Responsible and Affordable

A public trust, Social Security is the nation's most conservatively financed and carefully monitored public institution. By law, Social Security does not, and cannot, add a penny to the federal debt.⁶⁴ While the federal budget has run a deficit in every year but five over the last half century, Social Security has no borrowing authority and is not allowed to pay benefits

without sufficient funds.⁶⁵ Consequently, Social Security is entirely separate from federal budget deficit reduction measures, and should not be part of any deficit reduction legislation considered by our nation's leaders.

Indeed, it is only because Social Security is required to project its finances 75 years into the future—an extremely long projection period by virtually any measure—that we even know about its modest long-term projected shortfall.⁶⁶ These long-range projections are reported annually by Social Security's team of actuaries and signed by its trustees—the secretaries of the Treasury, Health and Human

MIKE, Ohio

Mike was a small business owner. He had his own home construction business. While on vacation in the Bahamas, he suffered a massive stroke. He was only 60 years old. Although he did receive some initial medical attention in the Bahamas, his family, through the help of friends, was able to charter a plane to bring him back to the States for treatment.

His stroke left him paralyzed on his right side and with aphasia, which means he could understand, but not speak. While most SSDI cases take a couple of years to get approval, Mike's case was so compelling, he was approved immediately. In the seven years since his accident, Mike has managed to go through his IRA, which he used to pay for unexpected medical expenses. If he did not have SSDI and now his Social Security retirement benefit, his family does not know what he would have done.

Services, the Commissioner of Social Security, and two Public Trustees nominated by the President and confirmed by the Senate. The 2016 report projects that Social Security can pay all benefits in full and on time for 18 years.⁶⁷ After that, even without Congressional action, it could still pay 79 cents of every dollar of earned benefits.⁶⁸

Social Security's projected shortfall is incredibly modest as a share of our nation's economy. Even with the retirement of the baby boomers, Social Security's costs are projected to go from their current level of 5.0 percent of gross domestic product (GDP) to just 6 percent in 2035, after which they are projected to fall and then rise again gradually to 6.1 percent in 2090.⁶⁹ The cost of bringing Social Security into actuarial balance is equal to roughly 1 percent of GDP.⁷⁰ This increase in Social Security spending is significantly less, as a percentage of GDP, than the increase in spending on public education that occurred when the boomers were children.⁷¹

Expanding Social Security is the Solution to the Nation's Looming Retirement Income Crisis

As important as Social Security's modest protections are today, they will become even more vital in the years to come. Americans face a growing retirement income crisis, as stagnating wages and growing inequality, combined with the disappearance of traditional, employer-sponsored pensions and a



failing 401(k) retirement system leave more and more households unable to set aside savings during their working years. Moreover, workers of all ages today are saving no more than their counterparts did in 1983, even though they face higher costs in retirement due to disappearing pensions, rising health care costs, and—for some—increasing longevity.⁷² Indeed, the typical household nearing retirement has only \$14,500 in retirement savings.⁷³

As a result, Social Security's modest benefits will be the most important, and in some cases, the only source of income for many retirees. Under current conditions, it is estimated that more than half (52 percent) of today's working Americans will be unable to maintain their standard of living in retirement. When anticipated health and long-term care costs are taken into account, roughly two-thirds of working-age households are at risk.⁷⁴

This risk is likely to grow, given the demographic trends in the workforce today. By 2060, the nation's demographics are projected to be majority-minority, with over half (56 percent) of Americans identifying as Hispanic and/or non-White.⁷⁵ Although this diversity is a testament to our nation's ongoing progress, these trends indicate that the retirement income crisis could be even greater for future generations. Black and Hispanic households have lower incomes and significantly lower savings than White, non-Hispanic households. And these households rely even more on their Social Security benefits in retirement—Social Security benefit represent 90 percent or more of the incomes of over 2 in 5 (45.2 percent) Black beneficiaries, and over half (52.2 percent) of Hispanic beneficiaries ages 65 and older.⁷⁶

Just as the nation's youngest generations are its most diverse, they are also becoming its most educated. Today's youngest workers, the millennial generation, are the most highly educated in its history.⁷⁷ But while the importance of attaining a college degree has grown, the cost of doing so has more than doubled,⁷⁸ leaving workers with student loan debt that follows many into retirement.⁷⁹

Although Social Security will prevent millions of Americans from falling into poverty and insure that millions more are able to maintain their standards of living, its benefits must be expanded to keep pace with growing health care costs. Social Security benefits are adjusted to keep pace with inflation, but these adjustments do not take into account the high health care costs faced by seniors and people with disabilities.⁸⁰ As a result since 1992, the growth in out-of-pocket health care costs has surpassed Social Security's cost-of-living adjustments by more than a third.⁸¹ And, in 2016, Social Security beneficiaries have received no cost-of-living adjustment at all, while their costs of living have undoubtedly increased.⁸² This means that Social Security benefits are failing to meet the needs of those who need them most—and for many, they are actually eroding in value.

Rising Inequality Calls for Expanding Benefits and Requiring Wealthiest to Pay Their Fair Share

Social Security has been critical to the creation of a thriving middle class. That landmark achievement is now jeopardized by growing inequality. While incomes from earnings and investments at the top have skyrocketed in recent decades, median wages have stagnated: the median male worker earned

roughly the same amount, adjusted for inflation, in 2010 as his predecessor in 1964.⁸³ As a result, while two-thirds of income growth went to the bottom 90 percent of earners from 1948-79, from 1979-2012 *all* income growth has gone to the top 10 percent.⁸⁴ In other words, since 1979, the bottom 90 percent of households have seen their incomes decline in real terms.

Social Security's benefit formula is progressive, providing larger payments to those who earn and contribute more, but replacing a higher percentage of wages for those with lower earnings. As the wealthiest nation in the world at the wealthiest moment in our history, we can well afford to expand Social Security.

While 94 percent of covered workers make Social Security contributions on all of their wages, millionaires and billionaires contribute on only the first \$118,500 of their earned income in 2016.⁸⁵ Furthermore, their unearned income—income from investments—is not subject to Social Security contributions. The fact that virtually all aggregate income growth has occurred above the Social Security tax cap has hurt Social Security's finances, and is projected to harm them even more in the coming decades.⁸⁶



Not only should we eliminate the cap on wages subject to Social Security contributions; we should also incorporate high earners' investment income into Social Security, as we already do with Medicare. We should also consider introducing new dedicated sources of progressive revenue, given the upward redistribution of income and wealth over the last few decades.

For example, dedicating revenue from our most progressive tax—the federal estate tax—to our Social Security system would help to reduce income and wealth inequality while providing sufficient revenue to expand benefits. This is not a novel proposal; indeed, the idea of a system of social insurance benefits financed by a tax on inherited wealth, was proposed over two centuries ago by one of our nation's Founding Fathers, Thomas Paine.⁸⁷

These improvements would ensure that high earners make contributions on all of their incomes, as the vast majority of Americans already do, and require them to pay their fair share. These reforms would eliminate Social Security's projected shortfall entirely, while providing enough revenue to expand benefits as well.⁸⁸ Social Security is the strongest and most important resource Americans have against challenges to their economic security resulting from retirement, disability, or death. To ensure that it can continue to meet these challenges in the 21st century and beyond, its benefits must be expanded, and secured against the financial shocks experienced by a majority of Americans in wages, wealth, and costs-of-living. When it comes to Social Security, we should not be asking ourselves if we can afford to increase our economic security in the 21st century, but rather how we can afford to do otherwise.

CONCLUSION

We built our Social Security system because it is the fairest, most efficient, universal, and secure way for Americans to maintain their standards of living when wages are lost due to death, disability, or retirement.

Without Social Security, the retirement security crisis facing today's workers would be even worse. Social Security is the foundation of financial stability in times of lost wages, and it works extremely well. No one is invulnerable to the risks of becoming disabled, dying young, or experiencing poor health in old age. Social Security protects all Americans from these risks. Its protections should be expanded, not cut.

Social Security, like our highway system, is fundamental to our family and community life. In a period of stagnating wages and growing inequality, it will be even more important to future generations of retirees—today's middle-aged and younger workers.

We are much wealthier as a nation than we were when Social Security was first built, and in the years when its protections were extended and improved. Now it is our turn to maintain and improve it, as previous generations have done, for ourselves and for those who follow. To build our own legacy for our nation's

children and grandchildren so when they become workers, they will have the economic security that Social Security provides.

Maintaining our Social Security system must not be reduced to a matter of simple arithmetic. Any changes we make to its vital protections must advance its mission of providing economic security and dignity to the American people. Reducing Social Security's expenditures is not an end in itself; doing so in ways that threaten risks would solve the arithmetic problem at the expense of Social Security's fundamental promise to the American people.

The solution is clear—it is time to expand on what works. We must expand Social Security in order to improve economic security for all Americans in an era of stagnating wages and growing inequality.

At base, this is about what kind of nation we want to live in and leave for the generations to come. Today's workers have a stake in preserving Social Security for themselves, their families, and their children and grandchildren. And politicians have the opportunity to maintain, improve and pass on for future generations, just as our previous leaders and legislators have done for us.

Appendix 1: Social Security Works for Wisconsin's Congressional Districts

		STATE TOTAL	CONGRESSIONAL DISTRICTS							
			1	2	3	4	5	6	7	8
Total annual benefits (\$ in millions)*		\$17,907M	\$2,310M	\$2,024M	\$2,228M	\$1,596M	\$2,444M	\$2,426M	\$2,589M	\$2,288M
Number of residents in state/ congressional district		5,757,564	712,072	740,988	718,518	717,657	722,537	712,031	711,006	722,755
Number of residents receiving Social Security benefits		1,170,705	144,144	128,078	154,410	112,836	147,286	156,240	176,727	150,984
Percent of residents receiving Social Security benefits		20.3%	20.2%	17.3%	21.5%	15.7%	20.4%	21.9%	24.9%	20.9%
SOCIAL SECURITY BENEFICIARIES BY CATEGORY	Retired workers	822,488	99,986	91,829	108,237	66,563	108,102	112,939	128,042	106,790
	Disabled workers	161,864	20,898	16,882	21,236	24,834	16,399	19,773	22,311	19,531
	Widow(ers)	73,240	8,937	7,361	9,939	6,821	9,498	9,771	10,918	9,995
	Spouses	36,006	4,186	3,827	5,018	2,835	4,728	4,578	5,614	5,220
	Children	77,107	10,137	8,179	9,980	11,783	8,559	9,179	9,842	9,448

Sources: U.S. Census Bureau, ACS Demographic and Housing Estimates, "2014 American Community Survey 1-Year Estimates," 2015.

SSA, "Wisconsin," *Congressional Statistics*, December 2015, 2016.

*The annual benefits for the Congressional districts were calculated by taking the monthly benefits and multiplying by 12. The state annual benefits number is the sum of the congressional district numbers.

Appendix 2: Social Security Works for Wisconsin's Counties (Page 1/3)

		Wisconsin County Demographics, 2014					Social Security Benefits, 2014-2015		Social Security Beneficiaries by Characteristic, 2015*						
County	Metropolitan/ Non-Metropolitan	2014 Population	Median Household Income, 2014	% in Poverty, 2014	Population Over Age 65, 2014	% of Population Over Age 65, 2014	Annual Total Benefits, 2015	% of Total Personal Income, 2014	% of Population Receiving Benefits	Total Beneficiaries	Retired Workers	Disabled Workers	Widow(er)s	Spouses	Children
Wisconsin Total (72 Counties)	N/A	5,757,564	\$52,632	13.2%	875,868	15.2%	\$17,906,988,000	7.0%	20.3%	1,170,705	822,490	161,865	73,240	36,005	77,105
Adams	Non-Metropolitan	20,215	\$42,063	17.8%	5,478	27.1%	\$104,904,000	13.6%	35.0%	7,075	5,010	1,130	350	155	430
Ashland	Non-Metropolitan	16,103	\$41,294	14.9%	2,810	17.5%	\$57,852,000	10.5%	26.1%	4,210	2,815	655	295	125	320
Barron	Non-Metropolitan	45,455	\$46,375	13.7%	9,176	20.2%	\$172,260,000	8.6%	26.9%	12,220	8,740	1,560	825	400	695
Bayfield	Non-Metropolitan	14,985	\$44,395	13.6%	3,575	23.9%	\$70,920,000	11.8%	31.9%	4,785	3,675	515	255	150	190
Brown	Metropolitan	256,670	\$54,141	12.0%	33,496	13.1%	\$709,368,000	6.0%	18.1%	46,460	31,860	6,430	3,110	1,685	3,375
Buffalo	Non-Metropolitan	13,188	\$50,998	10.5%	2,643	20.0%	\$47,760,000	8.1%	25.9%	3,420	2,500	390	230	135	165
Burnett	Non-Metropolitan	15,328	\$41,810	16.5%	4,031	26.3%	\$79,980,000	13.7%	35.5%	5,435	4,150	645	260	145	235
Calumet	Metropolitan	49,491	\$68,430	5.9%	6,573	13.3%	\$126,372,000	5.8%	16.5%	8,160	5,940	930	505	280	505
Chippewa	Metropolitan	63,460	\$52,485	10.7%	10,302	16.2%	\$198,972,000	7.7%	22.0%	13,985	9,775	1,855	920	520	915
Clark	Non-Metropolitan	34,423	\$45,316	16.0%	5,523	16.0%	\$94,380,000	7.4%	20.2%	6,965	4,860	895	530	265	415
Columbia	Metropolitan	56,615	\$59,020	8.8%	9,150	16.2%	\$191,832,000	7.8%	22.4%	12,655	9,300	1,555	740	305	755
Crawford	Non-Metropolitan	16,392	\$43,562	14.7%	3,379	20.6%	\$60,900,000	10.0%	27.2%	4,460	3,125	585	255	155	340
Dane	Metropolitan	516,284	\$61,937	13.4%	61,557	11.9%	\$1,310,856,000	4.9%	15.5%	80,100	58,125	10,205	4,145	2,440	5,185
Dodge	Non-Metropolitan	88,574	\$54,359	9.9%	14,429	16.3%	\$277,332,000	7.9%	20.2%	17,935	13,075	2,215	1,175	495	975
Door	Non-Metropolitan	27,766	\$49,717	11.0%	7,340	26.4%	\$144,720,000	10.4%	33.1%	9,190	7,295	715	565	315	300
Douglas	Metropolitan	43,698	\$46,475	13.9%	7,120	16.3%	\$138,516,000	8.6%	22.1%	9,675	6,555	1,600	585	300	635
Dunn	Non-Metropolitan	44,305	\$52,224	13.9%	6,499	14.7%	\$128,688,000	8.1%	20.9%	9,280	5,915	1,600	575	295	895
Eau Claire	Metropolitan	101,564	\$48,102	14.4%	14,291	14.1%	\$291,780,000	6.7%	19.5%	19,790	13,585	2,970	1,235	655	1,345
Florence	Non-Metropolitan	4,481	\$44,562	12.8%	1,158	25.8%	\$21,768,000	12.1%	33.3%	1,490	1,050	240	80	55	65
Fond du Lac	Metropolitan	101,759	\$52,149	9.9%	16,881	16.6%	\$329,904,000	7.6%	21.2%	21,605	15,550	2,795	1,355	620	1,285
Forest	Non-Metropolitan	9,127	\$41,418	17.0%	1,987	21.8%	\$38,220,000	12.1%	30.0%	2,740	2,010	360	165	65	140
Grant	Non-Metropolitan	51,829	\$46,972	15.0%	8,460	16.3%	\$156,060,000	7.9%	21.5%	11,130	8,090	1,165	830	375	670
Green	Metropolitan	37,063	\$53,328	8.7%	6,249	16.9%	\$119,784,000	7.5%	21.5%	7,955	5,760	960	535	280	420
Green Lake	Non-Metropolitan	18,836	\$51,175	11.3%	3,918	20.8%	\$75,216,000	9.2%	26.9%	5,070	3,750	615	310	130	265
Iowa	Metropolitan	23,825	\$58,419	8.9%	3,977	16.7%	\$72,624,000	7.2%	21.3%	5,065	3,635	645	340	130	315
Garland	Metropolitan	97,322	40,621	18.7%	21,105	21.7%	\$427,668,000	12.1%	30.6%	29,755	19,735	5,160	1,995	835	2,030
Grant	Metropolitan	18,144	46,067	13.3%	2,929	16.1%	\$58,008,000	9.4%	22.6%	4,105	2,420	875	305	155	350
Greene	Non-Metropolitan	43,694	42,572	16.3%	6,561	15.0%	\$139,812,000	10.5%	24.5%	10,715	5,915	2,570	790	345	1,095
Green Lake	Non-Metropolitan	18,836	\$51,175	11.3%	3,918	20.8%	\$75,216,000	9.2%	26.9%	5,070	3,750	615	310	130	265

Appendix 2: Social Security Works for Wisconsin's Counties (Page 2/3)

County	Metropolitan/ Non-Metropolitan	Wisconsin County Demographics, 2014					Social Security Benefits, 2014-2015		Social Security Beneficiaries by Characteristic, 2015*						
		2014 Population	Median Household Income, 2014	% in Poverty, 2014	Population Over Age 65, 2014	% of Population Over Age 65, 2014	Annual Total Benefits, 2015	% of Total Personal Income, 2014	% of Population Receiving Benefits	Total Beneficiaries	Retired Workers	Disabled Workers	Widow(er)s	Spouses	Children
Iowa	Metropolitan	23,825	\$58,419	8.9%	3,977	16.7%	\$72,624,000	7.2%	21.3%	5,065	3,635	645	340	130	315
Iron	Non-Metropolitan	5,917	\$39,408	15.6%	1,671	28.2%	\$30,528,000	11.0%	36.2%	2,140	1,585	275	115	65	100
Jackson	Non-Metropolitan	20,652	\$47,985	14.0%	3,629	17.6%	\$64,512,000	7.6%	22.8%	4,715	3,325	620	305	130	335
Jefferson	Non-Metropolitan	84,395	\$56,365	10.6%	12,652	15.0%	\$263,388,000	7.9%	20.1%	16,930	11,870	2,210	1,005	415	1,430
Juneau	Non-Metropolitan	26,395	\$45,158	13.1%	5,012	19.0%	\$95,280,000	10.0%	25.9%	6,835	4,680	1,095	390	210	460
Kenosha	Metropolitan	168,068	\$53,945	15.4%	21,004	12.5%	\$468,504,000	7.0%	17.9%	30,125	19,455	5,365	2,015	810	2,480
Kewaunee	Metropolitan	20,444	\$56,160	8.9%	3,859	18.9%	\$69,192,000	8.0%	22.7%	4,650	3,340	495	375	180	260
La Crosse	Metropolitan	118,011	\$49,790	12.6%	17,407	14.8%	\$333,648,000	6.7%	18.9%	22,355	15,930	3,085	1,380	640	1,320
Lafayette	Non-Metropolitan	16,853	\$52,260	11.7%	2,775	16.5%	\$49,620,000	7.0%	21.4%	3,610	2,520	460	245	140	245
Langlade	Non-Metropolitan	19,410	\$40,968	15.9%	4,313	22.2%	\$82,008,000	10.7%	30.0%	5,830	4,080	840	405	165	340
Lincoln	Non-Metropolitan	28,493	\$48,881	10.9%	5,653	19.8%	\$114,024,000	10.4%	27.2%	7,745	5,630	975	490	225	425
Manitowoc	Non-Metropolitan	80,160	\$48,430	10.8%	14,908	18.6%	\$299,580,000	8.8%	24.9%	19,960	14,160	2,740	1,230	565	1,265
Marathon	Metropolitan	135,780	\$54,400	9.9%	21,609	15.9%	\$417,240,000	7.2%	20.5%	27,840	19,970	3,375	1,810	935	1,750
Marinette	Non-Metropolitan	41,298	\$43,701	13.4%	8,948	21.7%	\$181,764,000	11.1%	30.1%	12,435	8,715	1,790	815	415	700
Marquette	Non-Metropolitan	15,050	\$43,661	13.0%	3,406	22.6%	\$68,100,000	12.8%	30.8%	4,640	3,375	660	275	120	210
Menominee	Non-Metropolitan	4,522	\$36,774	29.1%	572	12.6%	\$12,444,000	10.6%	21.2%	960	590	175	50	15	130
Milwaukee	Metropolitan	956,406	\$42,946	22.0%	116,067	12.1%	\$2,405,964,000	6.1%	17.0%	162,335	101,955	31,180	10,295	4,250	14,655
Monroe	Non-Metropolitan	45,379	\$52,978	14.4%	7,134	15.7%	\$121,776,000	7.4%	20.4%	9,250	6,340	1,390	585	265	670
Oconto	Metropolitan	37,417	\$52,776	10.5%	6,919	18.5%	\$138,852,000	9.3%	25.5%	9,530	6,835	1,255	585	330	525
Oneida	Non-Metropolitan	35,563	\$49,040	12.6%	8,511	23.9%	\$178,596,000	11.1%	33.0%	11,740	8,935	1,355	615	340	495
Outagamie	Metropolitan	182,006	\$59,377	10.0%	23,942	13.2%	\$522,228,000	6.6%	18.5%	33,675	23,370	4,560	2,325	1,180	2,240
Ozaukee	Metropolitan	87,470	\$77,364	5.0%	15,314	17.5%	\$328,416,000	5.3%	21.2%	18,575	14,330	1,490	1,190	740	825
Pepin	Non-Metropolitan	7,335	\$53,828	12.1%	1,525	20.8%	\$29,040,000	9.6%	28.8%	2,110	1,380	350	125	75	180
Pierce	Metropolitan	40,958	\$68,471	10.8%	5,140	12.5%	\$110,940,000	6.7%	17.6%	7,210	5,290	820	410	260	430
Polk	Non-Metropolitan	43,437	\$52,411	11.2%	8,030	18.5%	\$160,920,000	9.3%	25.2%	10,960	7,915	1,430	630	315	670
Portage	Non-Metropolitan	70,482	\$52,075	15.4%	10,279	14.6%	\$206,412,000	7.4%	19.4%	13,650	10,020	1,660	840	420	710
Price	Non-Metropolitan	13,675	\$42,659	13.0%	3,283	24.0%	\$64,632,000	12.0%	32.4%	4,430	3,250	550	295	135	200
Racine	Metropolitan	195,163	\$54,782	13.1%	28,785	14.7%	\$648,624,000	8.0%	21.1%	41,265	27,425	6,810	2,430	1,210	3,390
Richland	Non-Metropolitan	17,662	\$44,026	13.5%	3,450	19.5%	\$58,488,000	8.7%	24.1%	4,260	2,930	625	270	135	300
Rock	Metropolitan	161,188	\$51,237	14.9%	24,323	15.1%	\$527,556,000	8.5%	21.4%	34,510	23,145	5,525	2,280	1,005	2,555

Appendix 2: Social Security Works for Wisconsin's Counties (Page 3/3)

County	Metropolitan/ Non-Metropolitan	Wisconsin County Demographics, 2014					Social Security Benefits, 2014-2015			Social Security Beneficiaries by Characteristic, 2015*					
		2014 Population	Median Household Income, 2014	% in Poverty, 2014	Population Over Age 65, 2014	% of Population Over Age 65, 2014	Annual Total Benefits, 2015	% of Total Personal Income, 2014	% of Population Receiving Benefits	Total Beneficiaries	Retired Workers	Disabled Workers	Widow(er)s	Spouses	Children
Rusk	Non-Metropolitan	14,333	\$39,999	16.9%	3,162	22.1%	\$56,232,000	11.7%	29.2%	4,185	2,860	605	305	145	270
Sauk	Metropolitan	86,759	\$75,920	4.9%	10,580	12.2%	\$227,124,000	5.8%	16.3%	14,160	10,245	1,885	880	480	870
Sawyer	Non-Metropolitan	63,379	\$50,243	11.9%	10,781	17.0%	\$206,592,000	8.0%	21.8%	13,825	10,030	1,765	900	335	795
Shawano	Non-Metropolitan	16,437	\$40,701	17.0%	3,835	23.3%	\$79,572,000	12.4%	33.3%	5,480	4,090	645	305	140	300
Sheboygan	Non-Metropolitan	41,579	\$47,841	11.2%	8,237	19.8%	\$147,360,000	9.6%	24.5%	10,175	7,425	1,210	670	315	555
St. Croix	Metropolitan	115,290	\$55,335	9.1%	18,698	16.2%	\$388,988,000	7.3%	21.6%	24,955	18,080	3,090	1,570	640	1,575
Taylor	Non-Metropolitan	20,540	\$48,683	11.7%	3,751	18.3%	\$60,672,000	8.6%	21.1%	4,335	3,120	550	300	155	210
Trempealeau	Non-Metropolitan	29,509	\$50,266	12.2%	5,000	16.9%	\$90,516,000	7.5%	21.9%	6,455	4,670	780	445	205	355
Vernon	Non-Metropolitan	30,362	\$46,943	18.0%	5,608	18.5%	\$99,300,000	9.2%	24.2%	7,340	5,085	940	555	265	495
Vilas	Non-Metropolitan	21,398	\$41,211	14.8%	6,213	29.0%	\$129,108,000	14.2%	39.2%	8,380	6,645	820	415	245	255
Walworth	Non-Metropolitan	103,527	\$52,852	13.7%	15,862	15.3%	\$328,128,000	7.8%	19.9%	20,560	14,745	2,650	1,285	575	1,305
Washington	Non-Metropolitan	15,694	\$42,079	13.4%	3,751	23.9%	\$75,924,000	12.0%	33.9%	5,315	3,935	670	295	160	255
Washington	Metropolitan	133,251	\$69,346	5.9%	20,922	15.7%	\$446,616,000	6.9%	20.1%	26,845	20,355	2,750	1,605	800	1,335
Waukesha	Metropolitan	395,118	\$76,584	5.8%	65,101	16.5%	\$1,403,208,000	5.8%	20.5%	81,035	61,475	7,480	5,020	2,960	4,100
Waupaca	Non-Metropolitan	52,066	\$52,850	10.4%	10,127	19.5%	\$199,980,000	9.4%	26.1%	13,565	9,715	1,780	890	415	765
Waushara	Non-Metropolitan	24,178	\$46,835	13.9%	5,451	22.5%	\$101,556,000	11.4%	28.9%	6,995	5,030	975	415	200	375
Winnebago	Metropolitan	169,511	\$52,711	12.1%	24,971	14.7%	\$515,700,000	7.5%	19.8%	33,535	23,485	4,740	2,100	1,075	2,135
Wood	Non-Metropolitan	73,608	\$51,003	11.3%	13,696	18.6%	\$277,188,000	9.6%	25.1%	18,440	13,010	2,340	1,335	730	1,025

*State totals in this appendix may not equal state figures cited elsewhere in the report, because individual county figures provided by SSA are rounded.

2014 Population: US Census Bureau, *2014 Population Estimates*, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipalities: April 1, 2010 to July 1, 2014," 2015. <http://factfinder2.census.gov/>. The total state population given in Appendix 2 may not match the state population in Appendix 1 because it is the sum of the individual county population estimates, which have a higher margin of error than congressional district population estimates.

Metropolitan/Non-Metropolitan: Unpublished calculations of US Census data performed by Dr. Roberto Gallardo, Mississippi State University Extension Service, on behalf of the Center for Rural Strategies, and shared with Social Security Works. For the purposes of this analysis, "metropolitan" refers to counties with at least one urbanized area of 50,000 people or more, and adjacent counties in which 25 percent of the workforce or more commutes to county with 50,000 people or more. "Non-metropolitan" refers to counties designated by the Office of Management and Budget (OMB) as non-metropolitan areas, or "small cities" with urban clusters of 10,000-49,999 people, and non-core areas lacking a centralized population of any kind. Dr. Gallardo's initial calculations distinguished between "small cities" and "rural" counties. For Social Security Works, he created a weighted average of "small cities" and "rural" counties that allowed us to classify both as "non-metropolitan" figures. US Department of Agriculture, Economic Research Service (ERS), What is Rural?, March 16, 2015. <http://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/what-is-rural.aspx#UeSGcGTTWGN>

Total Personal Income, 2014: Bureau of Economic Analysis, "CA1 Personal Income Summary: Personal Income, Population, Per Capita Personal Income," November 19, 2015. <http://bea.gov/regional/>

Median Household Income, 2014: US Census Bureau, Small Area Estimates Branch, *Small Area Income and Poverty Estimates*, 2014, "Table 1: 2014 Poverty and Median Income Estimates - Counties," 2015. <http://www.census.gov/did/www/saiper/data/statecounty/data/2014.html>

Percentage in Poverty, 2014: US Census Bureau, Small Area Estimates Branch, *Small Area Income and Poverty Estimates*, 2014, "Table 1: 2014 Poverty and Median Income Estimates - Counties," 2015. <http://www.census.gov/did/www/saiper/data/statecounty/data/2014.html>

Population over 65, 2014: US Census Bureau, 2014 Population Estimates, "Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties and Puerto Rico Commonwealth and Municipalities: April 1, 2010 to July 1, 2014," 2015. <http://factfinder2.census.gov/>

Percent of Population Receiving Benefits: SSA, *OASDI Benefits by State and County*, 2015, "Table 4. Number of beneficiaries in current-payment status, by county, type of benefit, and sex of beneficiaries aged 65 or older, December 2015," July 2016. http://www.ssa.gov/policy/docs/statcomps/oasdi_sc/ http://www.ssa.gov/policy/docs/statcomps/oasdi_sc/

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KEY FACTS ABOUT SOCIAL SECURITY IN WISCONSIN

Social Security Works for Wisconsin's Residents and Economy

- Social Security provided benefits to 1,170,705 Wisconsin residents in 2015, 1 in 5 (20.3 percent) residents.
- Wisconsin residents received Social Security benefits totaling \$17.9 billion in 2015, an amount equivalent to 6.8 percent of the state's total personal income.
- The average Social Security benefit in Wisconsin was \$15,257 in 2015.
- Social Security lifted 431,000 Wisconsin residents out of poverty in 2013.

Social Security Works for Wisconsin's Seniors

- Social Security provided benefits to 822,488 Wisconsin retired workers in 2015, 5 in 7 (70.3 percent) beneficiaries.
- Social Security lifted 314,000 Wisconsin residents aged 65 and older out of poverty in 2013. Without Social Security, the elderly poverty rate in Wisconsin would have increased from 1 in 20 (5.1 percent) to 3 in 7 (43.1 percent).

Social Security Works for Wisconsin's Workers with Disabilities

- Social Security provided disability benefits to 161,864 workers in 2015, 1 in 7 (13.8 percent) Wisconsin beneficiaries.

Social Security Works for Wisconsin's Women

- Social Security provided benefits to 600,895 Wisconsin women in 2015, 1 in 9 (10.4 percent) Wisconsin women.
- Social Security lifted 196,000 Wisconsin women aged 65 and older out of poverty in 2013. Without Social Security, the poverty rate of elderly women would have increased from 1 in 17 (6 percent) to half (48.5 percent).

Social Security Works for Wisconsin's Children

- Social Security provided benefits to 77,107 Wisconsin children in 2015, 1 in 15 (6.6 percent) Wisconsin beneficiaries.

Social Security Works for Wisconsin's People of Color

- Social Security provided benefits to 2 in 7 (27.6 percent) African American households in Wisconsin in 2014, 34,818 households.
- Social Security provided benefits to 1 in 7 (15.1 percent) Latino households in Wisconsin in 2014, 14,340 households.
- Social Security provided benefits to 1 in 9 (11.6 percent) Asian American, Hawaiian Native, and Pacific Islander households in Wisconsin in 2014, 5,031 households.

Social Security Works for Wisconsin's Rural Communities

- One-quarter (24.8 percent) of rural or non-metropolitan Wisconsin residents received Social Security in 2015, compared with 1 in 5 (18.8 percent) metropolitan Wisconsin residents.