

**EXPERIENCE MATTERS:
SENIORS AND THE WORKFORCE**

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EXPERIENCE MATTERS: SENIORS AND THE WORKFORCE

Wednesday, March 25, 2026

U.S. SENATE
SPECIAL COMMITTEE ON AGING
Washington, DC.

The Committee met, pursuant to notice, at 3:38 p.m., Room 216, Hart Senate Office Building, Hon. Rick Scott, Chairman of the Committee, presiding.

Present: Senator Scott, Moody, Gillibrand, Warren, and Kim.

OPENING STATEMENT OF SENATOR RICK SCOTT, CHAIRMAN

The CHAIRMAN. The U.S. Senate Special Committee on Aging will now come to order. In December, this Committee highlighted the positive impact that having a purpose and engaging with the community has on older Americans.

Witnesses shared powerful testimonies and firsthand accounts about how staying engaged, whether through volunteering, mentoring, or taking on new responsibilities, helps seniors live a happier, healthier life with a renewed purpose and goal for their next chapter. Not only is this kind of activity enriching and beneficial to seniors, but also it helps their communities too.

In our December hearing, we just spoke about the many, many ways older Americans strengthen the U.S. economy, thanks to the expertise and perspective they bring to the job. The truth is that retirement doesn't have to be the end of one's career. For many, it is the start of a new, purpose driven chapter in their lives.

Seniors can and should use this time to chase and reach new goals and dreams. Maybe try the new hobby they hadn't had time for in the past. Start a business doing odd jobs around their neighborhood. Volunteer at their church, or even substitute teach at their grandkids' school.

In all of these things and more, seniors offer valuable insight because they have lived a full life of experiences and knowledge that can be passed on to the next generation. However, in that hearing, witnesses also shared some of the challenges members of our aging community face when their goals and dreams involve continuing to work, or if they are going back to work full or part time.

In today's hearing, we will look more closely at what these challenges are and how Government is making it worse. The fact is, there are laws on the books that penalize older workers unfairly. The Retirement Earnings Test is one of them. This test punishes

workers between the ages of 62 and 66 who start to claim their benefits, benefits they are absolutely entitled to and have earned.

It essentially takes \$1 of their benefits away for every \$2 they earn once their income hits \$24,000 a year. The retirement earning test was passed during the Great Depression specifically to push older Americans out of the workforce and free up more jobs for younger Americans but as we are all aware, it is not the 1930's anymore, and we shouldn't expect our seniors to be punished today by outdated policies passed then. Aging Americans deserve better.

That is why I have introduced the Senior Citizens Freedom to Work Act, along with my friend and fellow committee member, Senator Tuberville. Our bill will get rid of the unfair Retirement Earnings Test so that seniors who want to stay in the workforce can do so without being punished or robbed of their hard-earned benefits but we need to do more than that.

Even if we get the RET repealed, seniors still face mountains of administrative red tape to get information on how their benefits are impacted by—when they retire. The same red tape also makes it hard for seniors to decide when they should start withdrawing their benefits. Many Americans don't realize that when they start withdrawing could actually impact how much they will be entitled to.

This not only affects our seniors retiring today, but all Americans who are actively planning for their future. We shouldn't be making it more difficult for our seniors or future seniors to find the information they need to make the best choices for themselves and their families. We should make it easy, straightforward, and transparent so all Americans can make the decisions as they plan for retirement.

That is why I co-sponsored the Claiming Age Clarity Act, which also has the support of two of my colleagues on this Committee, Ranking Member Gillibrand and Senator Warnock. This bill would give seniors better and more straightforward information about how their Social Security benefits change based on when they retire and when they start claiming their hard-earned benefits.

The fact is workers aged 55 or older have been the fastest growing age group in the labor force for more than two decades. In 1994, they made up just 10 percent of the workforce. In 2022, 24 percent. People are living longer, staying healthier, and wanting to keep working and giving back to their communities and pursuing new goals and challenges. If our seniors want to stay at work, we should be empowering them and giving them all the information they need so they know what that means for their future.

It is not the government's job to tell Americans when they should stop working or when they should claim their benefits and it is definitely not the Governments' role to punish those who want to continue their careers later in life. Government should be working for our aging population, not against it. We should be giving our seniors transparent information and ample freedom to choose what is best for them.

We should not penalize hard-working Americans for continuing to work after they reach retirement age. Because at the end of the day, it is older Americans who bring the experience and expertise necessary to get the job done.

I look forward to hearing from our witnesses today about how we can get Government out of the way, inject transparency, and make seniors have the information and freedom they need to make their later years their best years. Now I will turn it over to Ranking Member Gillibrand.

**OPENING STATEMENT OF SENATOR
KIRSTEN E. GILLIBRAND, RANKING MEMBER**

Senator GILLIBRAND. Thank you, Mr. Chairman. That was very well said. I appreciate your hearing—calling this hearing today, and I would like to extend a special thank you to our witnesses for sharing your stories, expertise, and knowledge with us today. We can't make these decisions without the input from our constituents and smart experts like you, so we are very grateful for the collaboration.

As mentioned by the Chairman, when we look at the U.S. census demographic data, approximately 65 million Americans, or nearly 20 percent of the Nation's population, are currently over the age of 65, and that population is continuing to grow. By 2040, we expect one in five Americans will be 65.

The U.S. workforce is rapidly changing. According to GAO, older workers now represent nearly a quarter of our total workforce, a growing share that reflects broader demographic shifts but for that reason, we must evaluate our programs. We have to evaluate our rules and our laws, and make sure that both employees and workers can navigate today's environment.

Since the 1930's, Social Security has provided the financial security to retirees and protected individuals against risks like disability and death. Today, 74 million Americans rely on Social Security benefits, and 184 workers pay into the system. One of the biggest retirement decisions Americans make is when to claim their Social Security.

That decision gets even more complex for seniors considering collecting Social Security while also working, particularly because of the program's Retirement Earnings Test. Certainly, there are lessons to be learned from the successful bipartisan reform in 2000, while the congressional record also points to budgetary and poverty issues that we also have to evaluate.

Rising costs are forcing many older adults across the country to remain employed or to consider returning to work. For many, this is not a life choice but is—it is not a lifestyle choice. It is an economic necessity driven by the skyrocketing cost of healthcare, housing, groceries, and utilities and when these individuals decide to re-enter the workforce, they can face real barriers like age discrimination, the need to develop new skills, and other challenges that make it harder for older adults to live financially secure, independent lives.

These individuals, like all Americans, deserve seamless access to the Social Security Administration but my constituents are telling me otherwise. They report long wait times, both on the phone and for in-person appointments, difficulty finding out whether field offices are even open, and significant delays in obtaining those answers. This is happening at an agency that has cut nearly 7,000

staff since the start of 2025, marking the largest workforce reduction in the Social Security Administration history.

I will continue to fight on behalf of my constituents for an agency that functions well, treats its workers fairly, and provides employees the training they need to properly serve the American people. There are many solutions that Congress can undertake to support our seniors' economic resilience.

I am also committed to strengthening—I am also committed to strengthening and protecting Social Security while also supporting older adults in the workforce by banning forced arbitration in cases of age discrimination, which can be achieved through a bill I have, the Protecting Older Americans Act.

I look forward to hearing from our witnesses about our Nation's work and retirement landscape. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Ranking Member Gillibrand. That is awesome. Great to work with you. I would like to welcome our witnesses to today's hearing. They are experts in workforce and retirement policy and are here to discuss the important role older Americans play in today's workforce. First, I would like to introduce Rachel Greszler.

Rachel is a Senior Research Fellow in the Plymouth Institute for Free Enterprise and Advancing American Freedom, AAF, and a Visiting Fellow in Workforce at the Economic Policy Innovation Center. Prior to joining AAF, she spent 12 years as a Senior Research Fellow at the Heritage Foundation, and previously served for seven years as Senior Economist on the staff of the Joint Economic Committee of the U.S. Congress.

She is recognized as an economic expert in workforce, Social Security, pensions, family policy, fiscal policy. I want to thank you for being here for the third time. Your expertise is clearly very much appreciated here. Please begin your testimony. Nice to see you.

**STATEMENT OF RACHEL GRESZLER, SENIOR RESEARCH
FELLOW, ECONOMICS AND WORKFORCE, ADVANCING
AMERICAN FREEDOM, WASHINGTON, D.C.**

Ms. GRESZLER. Thank you, Chairman Scott and Ranking Member Gillibrand for the opportunity to be here today. In my testimony I would like to review the role of older Americans in the workforce, and then explain a simple and pro-growth proposal to support instead of penalize older working Americans.

Older workers are the fastest growing segment of the labor force accounting for three-quarters of total employment growth since 2000. While part of this rise is due to the sheer number of the aging Baby Boomers, older Americans' labor force participation rates have increased six percentage points, even as younger people's participation rates have declined.

Today's seniors are redefining what retirement looks like. Rather than a one-time permanent exit from the workforce, about half of Americans are choosing non-traditional retirement paths, including transitioning to more flexible part-time or independent work, as well as un-retiring, by coming back into the workforce after an initial exit. This shift reflects new opportunities and changing preferences.

Americans are living longer, healthier lives, and many want to remain engaged and productive and doing so provides physical,

mental, and financial benefits. At the same time, flexible and independent work arrangements have made it easier for older Americans to continue working in the ways that work for them.

Older workers' positive contributions cannot be understated, especially amidst cultural shifts that cry out for older generations to impart their wisdom, experience, and resilience to younger generations. Yet certain Government policies make it harder for seniors who want to continue working to do so.

One policy in particular directly penalizes them. That is Social Security's Retirement Earnings Test, which is a relic of the Great Depression when policymakers wanted to push older Americans out of the workforce to try to free up jobs for younger workers. Today, we want and need older workers. While the Retirement Earnings Test is little known and often misunderstood, it functions like an initial 50 percent tax.

For individuals who first claim Social Security benefits before their normal retirement age, which is going to be 67 next year—and this is what most people do to claim benefits early—they lose \$1 in benefits for every \$2 that they earn over the limit of about \$24,500 per year.

This results in, for example, a marginal tax rate of 74 percent for somebody who is making \$29,000, and a marginal taxpayer 84 percent for somebody who is making \$70,000. Not surprisingly, studies show that this causes people to work less and earn less than they would otherwise choose.

While those lost benefits are gradually added back into recipients' monthly checks after they reach the full retirement age, most people don't know that, and they perceive the test as a pure tax and subsequently reduce their earnings or stop working altogether. Moreover, individuals with lower life expectancies typically don't recoup all or sometimes any of those lost benefits.

The earnings test is also confusing for seniors, and it costs the Social Security Administration \$70 million per year to administer, and this includes hundreds of thousands of improper payments issued through it.

Now, if somebody wants to stop working at age 62, that should be their choice but unlike their Great Depression era counterparts, today's older workers shouldn't be ushered into an early exit by an outdated Social Security provision. Ending Social Security's Retirement Earnings Test, as Senator Scott's Senior Citizens Freedom to Work Act of 2026 would do, is a win-win.

In addition to erasing confusion and administrative burdens, I estimate that it would add up to one million workers to the labor force and increase personal income by up to \$66 billion per year. That extra work and earnings would generate up to \$18 billion in annual tax revenues, including an additional \$8 billion per year for Social Security, which would modestly extend the program's solvency.

The last time that Congress addressed the Retirement Earnings Test by eliminating it for everybody above the full retirement age, the bill passed with 100 percent bipartisan support and now that the retirement age is almost 67, it is affecting millions more seniors.

Americans of all ages should have the freedom to work, and Social Security recipients should not have their benefits taken away because they are positively contributing to the workforce. In summary, many older Americans are already leading the way with their continued contributions.

Policymakers should clear the path for current and future seniors to remain engaged by removing outdated barriers and supporting flexible work. Ending the Retirement Earnings Test is a practical and pro-growth place to start. Thank you.

The CHAIRMAN. Thank you, Rachel. Thanks for being back. Okay, next we have Johnny Taylor. He is the President and Chief Executive Officer of the Society for Human Resources Management.

His career spans more than 20 years as a lawyer, human rights—human resources executive, and CEO in both the not-for-profit and for-profit spaces. Thanks for be here. Please begin your testimony.

**STATEMENT OF JOHNNY C. TAYLOR, JR.,
SHRM-SCP, PRESIDENT AND CEO, SHRM,
ALEXANDRIA, VIRGINIA**

Mr. TAYLOR. Thank you, Chairman Scott and Ranking Member Gillibrand. Thank you for this opportunity to testify today. Let me begin with a sort of simple reality, America's workforce is changing. We have all talked about it. The fact of the matter is we know it. You have pointed out that in 1994, about 12 percent of Americans in the workforce were age 65 and older.

Today, that is closer to 20 percent. We also know a shocking stat, that I often tell people, that the fastest growing segment of the U.S. workforce are people 75 and older. Not just 65—75 and older, albeit on a smaller base, but the fact of the matter is people are working longer, much longer and this is not a temporary trend. It is a structural shift, and it requires us to rethink how we approach work and retirement. First, as you have all pointed out, this is good for people.

At SHRM, where we represent approximately 340,000 members across the country in every industry, we are seeing a clear shift. People are not just working longer because they have to—there are some—but they are working longer because they want to. Because work provides more than a paycheck. It provides purpose, as you pointed out, Mr. Chairman, and connection.

Research consistently shows that older adults who remain engaged in work, they experience better mental and physical health outcomes, including lower rates of depression and stronger cognitive function. Why? Because work keeps people connected and engaged so when we talk about extending workforce participation, we are not just talking about economics.

We are talking about quality of life and dignity. Second, this is sort of good for employers, really good for employees. Latest JOLTS report says we have 6.9 million open jobs in America. Nearly seven in ten organizations report difficulty filling roles, and yet one of the most capable talent pools in America is often overlooked, experienced workers.

At the SHRM Foundation, our philanthropic arm, we call this untapped talent—skilled individuals, including older workers, who

are often overlooked, and we actually need them in the workplace. This is not just a social good, it is a business advantage.

Research shows that companies with more workers over age 50 are more productive, believe it or not. In fact, increasing the share of workers aged 50 and older by just 10 percent is associated with a 1.1 percent gain in productivity, contributing to stronger economic growth and higher GDP per capita and SHRM data reinforces this.

Over 80 percent of H.R. professionals say older workers bring exceptional reliability and expertise, and more than 90 percent—and by the way, you don't get 90 percent of H.R. people to agree on anything—say they perform as well or better than other employees. Now, in a labor market defined by uncertainty, experienced workers provide consistency, judgment, and stability.

We are already seeing what this looks like in practice. At Publix, a Florida based company, where I am a Floridian—a 95-year-old associate that works alongside colleagues of all ages. That gentleman is helping model service and mentorship that strengthens the entire team and at MasterCard in New York, reverse mentoring programs pair younger employees with senior leaders, creating a two way learning that blends experience with new perspectives.

My friends, these are not exceptions. They are signals of what is possible when we treat experience as an asset but our systems simply have not kept up and you have heard this a lot. Too often, workplace practices and policies still reflect outdated assumptions that retirement is a single moment, that contribution declines with age.

Today's workers want flexibility. They want phased retirement and opportunities to continue contributing in ways that fit their lives and when we don't provide these options, we are not just timing individuals or limiting individuals. We are limiting our economy and that is why this alignment matters.

Let me close with this. The talent is here, the experience is proven, and the opportunity is ours to unlock. If we support flexibility, invest in lifelong learning, and remove barriers to continued work, we strengthen both our workforce and our economy, because in America, talent does not expire, it evolves. Thank you, and I look forward to your questions.

The CHAIRMAN. Good job. Thanks for being here. Publix is a great company.

Mr. TAYLOR. Yes, it is. Great State of Florida.

Senator GILLIBRAND. We love Publix in Florida.

The CHAIRMAN. Yes. I think it is our—yes, it is clearly our biggest employer now.

Mr. TAYLOR. That is right.

The CHAIRMAN. Yes. All right, our next witness, Dr. Jason Fichtner. He is the Executive Director of the LIMRA Retirement Income Institute, previously served as the Acting Deputy commissioner of the Social Security Administration—a nice, easy job—and their Chief Economist.

His area of expertise focused on Social Security, federal tax policy, federal budget policy, retirement security, and policy proposals

to increase saving and investment. Thanks for being here. Please begin your testimony.

**STATEMENT OF JASON FICHTNER, PH.D, SENIOR
FELLOW, NATIONAL ACADEMY OF
SOCIAL INSURANCE, WASHINGTON, D.C.**

Dr. FICHTNER. Good afternoon, Chairman Scott, Ranking Member Gillibrand. Thank you for inviting me to testify today. Again, my name is Jason Fichtner. I am also a Senior Fellow at the National Academy of Social Insurance, as well as a Senior Policy Fellow at The Center for Social Development at the Brown School of Washington University in St. Louis.

As Chairman Scott mentioned, the Executive Director of the LIMRA Retirement Institute. I am also on the Board of Directors for the FINRA Investor Education Foundation, and a Member of the Puerto Rico Pension Reserve Trust, where I serve on both the Pension Benefits Council and the Pension Reserve Board and as mentioned, I previously served in several positions at the Social Security Administration, including the Deputy Commissioner of Social Security and Chief Economist. All opinions I express today are my own and do not necessarily reflect the views of any organization with which I am affiliated.

I want to also thank Chairman Scott and Ranking Member Gillibrand for your leadership in ensuring that important public policy issues involving aging and Social Security get the attention and the debate they deserve, and that ideas and viewpoints from all sides are aired in a collegial, productive, and respectful manner. It is truly a privilege for me to testify before this Committee today.

My testimony today focuses primarily on the importance of reducing confusion around the Social Security Claiming Decision related to Retirement Earnings Test, or RET, and the nomenclature that Social Security Administration uses to describe the various ages at which a beneficiary can claim retirement benefits. One of the key financial decisions facing older Americans is when to claim Social Security retirement benefits, as Ranking Member Gillibrand mentioned.

In fact, when to claim Social Security may be the most important retirement decision someone will make. While these benefits are available as early as age 62, claiming later permanently raises monthly benefits, with the maximum benefit available to those who claim at age 70. Delaying claiming is thus equivalent to purchasing a greater inflation adjusted annuity that will be paid for as long as the beneficiary lives.

Most people, however, do not claim Social Security at their optimal age, usually because they claim too early. Research demonstrates that many people lack the financial education and understanding to make complex financial decisions, including about risks in retirement. The information people receive and the form it takes can also influence how people make financial choices.

For example, with respect to the claiming decision, people act differently to the framing of age 62 as the early eligibility age than they would if we framed claiming at age 62 as a penalty that results in lower monthly benefits for the rest of your life. In 2008, when I was at SSA, and based on research, we removed the so

called break even analysis from use by claims representatives when talking to the public about when to claim Social Security because we recognized that the framing was potentially biasing people toward early claiming.

We want the public to have necessary information education presented—sorry, necessary information education presented in a manner so that they can make informed decisions. We changed this because it was very important. As provided in detail in my written testimony, I hope to lead the Committee with the following takeaways.

First, the Retirement Earnings Test is overly confusing and should be eliminated or at least rebranded to better educate the public about its rules to clear up considerable confusion about the relationships between working and claiming retirement benefits. Second, the official names of claiming ages that SSA uses should be changed to better reflect the implications of claiming decisions.

For example, SSA could rename the early eligibility age, the minimum monthly benefit age, and age 70 as the maximum monthly benefit age. Third, when thinking about framing, a phrase I would like for retirement security is, "income is the outcome."

We need to modernize the traditional three-legged stool to bring the concept into the current age by focusing on how we can promote additional income in retirement, which includes reducing barriers for those who want and are able to continue doing so and working in their later years.

Along with reducing confusion in the Social Security claiming decision, this includes reducing the barriers for seniors to continue working in the later years. Fundamentally, claiming Social Security does not mean one needs to stop working, nor does stopping work mean one must claim Social Security at the same time. Many people will either want or need to continue working and saving into their later years.

Public policy should be designed to allow them to do so. Thank you again for providing me with the opportunity to testify today, and I look forward to answering your questions.

The CHAIRMAN. Thanks for being here. Let me turn it over to Senator Kim to introduce the next witness.

Senator KIM. Yes. Thank you, Chairman Scott. I want to move to introduce our next witness, Dan Adcock. Mr. Adcock is the Director of Government Relations and Policy for the National Committee to Preserve Social Security and Medicare. Previously, Mr. Adcock served as Legislative Director at the National Active and Retired Federal Employees Association.

During his time there in September 2000, he helped to create the Federal Long Term Care Insurance Program and advocated on behalf of beneficiaries enrolled in the Social Security, Medicare, and Medicaid programs.

Mr. Adcock also served as a Professional Staff Member with the House Committee on Education and Labor, where he helped write the 1992 Reauthorization of the Older Americans Act. Mr. Adcock, you may begin your testimony.

**STATEMENT OF DAN ADCOCK, DIRECTOR OF
GOVERNMENT RELATIONS AND POLICY, NATIONAL
COMMITTEE TO PRESERVE SOCIAL SECURITY
AND MEDICARE, WASHINGTON, D.C.**

Mr. ADCOCK. Thank you. Dear Chairman Scott and Ranking Member Gillibrand, thank you for inviting the National Committee to testify for you today. Max Richmond is sorry he could not join you, particularly because he was a Staff Director of this Committee, and because he worked closely on the Senior Citizens Freedom to Work Act with Senator John McCain leading up to its enactment in 2000.

Workforce participation depends on the older worker's health, but it is also influenced by their financial circumstances, the availability of jobs, and the willingness of employers to invest in older workers.

Congress must remove impediments older workers confront when deciding whether to continue work, while ensuring any changes do not inadvertently force seniors into the workforce because they simply cannot afford to retire. One piece of this puzzle is repealing the Retirement Earnings Test.

The National Committee supports Chairman Scott's repeal legislation in concept. However, before Congress enacts such a major change to Social Security, we believe this Committee should carefully explore three basic questions.

Number one, will everyone benefit from repealing the RET? If some workers end up worse off, are there ways to mitigate the financial impacts on these workers and their families? Number two, will repealing the RET actually increase the participation of older Americans in the workforce, or are there other legislative changes that should be to advance this goal.

Number three, what will the impact of repealing the RET be on the Social Security Administration's ability to implement the change, and on the solvency of the Social Security trust funds? I know from attending town halls with seniors that repealing RET would be extremely popular.

After the last repeal of the RET in 2000 for claimants who reached the full retirement age, I know that many seniors who were not covered by the law complained that they had been left out. In part, this is because the RET is extremely complicated and tends to induce fear and uncertainty.

Many seniors don't realize that Social Security benefits withheld under the RET are later returned to them through higher monthly payments for the rest of their lives. Those who don't know about this feature of the RET may find it difficult to fully weigh the impact on their own family's finances. For Congress, it is this element of the RET that contributes to the challenge of projecting the positive and negative impacts of the RET repeal legislation. While we hope the repeal of the RET will increase older worker employment, that won't happen if employers continue to discriminate in hiring based on age.

That is what this Committee found at your September 3, 2025 hearing. To address this challenge, you focused on bipartisan legislation, S. 2703, the Protecting Older Workers—Older Americans Act of 2025, which the National Committee supports. This bill

would eliminate the current practice of employers utilizing forced arbitration to resolve age discrimination complaints, which would shift some of the leverage in these claims back to the workers.

The National Committee is also concerned about the Social Security Administration's ability to implement the RET repeal since the agency has undergone a dramatic downsizing as a result of DOGE inspired staff cuts. In the short term, SSA will be required to modify its computer programs to reflect the elimination of the RET's impact on early retirement reductions. The education piece of an RET repeal is especially important to help beneficiaries make good decisions about when to claim retirement benefits.

We urge you to ensure that SSA has enough additional resources to do this work, so it is not forced to shift resources from its other operations, which are already severely underfunded.

Finally, we know from former Social Security Chief Actuary, Stephen Goss that RET repeal will ultimately reduce trust fund costs, but we are concerned how paying more benefits shortly after the RET appeal is enacted would affect Social Security's solvency when reserves are expected to be depleted by 2034.

The question needs to be answered before repeal receives serious consideration. In conclusion, I want to thank you again for holding this hearing—this important hearing and for inviting me to testify. Thank you.

The CHAIRMAN. Thanks for being here. Thanks for your testimony. Now we will get to questions. Rachel, the Retirement Earnings Test was originally designed to help younger Americans get jobs when unemployment ran rampant during the Great Depression. Does that make sense to keep in place now nearly 100 years later?

Ms. GRESZLER. No, it doesn't make sense anymore as we are needing more workers and more producers and even that original thought was a little bit flawed to begin with, because you actually want more workers to produce more to generate more demand, so on both ends, that should have not been the policy to begin.

Absolutely today, not only do we want more people working. We need more people working. By 2034, there will be more seniors in the U.S. than there are children for the first time in U.S. history and so, we need those older workers.

The CHAIRMAN. Mr. Taylor, you have written extensively on the value that older Americans bring to the workforce. What are you hearing from employers? Are they trying to recruit and retain older workers, or is there still quite a barrier of age discrimination?

Mr. TAYLOR. There is no question that ageism is alive and well and unfortunately, or fortunately I should say, during the post-COVID period, when unemployment was sub two percent in some states, we didn't see as much rampant ageism because we needed the talent.

We continue to need the talent. That being said, there are still certain barriers. We have got to work on changing the language, as you have described in many ways—how we speak about older employees.

That continues. There is a built-in narrative that it is time for you to move on. There is a perception amongst younger workers

that you are keeping me from my next opportunity because you won't move on, so there is an inherent intention that is——

The CHAIRMAN. That never happens in politics. Never happens——

Mr. TAYLOR. As a result, that really does present some real tensions—some significant problems in the workplace. Younger employees want their next shot, and the older employee isn't moving on, so what we are trying to do is describe these diverse mentoring programs, opportunities for people to take on part-time roles, which older employees are willing to do, especially if you solve for the RET challenges.

We think we can solve this. The other big challenge is flexible work. What we need increasingly, because of worker productivity and lower worker participation rates, we need older workers in the workplace and so, there is not as much of a barrier as there has been when it comes to ageism, but it is alive and well for people who have their own biases.

The CHAIRMAN. That makes sense. Now whenever you are going to run for re-election, everybody wants to run for your office. They want you to move on. They have something else for you.

Mr. TAYLOR. That is right.

The CHAIRMAN. Mr. Fichtner, there is a problem with how the Retirement Earnings Test is discussed with beneficiaries. It is complex and not very transparent. What does research show about how well older Americans actually understand these rules?

Mr. FICHTNER. It is a great question, Senator and as you guessed, it does not—the research shows they don't understand it very much at all. In fact, they are confused what the RET is. They hear retirement earnings, and they hear tax, not test and that discourages work, as Rachel Greszler pointed out in her testimony, and you mentioned your opening statements.

What is interesting, and this is also what my colleague mentioned, that people hear this, and then they see this idea that money is being taken out of their Social Security check, so they actually then think it is a tax. They don't understand, potentially, they might get it back and that, technically, it is actuarially neutral but no one likes to hear, well it is actually neutral.

We will take it out today and give it back to you tomorrow. No one likes that idea, so it discourages work. We are not sure the research shows why it actually—if people are not working because they are confused about it, or if they just don't want to work. If they do want to work and then claim Social Security.

The language we are using we know is confusing, Senator and that is why we very much want to change the language on the Claiming Act and also get rid of the Retirement Earnings Test.

The CHAIRMAN. Makes sense. Mr. Adcock, how can employers better recognize and leverage the experience and institutional knowledge that older workers bring?

Mr. ADCOCK. Well, I think it is kind of a mixed bag. I think that especially with workers who are professionals and who are white collar jobs, I think at minimum they are in tune to the idea of trying to bring people back and value that bringing back older workers and the experience they have.

Also being flexible about how they bring them back, because some workers may not want to work full time. They may want to have a glide path toward retirement, so maybe for five years, they want to work part time or as a consultant and I think if employers do that, I think that is the case.

I think where it becomes very challenging is blue collar jobs, where people are physically not able to work any longer, or employers don't perceive that they have that ability and are reluctant to keep them on.

I don't know that a lot of that is happening in that particular part of employment but certainly, if workers are physically able to do it and can, they should.

The CHAIRMAN. Thank you. Mr. Taylor, you lead an organization that represents hundreds of thousands of H.R. professionals from basically every sector of the economy. Your organization sets the standards for how employers think about talent. Is there more that can be done to improve how we treat workers over 60 to help them be viewed as an asset rather than a problem?

Mr. TAYLOR. Yes, Mr. Chairman. There are three things in particular. One, screening practices, such as focusing on graduation dates and people's resumes. You are talking about an obvious way to commit ageism without leaving a trace of it, is you look simply at a resume, and you can do the math and conclude the age of a person.

We are advocating for individuals to actually exclude graduation rates from their resumes. That is something employers can do. Second, coded language that we use, like digital native or fast paced environment, words that suggest we are looking for younger people without saying younger people explicitly, which would violate, obviously, ADA and other laws, local and state laws.

Then excluding older workers from upskilling opportunities. There is this really interesting practice that we had historically, which was we provide a lot of training and development opportunities for newer workers and then when you hit about 55, we stopped sending you to training because you were on the other side of your career.

What we are saying is employers have got to be more mindful about the idea that you might actually provide training opportunities specifically in this AI world for older workers, so you are not messaging to them that they have outlived their shelf life.

The CHAIRMAN. Senator Kim.

Senator KIM. Thank you, Chairman. Thank you all for coming out here. Mr. Adcock, I would like to start with you. I recently became now a caregiver for my own father, and I know one in every four Americans currently serve as a caregiver providing uncompensated care to a family member.

Many individuals who are caring for their family members are forced to either choose to leave a job or choose to figure out how they can do that and balance it in terms of taking care of their loved one and depending on when the caretaker leaves—a caregiver who believes a workforce, this can often shortchange Social Security benefits.

There are other also increased challenges for older caregivers who are living on Social Security alone upon retiring. In either sce-

nario, it is often the case that benefits are often not enough to get past daily expenses, let alone expenses associated with caregiving.

I guess I just wanted to ask you, as we are considering solutions that could better reflect the work lives of Americans, how could we reimagine Social Security to capture the needs of caregivers in our society?

Mr. ADCOCK. Thanks, Senator Kim. I agree, that is a great question. First, for somebody who is still working, I know that when we talk about a more broad picture of Social Security reform, one of the things that we support, the National Committee, is that there be a Social Security caregiver credit.

Because if you are leaving the workforce to care for either a child or an elderly parent, it means for every year that you are out of the workforce, your Social Security record is reducing your Social Security benefit for the future.

Legislation has been introduced in the past, which would provide basically a proxy for the time someone left the workforce while caregiving to enable them to have a higher Social Security benefit than they otherwise would.

That is one thing I would do. I think once somebody has retired and is on Social Security benefits, I think that is a harder-to crack. I mean, obviously, with regard to Social Security itself. That is why we, you know, obviously as an organization, we are concerned more than just about Social Security, about Medicare and Medicaid and the Old Americans Act.

Those programs, various of those programs have various supports for caregivers that we think are really essential and need to be beefed up, especially home and community based care that the Medicaid program provides and ensure that that program is there for the long haul, and that the Old American Act also is enabled to provide family caregiver support, which it has inadequately been funded in the past and it needs to be fully funded.

Senator KIM. Yes. As you said, there are different scenarios in which this happened and for instance, you know, we have been talking to people that are caregivers who claim Social Security benefits early due to their caregiving related income loss.

I guess the question that we are trying to think through, how do we make sure that they are not structurally disadvantaged in the long term, you know, when it comes to, you know, being under Social Security policy? What you raised are important questions that I think a number of different scenarios that are out there—and I think it would be good for our Committee, as well as broadly here in Congress, be thinking through those different scenarios.

Mr. Taylor, I would like to just turn to you. Just kind of building off of some of the questions that the chairman asked about—you know, about older Americans who want to be able to continue on to work and just thinking through, you know, what kind of policy should we be considering and pursuing here at the federal level to advance accommodations or flexible solutions that could increase workplace accessibility for older Americans.

You know, you talked about some of these different ideas that are out there, including some of the, you know, the language side of things. I am just wondering if there are certain tactics or tools

that you have seen, or opportunities for policies that you think are ones that we should be considering from a legislative standpoint.

Mr. TAYLOR. Senator, our belief in SHRM is that from a private employer perspective, that there are sufficient legislative policies in place to address age discrimination.

Frankly, employers are best positioned, as it stands, to audit themselves, looking at hiring and talent practices, to remove biased language, for example, from job descriptions and postings, to ensure equal access to training and development opportunities, as I mentioned earlier. Frankly, there is not a sense that any piece of additional legislation or policy is going to solve for that.

Employers need the talent. They are convinced of it. We are past the day of saying that, you know, people have outlived their value to us. What we have got to do is just be very intentional about ensuring that our practices don't unintentionally exclude people from the workforce because of their age.

Senator KIM. Yes. Thank you. With that, I yield back.

The CHAIRMAN. Thank you, Senator. Senator Moody.

Senator MOODY. Thank you, Chairman. Thank you so much to our witnesses for being here today. We really appreciate it. In Florida, as you know, we have a very large senior population. I think that is growing. Some people refer to it as a silver tsunami, which I love.

I think a large driver of that—you know, I want to say over 50 percent of returning seniors to work talk about extra money and I think it is—in Florida, thankfully, we have a thriving state, very easy to start a business, number one, in entrepreneurship—new business formations, we rank high in the Nation. A lot of opportunities. You know, I want to better understand what the impediments are if someone wants to go back and work in their senior years, what those impediments are.

I want to understand how we might be able to as lawmakers address current law to allow for that, so they don't fit—they don't feel bound in order to receive their Social Security benefits or other benefits. They don't feel bound to not working because they—if they make more money, they won't be able to receive those earned benefits over the course of their life.

I think that is wrong and we need to fix it, because we know that this has become—going to become more and more of a problem. I think by 2030, all baby boomers will be over the age of 65. My office staff keeps thinking that I am a baby boomer, and I keep assuring them that I am not but I think, by 2034, seniors will outnumber children for the first—

[Laughter.]

It is true, oh, Senior Senator of mine from Florida. By 2034, seniors will outnumber children for the first time in U.S. history. I want to get it right before then.

I want to start working on that now. I am so grateful—our chairman, I think this has been the most active Aging Committee maybe in the history. It makes sense since we have a chairman from Florida. We know that more and more workers over age 65 are coming into the employment sector, and it has grown by 117 percent within 20 years, so giving these realities, I want to hear from you.

I mean, you are the experts. Again, the chairman has put together a great panel. What are the main impediments? Why if someone wanted to work, they wanted to earn the extra income, and we know that cost of living is going up—and specifically related to health care and drug prices.

We are trying to do everything we can to address that, drug pricing transparency, all of the things that we are doing to address that but, you know, as they are wanting to make more to cover these increased costs, what is the main impediment that they are facing if they want to go back into the workforce? I will start with you, Ms. Greszler.

Ms. GRESZLER. Thank you. I would like to talk about two and first is that Retirement Earnings Test and so, somebody who is making a modest amount, \$29,000 per year, facing a 74 percent marginal tax rate, in terms of what they get from that additional dollar that they work and earn.

When you see that only \$0.26 of a \$1.00 coming in in a paycheck, that encourages people to just stop working, and so, just eliminating that test is just a common sense one, and it would improve the economy. It would improve Social Security, so getting rid of the penalty first.

Senator MOODY. You think that is the number one thing to do?

Ms. GRESZLER. I think that combined with—

Senator MOODY. For triaging our approach.

Ms. GRESZLER. Yes, that is the first thing and second, I would address the people who want to transition out of a formal nine-to-five job into part time, more flexible work, enabling them to first be able to have that opportunity, so things like clarity and what is an independent worker versus an employee.

There are two bills on that, the Modern Worker Empowerment Act and 21st Century Worker Act, that would just provide that clarity to make those opportunities available and then addressing the benefits side of things.

If somebody is, say, 62 and they want to start transitioning out, but they don't want to lose access to their health insurance and maybe they still want to have a retirement account, having those types of portable benefits be an option through independent work as opposed to the formal employer are things you could do.

Something like Unlocking Benefits for Independent Workers Act, so just expanding the flexibility. Neither of these things are like new mandates on employers. They are just removing current barriers that the Government has created.

Senator MOODY. Does anybody else want to comment on that?

Mr. TAYLOR. That is what the Government can do, but what private employers can do—we know specifically that there are four things that older workers say are barriers to them returning to the workplace. One is flexible working hours. We as employers have the ability to impact that.

Second, they want us to develop more wellness programs that specifically address age-related health needs, so gym memberships are nice and things like that, but ultimately they want things that are responsive, that are age-appropriate, if you will. Third, phased retirement options.

Being able to do this—you don't have to go from, you know, 80 to 0 in terms of miles per hour that you can take this down and maybe do it over a period of time and then fourth, part time scheduling opportunities.

Dr. FICHTNER. If the chairman will indulge me with 30 seconds. I can bring it back to the Claiming Clarity Act, which I think is very important because culturally, we still have this notion that you turn 65 and you retire and I think that is a cultural thing.

The language we use, the terms we use. People hear the term early eligibility age, and no one wants to be late for their Government benefits. We don't talk about the minimum monthly benefit age and when I was at Social Security talking to beneficiaries, just telling them, oh, you are here, you are 62. Do you realize this is a minimum monthly benefits?

They would say, wait, minimum? What do you mean, that I can get more? The framing is very important and if we start disconnecting, stopping work from Social Security claiming, then we can start talking about how people could use different types of income, working in retirement, when to claim Social Security that is best for them without confusing them with confusing language.

I think that is something Congress can do, and we should all do culturally, is maybe we retire the word retirement.

Senator MOODY. I am out of time, but I don't think the Chairman would let me end with just you on the end.

Mr. ADCOCK. Yes. Well, thanks, Senator and just to say it briefly, I think probably the biggest impediment is age discrimination. I think that there are situations where people really do want to go back to work, but their potential employer doesn't value their work, and so that is a real problem. In terms of, you know, what my colleague just said, I think that is a really huge deal.

You know, we are talking today about repealing the earnings test and for some individuals, that might make sense but I think the bigger problem is just misunderstanding of how all this works and how it is a good thing or a bad thing for individuals and especially that people need to go into this with their eyes wide open.

That they need to understand that they actually do get this money eventually back. It is currently withheld by the Retirement Earnings Test and if it was repealed, would it make sense for them to do that?

Also, they need be cognizant of the fact that if they decide to claim benefits early, that that is going to change—you know, that that is going to lower their benefits for their lifetime and not only for them, but potentially for any survivors they have in the future, so they really need to really understand that before making those very important decisions.

Senator MOODY. Thank you, Mr. Chairman.

The CHAIRMAN. You think they do?

Mr. ADCOCK. What was that?

The CHAIRMAN. Do you think people know?

Mr. ADCOCK. I think sometimes they do. I think, sometimes, they don't. That is why, if your legislation became law, I think it is really going to be incumbent on the Social Security Administration to educate potential beneficiaries about what decision is in their best interest.

The CHAIRMAN. I am trying to think, I don't think on what—I get a form every so often, right. I don't think it has ever talked about survivor benefits that I remember. I have to look at it. Senator Warren.

Senator WARREN. Thank you, Mr. Chairman, so when he ran for President in 2024, Donald Trump repeatedly promised that he "wouldn't touch Social Security." As soon as he took office, he immediately directed Elon Musk, who thinks that Social Security is a Ponzi scheme, to DOGE his way through the Social Security Administration.

He slashed staff. He created new administrative hurdles that make it harder for Americans to get their checks, money that they earned. That is effectively a benefits cut. Now, Senate Democrats have fought back, and we have forced the Trump Administration to reverse course on some of their most harmful policies, but this fight is not over. Social Security Administration is still facing a customer service crisis, and the Trump Administration and the Republicans are still looking for ways to cut Social Security.

Their current approach is making Americans work until they drop dead, so just listen to what Trump's appointees are saying. When asked about raising the retirement age, Social Security Administrator Frank Bisignano said, "everything is being considered and will be considered." Mr. Adcock, you are a Social Security expert. How would raising the retirement age affect Americans' benefits?

Mr. ADCOCK. Simply put, it is a benefit cut. Doesn't matter whether you claim Social Security benefits at 62, or 70, or how long you live, it is a benefit cut in any way you slice it.

For every year you decide that you are going to raise the retirement age, you are taking about—well, you are losing \$24,000 of income for every year but then in your future benefits for every year that it is increased, you are losing about seven percent of your benefits.

Senator WARREN. Raising the retirement age on Social Security by one year cost \$24,000, and over your lifetime is about a seven percent benefit cut. Is that—?

Mr. ADCOCK. For each year.

Senator WARREN. For each year.

Mr. ADCOCK. Yes, that is right.

Senator WARREN. For each year, okay.

Mr. ADCOCK. Because some of the proposals that are being discussed would raise it from 67 to 69, or 67 to 70.

Senator WARREN. If you go to 70, if you do the math, how big is the cut?

Mr. ADCOCK. Well, the math ends up being—it is a 20 percent future cut.

Senator WARREN. A 20 percent future cut.

Mr. ADCOCK. Yes.

Senator WARREN. Okay. Frank Bisignano is not alone in this. After the Republicans blew trillions of dollars on a tax cut for their rich buddies in their Big Beautiful Bill, Dr. Oz said the way we dig out of a deficit is having, "the average American work a year later" and not retire. Mr. Adcock, how many Americans without a college degree work in physically demanding jobs?

Mr. ADCOCK. In that category, if people don't have college educations, about 41 percent of them.

Senator WARREN. What does it mean to work an extra year?

Mr. ADCOCK. Well, it means an extra year that you don't have benefits and especially when we are talking about this particular group of people who need to retire early, generally their longevity isn't as long. I mean, I think I have seen studies where when you take the bottom half of the income scale, they live about five years less than the people at the top end of the income scale, and especially the other part of this is that if you do have a physically demanding job, and you are likely also to be from a community of color, in these situations it means that you are going to need to claim benefits early.

Today, under current law, if you claim early at 62, you are taking about a 30 percent cut to your benefits, had you not waited until your full retirement age currently at 67 but if you were to raise the retirement age to 70, we are talking about a 50 percent cut.

Senator WARREN. Wow, wow. I just want to add in this, there are obviously also people who have college degrees who also have physically demanding jobs.

Mr. ADCOCK. Sure.

Senator WARREN. Am I right on that?

Mr. ADCOCK. Oh, yes, absolutely. Yes.

Senator WARREN. Right. My favorite example are kindergarten teachers. Try it sometime. Unsurprisingly, Dr. Oz is not thinking about the millions of Americans who work in manual labor, who have physically demanding jobs, many of whom have ground their bodies for decades at construction sites, hauling boxes in warehouses, scrubbing bathroom floors, and literally may not be capable of adding work.

Indeed, as you say, these are often the people who have to retire early because they are just physically spent and look, I am all for older Americans working longer if they want to work a lot longer, but let's not confuse wanting to work with being forced to work because the Trump Administration is taking a sledgehammer to Social Security.

Instead of hanging those workers out to dry, we should be expanding and protecting Social Security, especially when tariffs and war are now driving up prices for our seniors, for everybody in this country, so Mr. Adcock, how could we pay for bigger Social Security benefits?

Mr. ADCOCK. Our preferred solution would be making the wealthy pay their fair share.

Senator WARREN. Yes. That seems right to me. Look, we have got to make sure that the wealthiest Americans pay their fair share, and not force seniors to work until they drop dead. Right now, a billionaire, Jeff Bezos, Bill Gates, Elon Musk, pays as much in Social Security taxes as someone who makes \$175,000 a year.

I have got a bill to fix that, and it would raise enough money to increase benefits by \$200 a month for every senior and help stabilize Social Security to make sure it is around for the long haul. Social Security is not charity. It is a promise, and it is a promise that people have earned.

The Trump Administration is trying to strip away that promise, trying to chisel it, trying to shrink it up, and then rebrand it as an opportunity to work. Americans aren't buying it, and we are going to keep fighting back. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Raking Member Gillibrand.

Senator GILLIBRAND. Thank you, Mr. Chairman. Thank you to our witnesses. I want to address the question of privacy concerns that people whose data is on the Social Security Administration servers are facing.

On March 10th, the Washington Post reported that Social Security Administration's Office of the Inspector General is investigating a whistleblower complaint alleging that a former DOGE employee assigned to SSA improperly stored beneficiary and worker sensitive personal information on a personal thumb drive and further shared it with his employer, a publicly traded information technology company.

This follows allegations in 2025 from SSA's then Chief Data Officer regarding the improper actions and storage of SSA beneficiary information. In November 2025, and again in February 2026, joined by Senators Schumer and Alsobrooks, we requested that the IG initiated investigation determine once and for all the scope of the personal information that was compromised.

Mr. Adcock, can you discuss the potential risk to both Americans, individual Americans, and our national security of having the most sensitive and personal data insecure?

Mr. ADCOCK. Sure. I mean it is something we hear from our members quite a bit from that they are concerned about it, along with other chaos that has happened because of DOGE and the managing of the Social Security Administration.

Yes, you know, they understand so much of their personal information, both health care and other, and Social Security is part of that data base and before, they believed that that was a pretty secure site, that they didn't really have to worry about it but now, basically, because of this information disclosed in court cases that it has been sold to third parties, I think it is very troubling for a lot of our members.

They are really concerned about how this is being managed and it speaks to just the overall data base itself in terms of proposals to try to take it from the current system to a new system in a very short period of time without any extra money and what that could mean for ensuring that all the information that is there, like work histories that determine benefits, that that stays pristine and that still is enable—that that data base is intact so that we can ensure that benefits are really what they should be.

I mean, that is why for instance people have been—we have advised our members to go on to Start My Social Security account and to save all their work history, so in case that information was ever lost by accident or what is going on at the Social Security Administration, they would have that.

Senator GILLIBRAND. Yes, we hear—I have been on the Armed Services Committee for almost 20 years, and if you lose your data about what you did in the military, it is very hard to get your benefits sometimes, so I think this data protection is a very big issue

that we all have to be concerned about. Mr. Fichtner, would you like to add to anything?

Dr. FICHTNER. Actually, I would, Senator. This is a very important issue on privacy, and I am a little bit out of the loop on this one. It has been a while since I was digging in this, but when I was at the Social Security Administration, we were so concerned that working with Congress, I think that is when we got rid of the Social Security number off of Medicare cards.

We went to a Medicare number and I think one of the things to start considering, as you think about privacy, is the Social Security number has become a de-facto national ID number, and it is linked to everything you do. It is on your tax return. It is on your employment records. It is everything. Maybe it is time to start thinking about how you can segment those.

You can have a separate number for your tax return, separate number from Medicare, for Social Security, so if some hacker gets one number, they don't get your entire life and I am very concerned about this from an administration standpoint, because you are putting so much information now into Social Security, which also processes W-2s for the IRS.

They have tax information. If that information gets out, it could be very valuable and it could be very detrimental to people when it comes to fraud.

Senator GILLIBRAND. Thank you. I now want to address some of the issues that we talked about earlier in terms of improving the public's access to Social Security Administration.

The Social Security Administration lost 7,000 workers, which is a lot, because DOGE encouraged and pushed them out, and pushed out the more experienced workers, the ones who had more years. I have heard from New Yorkers, they have really struggled to be able to talk to somebody at the Social Security Administration and hard to get an appointment. In March 2026, the approximate wait time in an office—for an office appointment was 35 days.

The agency has limited publicizing its casework metrics, so we just don't have a lot of insight into this, so one potential burden reduction on Social Security Administration would be to eliminate the need to administer the Retirement Earnings Test. This is something that this chairman and I are looking into as a reform that I think is interesting and good.

For beneficiaries who remain in the workplace, what major challenges do members report when dealing with the Social Security Administration, and are there any unforeseen challenges with this change that we are talking about? Why don't you start, Dan, and then we can go down the line.

Mr. ADCOCK. Yes, no clearly, we have been, you know, for more than a year now that we have received lots of calls from our members that have made similar complaints. That they have had to wait a long time to make an appointment with the field office, if they can get in touch with the field office.

Now that is being compromised in some sense because in order to make an appointment at a field office, you can't do it individually with an individual field office. It is being switched now to a national call center in which you have to make those appointments.

I think the same is true in also accessing the 800 number, awaiting a really long time in order to get calls.

You know, obviously, Social Security disability insurance claims, we don't work as much on those as other organizations do, but we have heard that the lengthy period of time in which it takes to adjudicate those cases has really increased too, so yes, all of these things have been a huge problem in terms of people being able to talk to the agency and—transact business with the agency.

Senator GILLIBRAND. Mr. Fichtner.

Dr. FICHTNER. It is a great question, Senator and the one thing I would point out is that before I was asked to testify on this hearing about the Retirement Earnings Test, I have been working with some advocates about the possibility of moving the administration of the RET over to the Internal Revenue Service, because this is an income based issue we are talking about.

Who is better to manage income-based issues when it comes to working is the IRS, not SSA and IRS also has funding challenges as the Social Administration but as Rachel Greszler pointed out in her testimony, the agency spends \$70 million administering the RET. If they are not administering RET, that is \$70 million they can put on someplace else, including customer service.

I think one of the things, to now channel my old boss, Commissioner Mike Askew, who came before you, you know, the Committee on the Hill, on the Senate and the House, asking for more money and said, here is what I need, and here is how we will demonstrate and prove to you that we are doing what we say we are going to do—hold the agency accountable.

If the agency needs more money, have the Commissioner come in and say, here is what I plan to do with this money, and here is how I will report to you how we are coming along, which could be public hearings.

For a while, the agency was putting on YouTube its operational meetings so you could see their metrics. That is no longer there. I would love to see that back. It was very much a transparency issue to see what the agency is doing in their metrics instead of hiding them—making them public.

The CHAIRMAN. Why aren't they doing it?

Dr. FICHTNER. Very good question, Senator. I do not know.

Senator GILLIBRAND. We could maybe do a letter on that, asking them why. Mr. Taylor, anything to add?

Mr. TAYLOR. Wouldn't add anything.

Senator GILLIBRAND. Ms. Greszler.

Ms. GRESZLER. Yes, so from 2019, we know that the RET affects—could affect about five million people and about 500,000 individuals did have their benefits reduced or completely eliminated.

That is 500,00 individuals who many are going to be confused and are going to call the SSA, try to schedule a visit, so by eliminating the test, you could immediately eliminate all of those things and so, it is a very kind of quick simplification.

The one thing that you would need to do is those who are already in that 62 to 66 age range who have had some benefits held back, you would have to figure out how are we going to get those back to them? Is it going to be an immediate, like one-time refund, or are they going to be in the old system and still move forward and

wait until their full retirement age? That is a pretty easy fix to make.

Senator GILLIBRAND. Thank you, Mr. Chairman.

The CHAIRMAN. Yes. I am fine. I mean, we ought to get the information. I mean we ought to find out.

Senator GILLIBRAND. Yes, I agree.

The CHAIRMAN. You know, both of our states have a lot of seniors. Ms. Greszler, can you speak a little bit about the positive potential impact that repealing the RET will have on the trust fund?

Ms. GRESZLER. Yes. It is a modest impact. I have estimated up to about \$8 billion additional dollars per year and this is because individuals are working longer and as they work longer, they are paying additional payroll taxes. That boosts Social Security's revenues, Medicare's, state and local income taxes, federal income taxes, so it is really kind of a spillover, not just to Social Security, but to all the other Government revenues as well.

The CHAIRMAN. Mr. Taylor, from your perspective, what are the most common misconceptions employers have about older workers, and how do those perceptions differ from the evidence you seek?

Mr. TAYLOR. Number one, it is that they are unwilling to learn new ideas, and particularly in this AI environment and what we have learned is there are just reticent. Obviously, for good reason. They are not, as we use the term, digital natives, so we have got to be more intentional about training and creating training and development opportunities for older workers.

It is two-way, so some of that has some value to it. The reality is I am one of those, right. I was born a Blockbuster kid, another Florida company, and the world is just different, right. My 15-year-old has to teach me how to do things but I am willing to be taught those things, and we have to be intentional about it. The second area that we find is a perception that they won't work as hard.

That younger generations have more youth vitality and therefore are willing to put in more hours and actually, the data would suggest the opposite but that is some of the perception, so much of the work that we are doing is around narrative building and storytelling.

We have to convince our colleagues, as well as leaders, that in fact older workers are just as valuable, if not more valuable in some ways than some of the younger workers at this point.

The CHAIRMAN. I think my generation, I think probably everybody thinks their generation is the hardest working. I am sure my parents thought their generation was the hardest working and I think it could actually—it could be true, right. Who knows. Mr. Fichtner, can you explain how repealing the RET test would also provide freedom and flexibility for older Americans when making benefit claims?

Dr. FICHTNER. Oh, definitely. Thank you, Senator. One of the issues people see is they still have this cultural issue that when they stop working, they have to claim Social Security. If they claim Social Security, they stop working.

One, if we disconnect that, that is the first thing. When they see the Retirement Earnings Test, they think, whoa, I am going to be taxed for me working after 62. Why am I even bothering to work then? Most of them take the benefits and they don't work and I

think this is also very important when thinking about the importance of income and the benefits.

Just to give you an idea, Senator, so when I was—I have been working on this issue for almost 20 years now, so I really want to thank you for your efforts with this, and Ranking Member Gillibrand as well. Because one of the things I did at Social Security is we got rid of that break even analysis and made it a personal decision where the agency talks to beneficiaries about them, their spouse, survivors, and they have a double sided one-pager that I put in my written testimony.

To give an idea how important the claiming decision is for income, if you were scheduled to get just \$1,000 at age 67, just \$1,000, claiming at age 62 would give you \$700. That is a 30 percent reduction in your monthly benefits for the rest of your life. If you claim at 70, it is \$1,240 benefits. That is 24 percent increase. Now, for those who can't do math quickly, the difference between that 62 benefit and age 70 is a 77 percent increase in your month benefit that is inflation protected for the rest of your life.

When may need that money the most? When you are older, might have health concerns and costs, that claiming decision, that transparency, will help you make a better informed decision, then telling people, look, you can work and get Social Security. You cannot work and get Social Security.

You can do whatever you want. The idea is not thinking about income as the outcome, and how to help you to make a more informed decision and again, I applaud you for your efforts in this.

The CHAIRMAN. Does anybody want to add anything?

Ms. GRESZLER. I would just like to bring up a point on the solvency of Social Security and the issue of raising the retirement age. The reality today is that Social Security does not have the ability to continue paying benefits when the trust fund runs insolvent sometime between 2032, the most recent projections, and that is an across the board 23 to 28 percent benefit cut. The reality of that is that even if you waited until 70 to start collecting your benefits, you would not get what the current program pays today.

Dr. FICHTNER. Mr. Chairman, if I can because the comment came up—I am sorry—

The CHAIRMAN. No, please, please.

Dr. FICHTNER. Whether or not to touch Social Security, like hands off Social Security. What I would encourage the Senate is to put their hands on Social Security because the default is trust fund depletion.

The CHAIRMAN. The default is horrible.

Dr. FICHTNER. The default is horrible. It is roughly a 23 percent benefit cut across the board. Technically, you could say Social Security is solvent because it is designed not to pay benefits greater than it has in revenues but that default, again, is the worst option and so, I think I would love to encourage—and the trustees have been saying this for over 20 years. The sooner Congress acts, the better, so I would encourage—

The CHAIRMAN. It is really not fair. I mean, it is not fair to people that, you know, that rely on it. I was Governor of Florida, and I think when I went in, the pension plan was like 80 to 83 percent

funded and people act like that is okay, so wait a minute. How is that okay?

Dr. FICHTNER. Well, and again, I chaired——

The CHAIRMAN. The private sector can't do that.

Dr. FICHTNER. I chaired the Puerto Rico Pension Reserve Trust and out of the bankruptcy of Puerto Rico, their public employee pension plans were underfunded to the tune of \$0 dollars, and a \$40 to \$50 billion of liability, which we are turning around but this is important to do things earlier, not wait until the last minute.

Mr. TAYLOR. The point that I wanted to make is that, you know, we talk about how these plans impact older workers, but we haven't oftentimes asked older workers how they actually feel about it and our research at SHRM suggests that there are four things. They say, one, I get to stay mentally active and engaged.

Seventy percent of older workers 67 and older say, this is good for me, so you may think this is negative, but it is actually good. Second, to maintain financial stability. I actually want to do this. Not that I need to maintain financial stability, vacations, trips, taking care of the grandkids, etcetera. Third, to avoid boredom. The reality is people work for a purpose in retirement.

Then finally, to continue using their current skills and their experiences, so this idea that it is a bad thing and that we are working people to death doesn't exactly sync with what older workers are telling employers.

The CHAIRMAN. I mean, some of the jobs are too demanding, you know, right. I think, I mean everybody wants to have—I don't know anybody that doesn't want to have purpose. I don't plan on retiring. I believe we do have to—we have to figure out how to preserve Medicare and Social Security.

I have only been up here seven years. It is pretty hard to have a conversation right now. If we don't, it is not fair to the people that are relying on it. It is like when I was Governor of Florida, I worked hard to get the pension plan fully funded, so it is hard. Anybody else? [No response.]

I want to thank everybody for being here today and participating. I look forward to continuing to work with members.

If any Senator has additional questions for the witnesses or statements to be added, their hearing record will be open until next Wednesday at 5:00 p.m. Thanks each of you.

[Whereupon, at 4:50 p.m., the hearing was adjourned.]

APPENDIX

Prepared Witness Statements

Experience Matters: Seniors and the Workforce

**Testimony Before the
Special Committee on Aging**

United States Senate

March 25, 2026

Rachel U. Greszler

Senior Research Fellow

Plymouth Institute for Free Enterprise

Advancing American Freedom

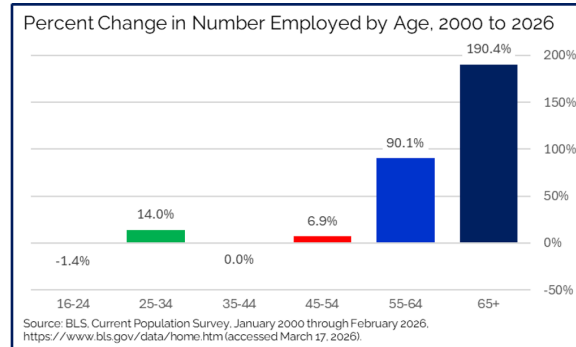
My name is Rachel Greszler. I am a senior research fellow in workforce and economics at Advancing American Freedom and a visiting fellow in workforce at the Economic Policy Innovation Center. The views I express in this testimony are my own and should not be construed as representing any official position of Advancing American Freedom or the Economic Policy Innovation Center.

In my testimony today, I will consider the profound demographic and workforce shifts the United States is undergoing, the benefits of older Americans' continued labor force participation, and the policy changes needed to remove barriers and expand flexible work options for older Americans.

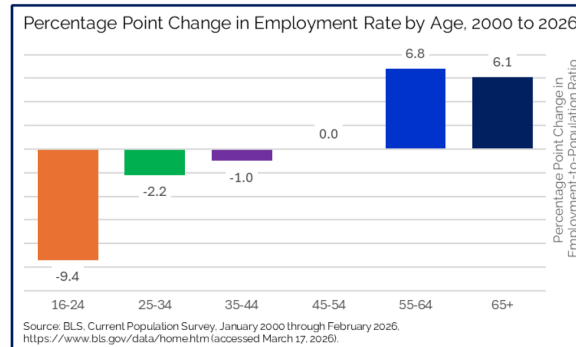
Older Americans Are the Fastest Growing Segment of the U.S. Labor Force

Older Americans account for over three-quarters of the total employment gains since the turn of the 21st century. Out of a total increase in employment of 26.4 million people since 2000, individuals ages 55 and older account for 20.1 million of those employment gains.¹

¹ BLS, Current Population Survey, January 2000 through February 2026, <https://www.bls.gov/data/home.htm> (accessed March 17, 2026).



In part, this is due to the aging of the baby boomer generation, who are currently between ages 62 and 80. But even accounting for changes in population—by examining employment-to-population ratios, or employment rates—older Americans have experienced the biggest gains in employment. Since 2000, the overall employment rate of Americans (ages 16+) has declined by 5.3 percentage points, from 64.6 percent in 2000 to 59.3 percent today, but without increased employment among older Americans, that decline would have been even larger.



Younger Americans ages 16 to 24 have experienced the biggest decline, falling 9.4 percentage points from 59.7 percent in 2000 to 50.3 percent today. Other age groups experienced progressively smaller declines, with no change in the employment rate of individuals ages 45 to 54. Meanwhile, the employment rate of individuals ages 55 to 64 increased by 6.8 percentage points, from 57.6 percent in 2000 to 64.4 percent today, and the employment rate of individuals ages 65 and older

increased by 6.1 percentage points, from 12.1 percent in 2000 to 18.2 percent today.² Without this increase in older Americans' employment, our nation's economic output, our workplace culture, and social cohesion would all suffer.

We Need Older Workers Now More Than Ever

The sheer magnitude of the older population is reason enough to need their continued participation in the workforce. Between 1950 and 2026, the number of people ages 55 and older has quadrupled, from 24.6 million in 1950 to 104.9 million in 2026.³ As a share of the population, the 55+ age group has nearly doubled, from about 16 percent in 1950 to almost 30 percent today.⁴ The aging of the baby boomers has coincided with a significant decline in fertility that began around 2008 in the U.S. Consequently, seniors (ages 65+) will outnumber children for the first time in history beginning in 2034.⁵

As noted above, while older Americans' employment has increased, younger Americans' employment has declined significantly. This is particularly troubling considering that early employment imparts skills, experience, and habits that are foundational to future success. The increasingly screen-infused world in which today's young people have grown up is proving particularly harmful to children and young adults, leading to a decline in personal characteristics that contribute to success in school, work, relationships, and overall well-being.

Now, perhaps more than ever, younger Americans would benefit from spending more time interacting with and learning from older Americans. For generations, older people have been stewards of families, communities, and cultural memories—providing perspective, wisdom, and connections that strengthen the fabric of society. In the workplace, older Americans play an important role by sharing decades' worth of wisdom and experience, passing on institutional knowledge and practices, and mentoring younger workers. Of particular importance today is older Americans' ability to impart a strong work ethic to younger generations, to set examples of working amicably and collaboratively with others, and to demonstrate soft skills like punctuality, clear communication, and respect.

From many employers' perspectives, older Americans' value in the workplace increases over time. While this was less true historically, when many jobs—such as farming and manufacturing—were

² Ibid.

³ Federal Reserve Bank of St. Louis, "Population Level: 55 Yrs. & over," <https://fred.stlouisfed.org/series/LNU00024230> (accessed March 17, 2026).

⁴ Federal Reserve Bank of St. Louis, "Population Level," <https://fred.stlouisfed.org/series/CNP16QV> (accessed March 17, 2026)

⁵ Jonathan Vespa, Lauren Medina, and David M. Armstrong, "Demographic Turning Points for the United States: Population Projections for 2020 to 2060," U.S. Census Bureau, issued March 2018, revised February 2020, <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p25-1144.pdf> (accessed March 20, 2026).

physically demanding, in our increasingly service- and technology-driven economy, older Americans bring more experience and higher retention rates.

“Unretiring” And Transitional Retirement Are Increasingly Common

Historically, retirement was a one-time event. Most individuals moved abruptly from decades of regular 40-hour work weeks to full retirement with no paid work. Today, a third or more of people who formally retire end up “unretiring” and returning to work—often in a reduced or different capacity. Moreover, the expansion of independent or freelance work has enabled an increasing number of older Americans to transition from formal employment into more flexible self-employment. According to Freelancing in America’s 2023 report, 26 percent of Baby Boomer professionals and 38 percent of Silent Generation professionals performed independent work in 2023.⁶

Research from Professor Nicole Maestas indicates that nearly half of Americans follow a nontraditional retirement path, including partial retirement and “unretirement.”⁷ While unexpectedly “unretiring” can be the result of financial hardship, the overwhelming majority of nontraditional retirement is driven by a desire to remain active and engaged, and to pursue purpose.⁸ As more older Americans chooses non-traditional retirement paths by remaining in or returning to the workforce, it is important that government policies not penalize them for returning to work or remaining productively engaged.

Give Older Americans the Freedom to Work by Eliminating Social Security’s Retirement Earnings Test

Social Security’s little-known and misunderstood Retirement Earnings Test imposes an enormous perceived penalty on certain older Americans’ work by creating effective marginal tax rates as high as 84 percent.⁹ Most people do not know of or understand Social Security’s retirement earnings test, and therefore they do not consider it when deciding when to start collecting Social Security benefits. But when working beneficiaries get hit with the retirement earnings test—and have up to 100 percent of their Social Security benefits taken away—they are typically first confused, and then often alter their work in response to the test.

⁶ Upwork, “Freelance Forward 2023,” December 12, 2023, <https://www.upwork.com/research/freelance-forward-2023-research-report> (accessed March 17, 2026).

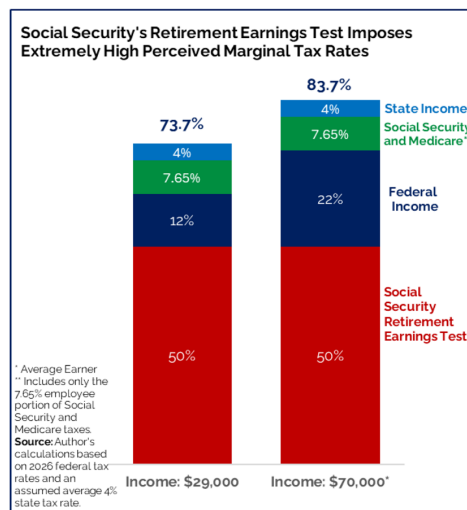
⁷ Nicole Maestas, “Back to Work: Expectations and Realizations of Work after Retirement,” *Journal of Human Resources*, 2010 Summer;45(3):718–74. Available for download at: <https://pmc.ncbi.nlm.nih.gov/articles/PMC4004604/> (accessed March 17, 2026).

⁸ Rachel Greszler, “America’s Retirees: Comfort or Crisis? Current Retirees Are Doing Better than Ever, but Threats Loom for Younger Generations,” Heritage Foundation *Background* No. 3911, June 4, 2025, <https://www.heritage.org/sites/default/files/2025-06/BG3911.pdf>.

⁹ Rachel Greszler, “Ending the Retirement Earnings Test: A Pro-Growth Proposal to Cut Social Security Taxes and Improve Program Solvency,” Heritage Foundation *Background* No. 3877, March 3, 2025, <https://www.heritage.org/budget-and-spending/report/ending-the-retirement-earnings-test-pro-growth-proposal-cut-social>

When Social Security first began during the Great Depression in 1935, there was a desire to get older workers out of the labor force to reduce competition for jobs among younger workers. Consequently, Social Security originally prohibited people from receiving benefits if they had any earnings. Over time, Social Security's retirement earnings test has been modified to allow certain Social Security beneficiaries to earn modest amounts without a reduction in their benefits.

Today, Social Security's retirement earnings test applies to Social Security recipients who are between Social Security's earliest retirement age (62) and full retirement age (66 and 10 months in 2026).¹⁰ If those individuals work and earn more than \$24,480, their Social Security benefits are reduced by \$1 for every \$2 they earn over the \$24,480 limit. Although retirees can later recoup some or all of the money taken out of their Social Security benefits by the retirement earnings test, most people do not realize this, and the test is perceived as an additional 50 percent tax.



This results in extremely high marginal tax rates, including 73.7 percent for a Social Security beneficiary who earns \$29,000 and 83.7 percent for a beneficiary with average earnings of

¹⁰ The test applies to individuals who are below Social Security's full retirement age, which has been increasing from age 65 for individuals born in 1937 or earlier, to age 67 for individuals born in 1960 or later. For individuals retiring in 2026, the full retirement age is 66 and 10 months. Beginning in 2027, the full retirement age for new beneficiaries will be 67.

\$70,000.¹¹ Not surprisingly, these high perceived marginal tax rates cause many of those affected by the retirement earnings test to work and earn less than they would otherwise choose. Many studies, including multiple ones conducted by the Social Security Administration, find that the retirement earnings test significantly reduces older Americans' work below what they would otherwise choose.¹²

Moreover, while the retirement earnings test's recalculation of benefits beginning at individuals' full retirement ages is meant to refund all of recipients' lost benefits, differences in life expectancy mean that some people do not live long enough to recover even close to what the retirement earnings test took away from them while others who live longer can recover more than was taken. For example, only 49 percent of Black men live to age 70, compared to 88 percent of Asian women.¹³ Differences in life expectancy by sex, race, and income can cause the retirement earnings test and Social Security as a whole to exacerbate wealth inequality by preventing individuals who die earlier from passing on what they paid into and never received back from Social Security.

Economic Effects. Using evidence of labor supply effects from past studies, I estimate that removing Social Security's retirement earnings test could increase the U.S. labor force by up to 1 million older workers. That additional work would increase older Americans' incomes, modestly reduce poverty among seniors, potentially improve physical and mental health, help to fill labor shortages, increase economic output, boost government revenues by up to \$18 billion per year, and modestly improve the solvency of the Social Security and Medicare programs.

Impact on Workforce, Earnings, and Tax Revenues from Eliminating the Retirement Earnings Test							
RANGE OF ESTIMATES							
Percentage Point Increase in Labor Force	Additional Workers (ages 62-66)	Earnings	Social Security Revenues	Medicare Revenues	Federal Income Tax Revenues	State Income Tax Revenues	Total Annual Revenues
0.008	165,595	\$10,541,264,605	\$1,307,116,811	\$305,696,674	\$843,301,168	\$421,650,584	\$2,877,765,237
0.035	724,479	\$46,118,032,646	\$5,718,636,048	\$1,337,422,947	\$3,689,442,612	\$1,844,721,306	\$12,599,222,912
0.061	1,034,970	\$65,882,903,781	\$8,169,480,059	\$1,910,604,210	\$5,270,632,302	\$2,635,316,151	\$17,986,032,732

Source: Rachel Gressler, "Ending the Retirement Earnings Test: A Pro-Growth Approach to Cut Social Security Taxes and Improve Program Solvency," Heritage Foundation on Background: No. 3877, March 3, 2025, <https://www.heritage.org/sites/default/files/2025-03/3877.pdf>. Author's calculations based on federal income tax rates for 2025, an assumed average state income tax rate of 4 percent, and average weekly earnings as of December 2024 (which translate to \$63.67 per year).

¹³ Author's calculations based on 2026 federal tax rates for a single person ages 62–64. Average income of \$70,000 is based on the most recent National Average Wage Index level of \$69,864.57 for 2024: Social Security Administration, “National Average Wage Index,” <https://www.ssa.gov/oact/cola/AWI.html> (accessed March 19, 2026).

¹² Anya Olsen and Kathleen Romig, "Modeling Behavioral Responses to Eliminating the Retirement Earnings Test," *Social Security Bulletin*, Vol. 73, No. 1 (2013), <https://www.ssa.gov/policy/docs/ssb/v73n1/v73n1p39.pdf> (accessed March 18, 2026); Steven J. Haider and David S. Loughran, "The Effect of the Social Security Earnings Test on Male Labor Supply: New Evidence from Survey and Administrative Data," *Journal of Human Resources*, Vol. 43, No. 1 (February 2008), pp. 57–87, https://www.researchgate.net/publication/24142180_The_Effect_of_the_Social_Security_Earnings_Test_on_Male_Labor_Supply_New_Evidence_from_Survey_and_Administrative_Data (accessed March 18, 2026).

¹³ CDC, "United States Life Tables, 2023," National Vital Statistics Report, Vol. 74, No. 6, July 15, 2025, <https://www.cdc.gov/nchs/data/nvsr/nvsr74/nvsr74-06.pdf> (accessed March 18, 2026).

These positive economic (and cultural) benefits would come from freeing older Americans to work as much or as little as they would like without significantly penalizing them through reduced Social Security benefits.

Simplicity for Retirees and the Social Security Administration. The retirement earnings test is an administrative hassle and source of confusion for the Social Security Administration and Social Security beneficiaries. Confusion about Social Security's retirement earnings test increases the number of calls and in-person visits to the Social Security Administration (SSA). Eliminating the Retirement Earnings Test would eliminate all the confusion and inquiries among seniors whose benefits are affected by the test.

Eliminating the test would also save the Social Security Administration significant time and money and increase the accuracy of benefit payments. According to a February 2024 letter from the SSA's Office of the Inspector General, "In FY 2021, SSA spent approximately \$70 million in administrative costs to enforce the earnings test."¹⁴ The test requires that the SSA monitor the earnings of approximately 5 million beneficiaries who receive early retirement benefits and thus could be subject to the retirement earnings test, and to begin withholding \$1 in Social Security benefits for every \$2 an individual earns over the \$24,480 threshold. In 2019, about 520,000 Social Security recipients had their benefits reduced or eliminated as a result of the earnings test.¹⁵

Since the retirement earnings test limit is based on annual earnings and benefit adjustments are based on monthly earnings, this can lead to frequent errors that must be reconciled later. According to the 2024 letter from the SSA's Office of the Inspector General, the SSA:¹⁶

- *inaccurately calculated approximately 47,000 of the 294,000 earnings-test overpayments established in FY 2021, totaling more than \$148 million;*
- *inaccurately paid approximately 9,000 beneficiaries approximately \$29 million based on estimated earnings that were more or less than their actual earnings; and*
- *did not timely pay approximately 176,000 beneficiaries approximately \$81 million in monthly benefit increases, the SSA issued 294,000 earnings-test overpayments*

Eliminating the retirement earnings test would provide clarity for retirees and reduce the SSA's administrative burden, including roughly \$70 million annually in administrative savings for taxpayers.

¹⁴ Office of the Inspector General, "The Social Security Administration's Enforcement of the Retirement Earnings Test," Social Security Administration, February 2, 2024, <https://oig.ssa.gov/assets/uploads/a-08-21-51049.pdf> (accessed March 18, 2026).

¹⁵ Congressional Research Service, "Social Security Retirement Earnings Test Overview," Updated March 2, 2026, <https://www.congress.gov/crs-product/IF12014> (accessed March 19, 2026).

¹⁶ Office of the Inspector General, "The Social Security Administration's Enforcement of the Retirement Earnings Test."

Senior Citizens Freedom to Work Act of 2026. Senator Rick Scott’s recently introduced Senior Citizens’ Freedom to Work Act of 2026 would eliminate Social Security’s retirement earnings test. This Act builds on the fully bipartisan bill that Congress passed in 2000, which eliminated the retirement earnings test for beneficiaries over Social Security’s normal retirement age. That bill—Senior Citizens Freedom to Work Act of 2000—passed the house with a vote of 422 to 0, passed the Senate by unanimous consent, and was signed into law by President Bill Clinton. Since then, Social Security’s full retirement age has risen from 65 to almost 67 (66 and 10 months in 2026 and 67 in 2027). Consequently, the retirement earnings test now applies to millions more seniors. By eliminating the retirement earnings test, policymakers can increase older Americans’ employment and earnings, grow the economy, modestly improve Social Security’s shortfalls, and simplify Social Security benefits.

Improving Flexible Work Options for Older Americans

In addition to eliminating penalties on work, policymakers should make it easier for more Americans to pursue transitional retirement and flexible work in older ages. While independent or freelance work provides significant flexibility, it lacks the traditional workplace benefits. In particular, older Americans tend to have more health care needs and higher health care costs, which makes health insurance especially important to them. Policymakers can help by removing barriers to flexible work opportunities and by expanding traditional workplace benefits into nontraditional work arrangements.

The Modern Worker Empowerment Act¹⁷ and the 21st Century Worker Act.¹⁸ These bills would create a single, simple test of employee or independent contractor status, consistent across all federal law, and based on the level of control an individual has over his or her work. This would particularly help older Americans who want to transition from traditional, full-time employment to more flexible contract-based employment.

The Save Local Business Act.¹⁹ This act would help to protect successful small-business entrepreneurship models by defining joint employer status based on whether or not an entity exercises direct and immediate control over essential terms and conditions of employment.

Expanding Health Insurance Options. Senator Rick Scott’s Health Freedom Accounts proposal would allow federal subsidies to go directly to individually owned health savings accounts (HSAs) (associated with the individual’s health insurance plan), instead of directly to insurance companies. In addition to the proven cost benefits of consumer-driven HSA health insurance plans, Health

¹⁷ S. 2228, Modern Worker Empowerment Act, 119th Congress, introduced July 7, 2025, https://www.help.senate.gov/imo/media/doc/modern_worker_empowerment_actpdf.pdf (accessed March 18, 2026).

¹⁸ S. 2159, 21st Century Worker Act, 118th Congress, introduced June 22, 2023, <https://www.govinfo.gov/content/pkg/BILLS-118s2159is/pdf/BILLS-118s2159is.pdf> (accessed March 18, 2026).

¹⁹ S. 1261, Save Local Business Act, 118th Congress, introduced April 25, 2023, <https://www.congress.gov/bills/118th-congress/senate-bill/1261/text?utm> (accessed March 19, 2026).

Freedom Accounts would allow individuals to build a health care nest egg to help to pay for future health care costs. Significantly, Health Freedom Accounts would not take away any existing options. They would simply offer a way for individuals to directly receive health insurance subsidies in HSAs instead of the subsidies going to insurers even if individuals have few or no health care expenses.

Unlocking Benefits for Independent Workers Act.²⁰ This act would create a safe harbor for companies that do business with independent contractors to offer them benefits without triggering employee status. This could help older Americans to gain access to health insurance without having to remain in a traditional 9-to-5 job.

Association Health Plans Act.²¹ This act would allow independent workers and small businesses to pool together to negotiate collectively so that they can benefit from the lower costs of pooled health insurance.

The Independent Retirement Fairness Act.²² This act would expand retirement savings options for independent workers and make it easier for them to save as they move across different jobs.

Summary

As the fastest-growing segment of the workforce, older Americans are vital contributors to the economy. The expansion of transitional retirement and “unretirement” have contributed to millions more older Americans working today. These older workers bring wisdom, experience, and mentorship to the workplace at a time when younger generations need it most.

While it should always be the choice of individuals how they spend their time and resources, particularly in older age and after decades of work, the federal government should not penalize older Americans or make it harder for them to remain in the workforce. Social Security’s outdated retirement earnings test penalizes certain older workers by imposing marginal tax rates as high as 84 percent, including sometimes eliminating their entire Social Security benefits. Eliminating Social Security’s retirement earnings test—as the Senior Citizens Freedom to Work Act of 2026 would do—would be a win-win: expanding employment, incomes, and economic output; increasing federal, state, and Social Security and Medicare tax revenues; and enabling more positive contributions from seniors. Policymakers should also help expand flexible work and portable benefit options to support seniors in the workforce.

²⁰ S. 2210, Unlocking Benefits for Independent Workers Act, 119th Congress, introduced July 8, 2025, <https://www.congress.gov/119/bills/s2210/BILLS-119s2210is.pdf> (accessed March 19, 2026).

²¹ S. 1847, Association Health Plans Act, 119th Congress, introduced May 21, 2025, <https://www.paul.senate.gov/wp-content/uploads/2025/05/KEN2533825-1.pdf> (accessed March 19, 2026).

²² S. 2217, Independent Retirement Fairness Act, 119th Congress, introduced July 9, 2025, https://www.help.senate.gov/imo/media/doc/independent_retirement_fairness_act.pdf (accessed July 11, 2025).

Supporting older workers' continued engagement in the workforce does not just help seniors—it strengthens our economy, builds stronger workplaces, and reinforces the character and cohesion of younger generations.



**Written Testimony of Johnny C. Taylor, Jr., SHRM-SCP
President and CEO of SHRM**

Senate Special Committee on Aging

**“Experience Matters: Seniors and the Workforce”
SH-216 Hart Senate Office Building
Wednesday, March 25, 2026
3:30 PM**

Chairman Scott, Ranking Member Gillibrand, and Special Committee Members, thank you for the opportunity to testify here on such an important topic. This hearing represents a critical step in shaping the workforce policies that will determine America’s competitiveness for decades to come.

I am honored to offer this testimony in my capacity as the President & CEO of SHRM, the Society for Human Resource Management, as well as a professional with more than 20 years as a lawyer, human resources executive, and CEO in both the not-for-profit and for-profit spaces.

SHRM is a member-driven catalyst for creating better workplaces where people and businesses thrive together. As the trusted authority on all things work, SHRM is the foremost expert, researcher, advocate, and thought leader on issues and innovations impacting today’s evolving workplaces. With nearly 340,000 members in 180 countries, SHRM touches the lives of more than 362 million workers and their families globally.

SHRM’s membership spans industries, regions, organizational sizes, and public/private/nonprofit sectors – representing every Congressional district, industry, and size. By engaging with professionals from HR teams to the C-suite, we see firsthand how talent acquisition, workforce management, benefits, compliance, and development intersect, providing a comprehensive view of workforce trends and challenges. With our robust Thought Leadership department, SHRM turns this data into actionable workplace and public policy solutions.

When we think about the future of work and how U.S. employers can remain competitive, it is essential to challenge outdated assumptions that unnecessarily limit the potential of experienced workers.

The Talent Is Here. The Experience Is Proven. The Opportunity Is Ours to Unlock.

America's workforce challenge is real. Employers across the country struggle to find and retain talent. Yet, one of the most powerful solutions is already present in our workforce: experienced workers, or based on the hearing title, seniors in the workforce, who bring skills, institutional knowledge, and leadership that can drive organizational success.¹

Too often, outdated systems — both in the workplace and in public policy — hinder experienced workers from staying engaged. The issue is not a lack of talent but rather a need to modernize how we recognize, support, and leverage that talent.

My goal today is to highlight how aligning policies and practices with the realities of today's workforce can unlock one of our most valuable economic assets: the experience of our people.

During my testimony, I will address three key areas:

- the demographic realities shaping today's workforce amid growing talent misalignment,
- the significant value that older workers bring to organizations and the broader economy, and
- the steps employers and policymakers can take to better align workplace practices and public policy so that experienced workers are not needlessly pushed out of the workforce.

I. The Demographic Realities: An Aging Population, Older Workers, and Talent Shortages

The United States is undergoing a significant demographic transformation, marked by slowing population growth and the potential for absolute population decline. Declining fertility rates, an aging population, age-related mortality, premature deaths, and constraints on international migration drive this shift. Rising life expectancy and the aging of the Baby Boomer generation (born 1946–1964) have further accelerated these changes, reshaping the size, composition, and availability of the U.S. labor force.

(a) Aging Workforce Trends

People aged 55 and older have been the fastest-growing segment of the labor force for over two decades, accounting for 24% of the workforce in 2022, up from 10% in 1994, according to U.S. Census data, highlighting a shift that organizations must embrace to remain competitive.² This shift has transformed workplace demographics: In 2006, firms with less than 10% older workers employed 45 million workers, a number that fell to 32 million by 2022.³ Meanwhile, employment

¹ As there are various terms used to describe individuals in the workplace who are older in age — sometimes defined as age 55 and older, and in other contexts as age 65 and older — including “senior workers,” “older workers,” and “experienced workers.” This testimony, consistent with SHRM research and Member materials, primarily uses the terms “older workers” and “experienced workers” for clarity. The term “senior worker,” when used to refer to workers of a certain age, is intentionally avoided, as it may instead be conflated with seniority or position within an organization, which could lead to confusion.

² Source: “U.S. Workforce Is Aging, Especially in Some Firms,” Martha Stinson and Sean Wang, U.S. Census Bureau, 2025, <https://www.census.gov/library/stories/2025/12/older-workers.html>

³ Source: “U.S. Workforce Is Aging, Especially in Some Firms,” Martha Stinson and Sean Wang, U.S. Census Bureau, 2025, <https://www.census.gov/library/stories/2025/12/older-workers.html>

at firms with at least 25% older workers rose from 13 million to 35 million.⁴ From 1994 to 2025, the 55-to-64 and 65-and-older populations nearly doubled, while growth among younger age groups was modest.⁵

The civilian population aged 65 and older, often overlooked in workforce planning, has grown over the last several decades. Between 1994 and 2025, this group nearly doubled in size. People aged 65 and older are now the fastest-growing segment of the employed population, with their share of employment rising to 7.1% in 2025, more than double the 1994 figure.⁶ By August 2025, employers across industries employed 11.87 million individuals aged 65 and older, more than twice the number 30 years ago.⁷ Contrary to common assumptions, 61.8% of these workers maintain full-time employment, demonstrating that older Americans are eager and able to contribute meaningfully.⁸

(b) Talent Gaps and Skills Demands

At the same time, U.S. employers face persistent workforce shortages. By 2025, 69% of organizations report difficulties recruiting for full-time positions, a challenge consistent since 2016.⁹ SHRM data highlights three primary recruitment challenges: 51% of organizations report a low number of applicants, 50% cite strong competition from other employers, and 41% note an increase in candidate “ghosting.”¹⁰ Challenges associated with recruitment span all levels of employment, with difficulties reported for entry-level (38%), midlevel (59%), and senior-level (47%) positions.¹¹

Outside of recruitment issues related to the availability of candidates, employers are facing issues related to skills gaps, particularly in technical and human-centric areas such as systems and resource management, problem-solving, and decision-making. SHRM data shows that 39% of organizations struggle to find candidates with the necessary work experience, 33% cite a lack of technical skills, and 19% report insufficient credentials or certifications.¹² Nearly half of organizations (49%) identify systems and resource management skills as critical for future success, yet 78% report difficulty finding candidates with these skills — which is likely to grow over the next five years.¹³

⁴ Source: “U.S. Workforce Is Aging, Especially in Some Firms,” Martha Stinson and Sean Wang, U.S. Census Bureau, 2025, <https://www.census.gov/library/stories/2025/12/older-workers.html>

⁵ Source: Labor Force Snapshot: Older People in the U.S. Labor Force, SHRM, 2025.

⁶ Source: Labor Force Snapshot: Older People in the U.S. Labor Force, SHRM, 2025.

⁷ Source: *Age of Opportunity: Redefining Talent with the 65-and-Over Workforce*, SHRM, available at: <https://www.shrm.org/topics-tools/research/redefining-talent-with-65-over-workforce>

⁸ Source: *Labor Force Snapshot: Older People in the U.S. Labor Force*, SHRM, 2025.

⁹ Source: *2025 Talent Trends*, SHRM, 2025.

¹⁰ Source: *2025 Talent Trends*, SHRM, 2025.

¹¹ Source: *Examining the Impacts of a Wage-Based H-1B Lottery System*, SHRM, 2025 (Unpublished).

¹² Source: *2025 Talent Trends*, SHRM, 2025.

¹³ Source: *2025 Talent Trends*, SHRM, 2025.

It is also increasingly apparent that the skills needed to fulfill talent gaps are not static. Technological advancements and evolving job requirements are driving demand for new skills. SHRM research shows that 54% of organizations cite growth, and 53% cite changing technology as the primary drivers behind roles requiring updated skills.¹⁴ Among organizations hiring for positions with new skill requirements, 47% report these are existing roles modified to include new competencies.¹⁵ The most in-demand technology-related skills include data analysis (36%), artificial intelligence (AI) (31%), and cybersecurity (21%).¹⁶

These gaps do not happen in isolation, nor do they occur without consequences. Skill gaps disproportionately affect industries critical to U.S. competitiveness, such as engineering, IT, health care, finance, and education. High-skilled medical roles and skilled-trade positions have consistently ranked among the hardest to fill since 2016.¹⁷ Persistent vacancies erode organizational efficiency, inflate operational costs, and limit innovation and growth. Overburdened employees face elevated stress, reduced engagement, and fewer opportunities for skill development, weakening market position and damaging employer brands. Addressing these challenges through targeted talent strategies and ongoing skill development is essential for organizational success and workforce sustainability.

II. The Opportunity: Value of Experienced Workers

At a time of skills misalignment and talent shortages, organizations must rethink their recruitment strategies. The solution to overcoming recruiting challenges is not one-size-fits-all. To address these issues, organizations must implement a range of recruitment, learning and development, and workforce strategies designed to unlock human potential and drive organizational success.

(a) Older Workers as an Untapped Talent Pool

It is not enough to continue fishing in the same talent pools. Employers must make concerted efforts to reach different candidate groups. Coined by the SHRM Foundation (the Foundation), "untapped talent" refers to the millions of skilled workers who remain underutilized due to bias, misconceptions, and outdated employment practices.¹⁸ This group includes veterans and military spouses, caregivers, people with disabilities, individuals with criminal histories, opportunity youth, and older workers. These individuals bring in-demand skills and strong potential returns on

¹⁴ Source: 2025 Talent Trends, SHRM, 2025.

¹⁵ Source: 2025 Talent Trends, SHRM, 2025.

¹⁶ Source: 2025 Talent Trends, SHRM, 2025.

¹⁷ Source: 2025 Talent Trends, SHRM, 2025.

¹⁸ The SHRM Foundation (the Foundation) is the 501(c)(3) philanthropic arm of SHRM, founded in 1966 to empower human resources as a force for social good. The Foundation believes HR professionals hold a unique position to lead positive change and works to mobilize and equip them to support thriving workplaces and talent. Its initiatives focus on expanding pathways to work for skills-first candidates and diverse talent, addressing societal challenges such as workplace mental health and wellness, and strengthening the HR field through diversity, growth, and readiness to meet evolving workforce needs.

investment, yet employers often lack the understanding, infrastructure, and strategies needed to fully engage them.

Older workers are a key part of the untapped talent pool, offering immense and often overlooked value to the workplace. Eager to learn, older workers have adapted to numerous technological advances throughout their lifetimes, often as well as — if not better than — younger generations. HR professionals who have worked with older workers overwhelmingly agree or strongly agree that older workers: demonstrate exceptional loyalty (83%), bring specialized knowledge and skills that other age groups may lack (82%), foster age diversity within their organizations (76%), and exhibit high levels of engagement (60%).¹⁹ At a time when employers are seeking skilled workers, older workers bring institutional knowledge, industry expertise, and operational experience. They are also reliable and engaged, with lower turnover and strong organizational commitment.

Additionally, SHRM research found that a majority of older workers demonstrate a strong willingness to learn (81%), a positive approach to challenges (79%), and enthusiasm for growth (60%), including embracing new technologies such as AI. They also report overwhelmingly positive job attitudes, with 91% agreeing or strongly agreeing that they are satisfied with their jobs, and 87% reporting they feel engaged at work. Additionally, 72% of older workers say they do not feel burned out, suggesting they maintain healthy work/life integration. Among those employed by organizations, 70% express deep commitment to their employer.

Older workers are also open to upskilling. Among those employed by organizations, 74% are somewhat or very willing to participate in AI upskilling initiatives if offered by their employer. Even more compelling, 81% of older workers are somewhat or very confident in their ability to learn and adapt to new workplace technologies.

Older workers also lead in critical areas like institutional knowledge. Institutional knowledge is more than technical skills; it is also about the office culture that is specific to the workplace. While 83% of HR professionals document company policies, only about one-third document cultural norms (32%) and client relations (36%), which are difficult to rebuild if tenured workers leave.

(b) Demonstrated Value and Impact

As the U.S. population ages and life expectancies increase, more individuals are remaining in or returning to the workforce beyond traditional retirement ages. Economic realities, including the limitations of social entitlement programs relative to the rising cost of living, make continued employment a practical necessity for many. However, when asked, financial necessity was not the primary driver to continued work. SHRM research found that, when asked about their motivations, employed adults over the age of 67 cited several primary reasons: To stay mentally active and engaged (70%), to maintain financial stability (59%), to avoid boredom or lack of purpose in retirement (50%), and to continue using their current skills and experience (42%). These responses

¹⁹ Source: [Age of Opportunity: Redefining Talent with the 65-and-Over Workforce](#), SHRM, 2025. Unless otherwise noted, all remaining percentages are drawn from this report.

highlight the complex and practical motivations that drive older adults to remain in the workforce, emphasizing a blend of financial needs and a strong desire for personal fulfillment and ongoing engagement. Additionally, the same report found that workers ages 18 to 54 offered similar reasons: To maintain financial stability (60%), to stay mentally active and engaged (56%), to avoid boredom or lack of purpose in retirement (41%), and to continue using their current skills and experience (41%). These results illustrate that the value placed on continued work, intellectual stimulation, and purpose is consistent across age groups.

Beyond financial considerations, work provides dignity, purpose, and a sense of community, allowing older adults to contribute their skills and expertise in meaningful ways. Engaging in the workforce can also support healthier, longer lives: A 2015 study by the Centers for Disease Control found that employed older adults generally experience better mental and physical health outcomes than their nonworking peers.²⁰ While health varies across sociodemographic groups, employment consistently provides opportunities for social engagement, skill application, and purposeful activity that can improve overall well-being.

For the workplace, research from the Organisation for Economic Co-operation and Development demonstrated that organizations with a greater proportion of workers age 50 and older are actually more productive. For example, a 10-percentage-point increase in experienced workers boosts productivity by roughly 1.1%.²¹ In a knowledge-driven economy, the experience gained over a career becomes a competitive advantage rather than just a legacy asset. SHRM research found similar results, reinforcing that older workers are a valuable addition to the workplace. Older workers bring an inherent value to the workplace and see a value in return.

The business case for retaining older workers becomes particularly clear when organizations consider tenure and turnover costs. HR professionals who have worked with older employees agree or strongly agree that older workers demonstrate exceptional loyalty, with 65% of those surveyed reporting they have been in their current role for more than ten years. This long tenure has significant financial implications: SHRM research estimates that replacing an employee can cost between 50% and 200% of their annual salary, with higher costs for senior or specialized roles.²² By retaining experienced older workers, organizations not only reduce recruitment, onboarding, and training expenses but also preserve critical institutional knowledge and expertise.

²⁰ Source: Health Status of Older US Workers and Nonworkers, National Health Interview Survey, 1997–2011. Kachan, D., Fleming, L. E., Christ, S., Muennig, P., Prado, G., Tannenbaum, S. L., et al. Preventing Chronic Disease, 12, 150040. <https://doi.org/10.5888/pcd12.150040>

²¹ Source: Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer, Organisation for Economic Co-operation and Development, 2020, <https://doi.org/10.1787/59752153-en>

²² The percentages above are based on SHRM's Turnover Cost Calculation Spreadsheet, which provides formulas to estimate the total cost of employee turnover. These turnover costs can help organizations assess the financial impact of replacing employees compared with the potential benefits of investing in retention strategies. The spreadsheet is available for download at <https://www.shrm.org/topics-tools/tools/forms/turnover-cost-calculation-spreadsheet>

With all these positive attributes, it makes sense that SHRM research found that when it comes to performance, 92% of HR professionals believe older workers perform as well as (53%) or better than (39%) other employees. Additionally, almost all HR professionals (98%) have experience working with people aged 65 and older and recognize their loyalty, specialized skills, and contributions to organizational age diversity. This is particularly important in today's multi-generational workforce, which spans six generations: Traditionalists, Baby Boomers, Gen X, Millennials, Gen Z, and Gen Alpha.

However, there is some disconnect between how older workers view themselves versus how others outside of their demographic see them. SHRM research found that HR professionals and workers aged 18–54 are less likely to view older workers as willing to learn (45% and 50%, respectively), compared with 81% of older workers who say this quality strongly resonates with them. Similarly, only 23% of HR professionals and 41% of workers aged 18–54 agree that older workers can adapt quickly to new challenges, compared with 79% of older workers who say this quality strongly resonates with them. Additionally, only 24% of HR professionals and 48% of workers aged 18–54 agree that older workers are motivated to grow within the organization, compared with 60% of older workers who say this quality strongly resonates with them.

Beware of ageism. This does not only imply intentional discrimination, but employers, HR professionals, and colleagues should be mindful of how biases or isolated negative experiences can shape perceptions of older workers. If an older employee is underperforming, it may reflect a lack of proper engagement or support rather than ability. Even certain phrases like "digital native," "high energy," "fast learner," "tech-savvy," or "recent graduate" can signal that a younger worker is preferable over an older one, setting a negative tone that an older worker must endure. Employers can invest in older workers' growth and development by empowering them to lead projects, take on new responsibilities, and participate in company activities and client meetings. With thoughtful engagement, education, and collaboration, organizations can hire, retain, and cultivate talent across all ages.

Despite the growing presence and proven value of older workers in the labor force, only 7% of HR professionals report that their organizations have formal or informal programs to recruit this demographic. However, embracing a multi-generational workforce can create a vibrant and collaborative workplace, as demonstrated by Publix, the grocery chain that began and is currently headquartered in Florida. During its 95th anniversary, Publix also celebrated a 95-year-old associate, Ralph DeSimone. Ralph stated he enjoys bridging the generation gap as Publix employees range in age from 14 to 90-plus. "We pride ourselves in customer service, so I try to lead by example," he explained. "It takes a commitment to doing the job right."²³

²³*Publix celebrates 95-year-old associate during its 95th anniversary.* Publix Newsroom, 2025, <https://corporate.publix.com/newsroom/news-stories/08242025---publix-celebrates-95-year-old-associate-during-its-95th-anniversary>

With 93% of organizations lacking targeted efforts to hire older workers — the fastest-growing segment of the workforce — this is a clear signal for U.S. employers: It is time to act. Employers must implement strategies to attract, engage, and retain experienced workers, unlocking a critical source of talent, knowledge, and leadership that can strengthen organizations and the broader economy.

III. The Solution: Aligning Employers and Public Policy

As we prepare for the future of work and strive, not only to survive, but to thrive, U.S. employers must take a hard look at their hiring, training, and advancement systems. Demographic shifts and persistent labor shortages require organizations to fully leverage the talent already present in their workforce, including experienced workers. If these processes implicitly prioritize younger workers or early-career talent, organizations must make deliberate efforts to address this imbalance. Employers that fail to do so risk overlooking one of the most capable and reliable segments of the labor market.

(a) Overcoming Common Misconceptions

As leaders design benefits to support well-being, engagement, and company culture while managing costs and compliance, they must also evaluate current programs for flexibility and effectiveness. Employers must ensure that their offerings remain competitive in attracting and retaining experienced workers while also being feasible to administer and responsive to evolving workforce needs. This requires a careful balance — benefits must support workers at different life stages while remaining sustainable for employers responsible for delivering them.

However, some organizations perceive certain benefits as too expensive or difficult to administer, creating barriers to employment that are not always rooted in fact.²⁴ For example, 44% of HR professionals express concern about the cost of implementing training programs tailored to older workers' needs. These concerns can slow progress even when the long-term benefits — such as improved retention, productivity, and institutional knowledge — far outweigh the costs.

Misconceptions about older workers can range from poor management practices to potentially unlawful discrimination. One prevalent belief is that older employees are unwilling to engage with AI, which can lead to them being unfairly boxed out of training and development opportunities. Nearly half of HR professionals (45%) report that older workers in their organization are somewhat or very unwilling to participate in AI training programs. Furthermore, 18% of HR professionals do not consider it important to include older workers in their organization's AI upskilling strategy, and 61% believe it is only somewhat or not too important.

²⁴Perceived costs of accommodations and employer reluctance are well-documented in other areas, particularly for workers with disabilities. In reality, accommodations are a highly cost-effective investment. According to a survey by the Job Accommodation Network, more than 60% of accommodations cost nothing to implement, 33% involved a one-time expense with a median cost of \$300, and only 6% resulted in ongoing costs.

These perceptions place older employees at a disadvantage, as they are less likely to access critical upskilling opportunities and may then be judged harshly for gaps that stem from systemic exclusion rather than personal unwillingness. This cycle not only reinforces outdated stereotypes but can also limit older workers' access to benefits, career development, and meaningful participation in a workforce increasingly shaped by emerging technologies like AI. Challenging these assumptions is essential — not only as a best practice — but also to avoid unfairly (or potentially unlawfully) impacting employment terms or opportunities based on age.

One way to challenge assumptions about older workers is through employee resource groups open to all employees, not just based on a protected characteristic. For example, Hershey's Generations at Hershey (genH) connects employees across career stages — from new hires to tenured staff — fostering community, knowledge sharing, and collaboration. Programs like genH connect employees around shared experiences and life-stage challenges (such as caregiving, career transitions, and professional growth), creating common ground that strengthens collaboration and benefits teams of all ages.

Engaging older workers requires intentional, sustained effort — from challenging outdated misconceptions to redesigning hiring and advancement practices — but the payoff is clear. The Foundation has advanced this work through its Widening Pathways to Work initiative, which promotes a skills-first approach while focusing on six key talent pools that together represent more than two-thirds of working-age adults in the United States. To equip employers to engage older workers effectively, the Foundation offers the *Age of Opportunity: Older Workers Microcertificate* and resources for age-inclusive employment strategies, providing essential tools to unlock the potential of this often-overlooked talent pool.²⁵

(b) Employer-Provided Benefit Landscape

Employer-provided benefits remain a critical avenue for workers to access essential resources — from health care and skills development to life coaching and well-being support. As gaps in social, familial, or public systems increasingly fall on employers to fill, comprehensive benefit packages are no longer optional; they are central to meeting employees' needs. SHRM research shows that nearly three-quarters (72%) of HR professionals believe workers today have higher expectations of employers.²⁶ Managing a multi-generational workforce with diverse priorities and expectations is a complex challenge, yet organizations are actively adapting to ensure benefits not only attract

²⁵ The Foundation's [Age of Opportunity: Older Workers Microcertificate](#) was created with support from the RRF Foundation for Aging and is offered at no cost to SHRM members and nonmembers alike. Additionally, [the Foundation offers SHRM-backed specialty credentials](#) to equip organizations to embrace skills-first talent management strategies and source, hire, support, and retain a broad spectrum of untapped talent.

²⁶ Source: [2026 SHRM State of the Workplace](#), SHRM, 2026.

and retain talent but also address the broader responsibility of supporting employees' overall life circumstances.

When benefits are designed with inclusivity in mind, they avoid favoring one group at the expense of another and instead create value across generations. Older workers, for instance, emphasize the importance of tailored upskilling opportunities, flexible work arrangements, and inclusive workplace cultures — benefits that are also valued by younger workers. In this way, investments that support older employees often strengthen the overall employee experience. SHRM's benefits research shows that employers are investing in skill development initiatives that positively impact the retention and productivity of older workers.

While employers continue to provide core health, disability, and retirement benefits, opportunities remain to expand offerings in areas such as flexible work arrangements, preventive health programs, and age-specific benefits that help older workers stay engaged longer. According to SHRM's 2025 Employee Benefits Survey, health-related benefits remain the most valued by employees and are consistently prioritized as the top strategic offering by employers. As medical costs continue to rise, providing robust, comprehensive health coverage will be critical for attracting and retaining talent, fostering loyalty, and supporting workforce sustainability well into the future.

Taking a deeper look into certain types of health-related offerings, health savings accounts, which offer unique tax advantages for medical expenses, are offered by three in five (60%) employers.²⁷ While short and long-term disability coverage is common (65% and 69% respectively), long-term care insurance — a key support for aging employees — is far less frequently offered (20%). Supplemental disability and critical illness coverage are slowly increasing, hovering around 50%, which could help older workers manage health-related work absences. At the same time, while mental health (88%) and telehealth (91%) benefits remain robust, preventive programs that specifically target employees with chronic health conditions have declined over the past four years from 24% in 2021 to 15% in 2025, reducing opportunities for early detection and proactive health management among aging workers.

For benefits related to financial well-being and retirement, companies continue to offer programs that support older workers, such as traditional 401(k) and Roth 401(k) plans, which are nearly universal (93% and 76%, respectively). Employers also match contributions to these accounts at high rates — 85% for traditional 401(k)s and 74% for Roth 401(k)s. Other programs that could help retain older workers, such as formal phased retirement options, remain rare (7%). As a result,

²⁷ The values presented are from [SHRM's 2025 Employee Benefits Survey](#) and reflect the percentage of employers offering each benefit in 2025. The data presented represents employers across the U.S., encompassing all organization sizes and industries. Members can further explore the data interactively, applying filters to generate curated results across more than 220 distinct benefits. The interactive benchmarking tool enables users to compare data by industry, organization size, and location, review trends from the past five years, and export custom-filtered reports. Data reflecting the prevalence of employer-provided benefits comes from this report unless otherwise noted.

many older employees must rely on informal arrangements or personal financial planning rather than structured, employer-supported transitions.

Outside of health care or retirement, SHRM's Employee Benefits Survey demonstrates that employers are actively investing in workforce development through a range of upskilling and reskilling initiatives. Nearly eight in 10 employers offer formal training or education, either provided or paid for by the organization, to help employees develop new skills (upskilling/reskilling), with prevalence rising from 75% in 2021 to 79% in 2025. Similarly, 82% of employers consistently offer training to keep employees' skills current, reflecting a strong commitment to ongoing professional development.

In addition to structured training, employers are supporting career growth through mentorship and coaching programs. While formal mentoring programs are less common, employers also support professional engagement and credentialing: Roughly 87% offer professional memberships (e.g., SHRM), 78% cover certification or recertification fees, and 75% assist with professional license application or renewal fees. These data show that employers are investing in upskilling and reskilling to keep employees adaptable and competitive — benefits that support all workers and are especially valuable for older workers, who demonstrate a strong willingness to learn and adopt new skills.

Taken together, these trends show that many employers are already rethinking benefits to better support an aging workforce, yet additional opportunities remain to more effectively attract and retain experienced workers. Employer-provided benefits are one of the most effective tools organizations have to support older workers and extend workforce participation. Flexible benefits, phased retirement options, health coverage, and retirement planning programs can enable experienced employees to remain engaged in the workforce longer and to do so on terms that work for workers.

(c) Developing, Upskilling and Reskilling Talent

The skills gap will not be solved by outside hiring alone. Retention and development of current employees is imperative. There are several common and proven learning and development strategies which play a critical role in bridging these skills gaps. By intentionally including all employees in upskilling, reskilling, and internal mobility opportunities, organizations can unlock untapped potential, strengthen retention, and create a more agile workforce prepared to meet evolving business needs.

Demonstrating a growing recognition that internal talent development is essential to addressing skills shortages, SHRM research found that more than a third of organizations (38%) are training existing employees to take on hard-to-fill roles.²⁸ Additionally, 35% of organizations utilized an internal talent marketplace in 2025, up from 25% in 2024.²⁹ These marketplaces use technology to

²⁸ Source: 2025 Talent Trends, SHRM, 2025.

²⁹ Source: 2025 Talent Trends, SHRM, 2025.

match employees' skills, interests, and career aspirations with available projects, roles, and development opportunities, enabling agile talent deployment, upskilling, and career mobility without relying solely on external hiring. By creating visibility into opportunities across the organization, these systems help employers identify and leverage the full range of employee skills — including those of experienced workers who may otherwise be overlooked. Additionally, some older workers may find project-based work more engaging, as it allows them to contribute their expertise without the added pressures of management responsibilities.

A real-world example of this operating and providing the desired results is Procter and Gamble Company (P&G) with headquarters in Ohio, which has long emphasized developing leadership from within the company. Approximately 99% of its senior leadership roles are filled by internal employees, reflecting deliberate investment in long-term workforce development. To support this model, P&G pairs experienced managers with emerging leaders through structures of mentorship and rotational assignments.

There are several common and proven learning and development strategies which play a critical role in bridging these gaps. By intentionally including all employees in upskilling, reskilling, and internal mobility opportunities, organizations can unlock untapped potential, strengthen retention, and create a more agile workforce prepared to meet evolving business needs.

Organizations offering or partnering with registered or customized apprenticeship programs (22%) remain in the minority. However, among this small group, 82% report that their apprenticeship programs are somewhat or very effective at addressing talent shortages.³⁰ These findings underscore the value of structured learning pathways that allow workers to develop new skills while remaining employed. A real-world example is Huntington Ingalls Industries (HII), one of the largest U.S. shipbuilding companies, which employs a highly experienced workforce with a median age of about 45 and many long-tenured employees. In 1996, HII removed the age limit for entry into its Apprentice School, opening the program to older entrants and tapping into experienced workers who enter the trade later in their careers. By allowing older adults to participate in apprenticeship programs and mentor others, HII preserved valuable institutional knowledge and fostered more cohesive, high-performing teams.

Mentorship programs offer a powerful mechanism for strengthening workforce capability. Although fewer than one-third of organizations (32%) currently operate formal mentorship programs, those that do report strong outcomes, with 81% describing them as somewhat or very effective at addressing skills gaps and talent shortages.³¹ Traditional one-to-one pairings are the most common format, followed by peer mentorship, where employees at similar levels collaborate for mutual support. More specialized approaches remain underutilized despite their potential to foster knowledge exchange across generations.

³⁰ Source: 2025 Talent Trends, SHRM, 2025.

³¹ Source: 2025 Talent Trends, SHRM, 2025.

Reverse mentoring, in particular, is highly effective at engaging older workers: roughly three in four (76%) report that mentorship or buddy programs designed for learning from others are very or extremely effective in fostering engagement.³² Nearly one-third of workers aged 18–54 (30%) have participated in a reverse mentoring program as mentors to older colleagues. Among those who have, the top motivations include the opportunity to learn from the older worker’s experience (57%), build stronger relationships with older colleagues (49%), contribute to a more inclusive and age-diverse workplace (48%), and support an older worker’s professional development (47%).³³ Another example is Mastercard, with global headquarters in New York City, which instituted a reverse-mentoring program that connects younger employees with senior leaders to share ideas on technology and culture, showing how learning flows in both directions at every age. The goal is to foster mutual learning, bridge generational gaps, and unlock fresh perspectives on technology, culture, and consumer behavior.

Another promising but underused strategy is the returnship program — a workforce re-entry program that draws on candidates who want to return to work but have been out of the workforce for a period of time for various reasons. While only 10% of employers currently offer returnships, 85% of those that do report these programs are somewhat or very effective in closing skills gaps and alleviating workforce shortages.³⁴ Returnships are particularly versatile, serving former employees, older workers re-entering the workforce, caregivers transitioning back to work, military personnel moving into civilian roles, and career changers. By providing structured pathways back into the workforce, these programs reintegrate workers with deep industry knowledge, support caregivers returning from extended leave, and help veterans and career changers translate their existing skills into new roles.

Understanding how experienced workers learn best is an important part of these efforts. Older workers most frequently report that effective training methods include on-the-job training or apprenticeships (49%), video-based tutorials (39%), and visual and/or written job aids (35%).³⁵ These approaches emphasize practical learning, clear guidance, and opportunities to apply new skills in real-world settings — methods that can benefit employees at all career stages.

(d) Public Policy and Workforce Alignment

While employers have significant opportunities to expand these practices, public policy also plays a critical role in supporting — or constraining — these efforts. Public policy can sometimes hinder progress, as antiquated or rigid regulations may limit organizations’ ability to implement innovative, affordable, and operationally feasible benefits programs. These constraints are

³² Source: Age of Opportunity: Redefining Talent with the 65-and-Over Workforce, SHRM, 2025.

³³ Source: Age of Opportunity: Redefining Talent with the 65-and-Over Workforce, SHRM, 2025.

³⁴ Source: 2025 Talent Trends, SHRM, 2025.

³⁵ Source: Age of Opportunity: Redefining Talent with the 65-and-Over Workforce, SHRM, 2025.

especially difficult in a workforce that now spans multiple generations with different needs and expectations.³⁶

Public policy should therefore ensure that employer-sponsored benefits remain accessible, financially feasible, and administratively workable for organizations of all sizes. Policies that preserve flexibility are particularly important so that employers — especially large employers managing complex and diverse workforces across jurisdictions — can continue offering robust and innovative benefits packages that meet the evolving needs of experienced workers.

One important opportunity for policymakers is to support flexible retirement frameworks. Many older workers do not want a binary choice between full-time work and full retirement. Instead, they seek pathways such as phased retirement, reduced schedules, consulting arrangements, or project-based work that allow them to remain active while gradually transitioning toward retirement. Policies that clarify regulatory requirements and encourage the availability of such options can help employers offer more adaptable retirement-related benefits while retaining valuable institutional knowledge.

Policymakers should also prioritize lifelong learning and skills development opportunities for experienced workers. The modern economy requires continuous skill renewal, and older workers are no exception. Public policy can support programs that expand access to training, reskilling, and credentialing opportunities throughout a worker's career, ensuring that experienced workers remain competitive and that employers can fully leverage their expertise. Programs designed to support lifelong learning — particularly those that are flexible, employer-aligned, and accessible to mid- and late-career workers — will help strengthen workforce participation and economic growth.

In addition to employer-based initiatives, federal programs can also support engagement and purpose for older Americans while strengthening communities. AmeriCorps Seniors programs provide an example of how public policy can encourage continued participation among older adults. These programs have historically focused on community connection, purpose, and reducing isolation among older adults, while simultaneously delivering important services in local communities.

AmeriCorps Seniors currently engages approximately 140,000 volunteers age 55 and older each year through programs such as the Retired and Senior Volunteer Program, Foster Grandparent Program, and the Senior Companion Program. Two of these programs are means-tested and include modest stipends that can provide supplemental income for low-income seniors, helping with everyday expenses such as transportation, groceries, or medication while they serve.

³⁶ Although not entirely within Congress's purview, employers face an added layer of complexity when managing benefits across multiple jurisdictions with differing requirements. This variation can make it challenging to maintain consistent and compliant offerings, highlighting the broader context in which organizations design their benefits programs.

Programs like these demonstrate how public policy can simultaneously support economic stability, social engagement, and community service for older adults.

Finally, policymakers should examine and remove disincentives that exist within retirement and benefits systems that may discourage continued work. Certain policies may unintentionally disadvantage older workers who choose to remain in or reenter the workforce. For example, reforms to policies such as the Social Security Retirement Earnings Test could reduce barriers for individuals who wish to continue working while drawing their full Social Security benefits. This reform would be most impactful if paired with a literacy campaign to enhance understanding of how working impacts benefits and ensures that workers who want to remain active in the labor market can do so with all the necessary information.

Aligning employer practices with supportive public policy will be essential to maximizing the contributions of older workers. By ensuring flexibility in benefits, encouraging lifelong learning, strengthening federal engagement programs, and removing structural disincentives to continued work, policymakers and employers together can create an environment where experienced workers — and the organizations and communities that rely on them — can thrive.

Conclusion

In closing, when we think about older workers in the workplace, we must recognize a simple reality:

The talent is already here. The experience is proven. The opportunity is ours to unlock. In America, talent does not expire; it evolves.

Unlocking that opportunity is a shared responsibility. Employers, policymakers, educators, and workers all have a role to play in ensuring that everyone values experience, opportunity remains accessible, and the workplace evolves alongside our workforce.

When we align around a fundamental truth — that experience is not a liability but an asset — we position our organizations, our communities, and our economy for long-term success.

If we get this right, we strengthen our workforce, reinforce our economic competitiveness, and create a stronger foundation for all generations of workers.

The opportunity is already before us. The question is whether we will act with the foresight and resolve needed to fully realize it.

Thank you for the opportunity to testify, and I look forward to your questions.

Seniors in the Workforce and Reducing Confusion on the Most Important Retirement Decision – When to Claim Social Security

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Good morning, Chairman Scott, Ranking Member Gillibrand, and members of the committee. Thank you for inviting me to testify today.

My name is Jason Fichtner, and I am a Senior Fellow at the National Academy of Social Insurance, as well as a Senior Policy Fellow at the Center for Social Development (CSD) at the Brown School, Washington University in St. Louis. I am also the Executive Director of the LIMRA Retirement Income Institute. I am on the Board of Directors for the FINRA Investor Education Foundation, and a Member of the Puerto Rico Pension Reserve Trust, where I serve on both the Pension Benefits Council and the Pension Reserve Board. Previously I served in several positions at the Social Security Administration (SSA), including deputy commissioner of Social Security (acting) and chief economist. All opinions I express today are my own and do not necessarily reflect the views of any organization with which I am affiliated.

I'd like to begin by thanking Chairman Scott and Ranking Member Gillibrand for their leadership in ensuring that important public policy issues involving aging and Social Security get the attention and debate they deserve, and that ideas and viewpoints from all sides are aired in a collegial, productive, and respectful manner. It is truly a privilege for me to be testifying before this committee today.

My testimony today focuses primarily on the importance of reducing confusion around the Social Security claiming decision related to the Retirement Earnings Test (RET) and the nomenclature the Social Security Administration (SSA) uses to describe the various ages at which a beneficiary can claim retirement benefits. I will also point out how the RET and current framing around when to claim Social Security benefits may be perceived as a

¹ Biographical information, my CV and list of publications are available here:
<https://sites.google.com/site/jasonfichtner/>.

barrier to seniors who wish to continue employment. From this discussion, I hope to provide the Committee with the following takeaways:

- 1) The Retirement Earnings Test (RET) is overly confusing and should be eliminated or, at least rebranded to better educate the public about its rules to clear up considerable confusion about the relationships between working and claiming retirement benefits;
- 2) The official names of claiming ages that SSA uses should be changed to better reflect the implications of claiming decisions. For instance, SSA could rename the “early eligibility age” as the “minimum monthly benefit age” and age 70 as the “maximum monthly benefit age”;
- 3) “Income is the Outcome.” We need to modernize the traditional three-legged stool to bring the concept into the current age by focusing how we can promote additional income in retirement, which includes reducing barriers to work for those who want and are able to continue doing so into their later years. Along with reducing confusion on the Social Security claiming decision, this includes reducing barriers for seniors to continue working in their later years; and
- 4) Don’t penalize lower-income people who want to save for emergencies and their future. I would be remiss if I didn’t point out that as Congress considers legislation to reduce confusion on when to claim Social Security, it should correct one of the most regressive, *anti*-saving provisions in federal law by finally updating the woefully out-of-date asset and income limits in the Supplemental Security Income (SSI) program, which provides monthly cash assistance to nearly 8 million older and disabled people with very low incomes and is barrier to saving even a modest amount for the future.

Fundamentally, claiming Social Security does not mean one needs to stop working, nor does stopping work mean one must claim Social Security at the same time. And receiving SSI should not discourage even minimum savings. Many people will either want or need to continue working and saving into their later years. Public policy should be designed to allow them to do so.

Claiming Social Security Retirement Benefits

One of the key financial decisions facing older Americans is when to claim Social Security retirement benefits. In fact, when to claim Social Security may be the most important retirement decision someone will make. While these benefits are available as early as age 62, claiming later permanently raises monthly benefits, with the maximum benefits available to those who claim at age 70. Delaying claiming is thus equivalent to purchasing a greater inflation adjusted annuity that will be paid for as long as the beneficiary lives. Most

people, however, do not claim Social Security at their optimal age², usually because they claim too early.³

While claiming is often driven by social, cultural, health, family, behavioral, and other factors, there are several ways policymakers could help older Americans make better informed choices that are likely to result in better outcomes. Policies that foster improved claiming decisions could, in turn, strengthen retirement security, reduce poverty among older Americans, and grow the economy.

The Retirement Earnings Test

In previous research, I and co-authors suggested that eliminating the Retirement Earnings Test or better educating the public about its rules would go far to clearing up considerable confusion about the relationships between working and claiming retirement benefits.⁴

If workers claim Social Security benefits before their Full Retirement Age (FRA)⁵ and continue to earn income over a certain threshold, SSA temporarily withholds some of their benefits using the RET.⁶ Once these early claimants reach their FRA, SSA permanently increases their monthly payments by an amount that is roughly actuarially equivalent to the withheld benefits. Benefits withheld under the RET are thus not lost but rather returned over a beneficiary's life beginning at their FRA. The figure below, from the SSA website, shows how the RET would affect the benefits of a hypothetical beneficiary who claimed at age 62, would have been eligible for \$1,000 of monthly benefits, and lived to age 86 (abstracting away cost-of-living benefit increases).⁷

² In this testimony I define an "optimal" age as one that maximizes someone's expected well-being given their preferences and situation—or as an economist would say, maximizes their expected utility given their utility function and constraints. Note that this concept is different than simply maximizing expected lifetime Social Security income.

³ "The Retirement Solution Hiding in Plain Sight: How Much Retirees Would Gain by Improving Social Security Decisions." <https://drive.google.com/file/d/1PCkaiAbXYOrY1uflxpbBnvY22fGgkq/view>.

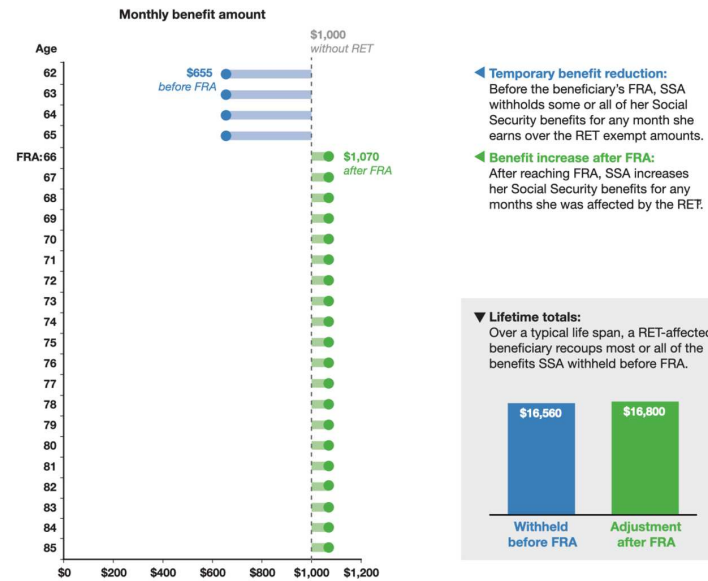
⁴ My testimony in sections on the Retirement Earnings Test and Re-Framing Claiming Decisions is primarily from previous research done with co-authors Gary Koenig, Shai Akabas, and Nicko Gladstone. "How to Help Americans Claim Social Security at the Right Age", Bipartisan Policy Center, August 2020. Available at: <https://bipartisanpolicy.org/wp-content/uploads/2020/08/claiming-brief-final-2.pdf>.

⁵ The FRA is sometimes referred to as the Normal Retirement Age (NRA).

⁶ The RET exempts a specified level of earnings, depending on the year in which a person attains the FRA, before withholding \$1 in benefits for each \$2 earned in excess of that threshold. For those attaining the FRA in 2026, the RET earnings exemption is \$65,160 for any preceding months. For those attaining the FRA in future years, the 2026 exemption is \$24,480. "Exempt Amounts Under the Earnings Test", Social Security Administration. Accessed March 19, 2026. Available at <https://www.ssa.gov/OACT/COLA/rtea.html>.

⁷ <https://www.ssa.gov/policy/docs/program-explainers/retirement-earnings-test.html>.

Monthly Benefits and Lifetime Totals for Hypothetical Beneficiary Affected by RET



The RET was originally included in Social Security based on the straightforward social insurance concept that to receive a retirement benefit, a person must have experienced a loss in income due to retirement.⁸ Unfortunately, the RET rules are widely misunderstood by beneficiaries today, and it discourages work in an era when earnings are an increasingly important component of old-age economic security.

⁸ Larry DeWitt, "Special Study #7: The History And Development Of The Social Security Retirement Earnings Test," U.S. Social Security Administration, 1999. Available at: <https://www.ssa.gov/history/ret2.html>.

The RET is enormously complicated and most older workers are unaware of it—at least until it affects them.⁹ Even when workers have heard of it, most misperceive it as a tax and think withheld benefits do not get returned.¹⁰

Indeed, if the RET were a tax, it would impose high marginal tax rates of 33% or 50%, depending on age.¹¹ Because the RET is commonly misunderstood as a tax, it likely causes workers to drop out of the labor force or limit their earnings. When the RET was eliminated in 2000 for workers between the FRA and age 70, people no longer subject to it became 1 to 4 percentage points more likely to participate in the labor force.¹² Additionally, earnings rose by 15% to 20% for those with incomes close to the RET income threshold.¹³ Studies commonly find that the RET's depressing effects on work are stronger for younger workers, suggesting the estimates from the 2000 reform are likely lower bounds of the RET's effect on the labor supply of workers below the FRA who are still subject to the rule.¹⁴

To be clear, the evidence only establishes that many workers misunderstand the RET and many work less because of it. Research does not establish whether responses to the RET are based on misconceptions. It may be, for example, that most workers do not bother to learn about the RET because they plan to retire and claim simultaneously. But the fact that

⁹ Jeffrey Liebman and Erzo Luttmer, *The Perception of Social Security Incentives for Labor Supply and Retirement: The Median Voter Knows More Than You'd Think*, NBER Working Paper No. 20562, National Bureau of Economic Research, 2014. Available at: <https://www.nber.org/papers/w20562>.

¹⁰ S. Kathi Brown, *The Impact of Claiming Age on Monthly Retirement Social Security Benefits: How Knowledgeable Are Future Beneficiaries?*, AARP, 2012. Available at: <https://assets.aarp.org/rgcenter/general/impact-of-claiming-age-on-monthly-social-security-retirement-benefits.pdf>.

¹¹ Leora Friedberg, "The Labor Supply Effects of the Social Security Earnings Test," *The Review of Economics and Statistics*, 82(1): 48-63, 2000.

¹² See, for example: Leora Friedberg and Anthony Webb, *New Evidence on the Labor Supply Effects of the Social Security Earnings Test*, (Chicago: University of Chicago Press, 2009), 1-35; Theodore Figinski, *Women and the Social Security Earnings Test*, University of California, Irvine, 2011. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1821290; and Jae Song and Joyce Manchester, "New Evidence on Earnings and Benefit Claiming Following Changes in the Retirement Earnings Test in 2000," *Journal of Public Economics*, 91(3-4): 669-700, 2007.

¹³ See, for example: Steven J. Haider and David S. Loughran, "The Effect of the Social Security Earnings Test on Male Labor Supply: New Evidence from Survey and Administrative Data," *The Journal of Human Resources*, 43(1): 57-87, 2008; Theodore Figinski, *Women and the Social Security Earnings Test*, University of California, Irvine, 2011. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1821290; Jae Song and Joyce Manchester, "New Evidence on Earnings and Benefit Claiming Following Changes in the Retirement Earnings Test in 2000," *Journal of Public Economics*, 91(3-4): 669-700, 2007; and Gary V. Engelhardt and Anil Kumar, *The Repeal of the Retirement Earnings Test and the Labor Supply of Older Men*, CRR Working Paper No. 2007-1, Center for Retirement Research at Boston College, 2007. Available at: https://crr.bc.edu/wp-content/uploads/2007/05/wp_2007-1-508.pdf.

¹⁴ Steven J. Haider and David S. Loughran, "The Effect of the Social Security Earnings Test on Male Labor Supply: New Evidence from Survey and Administrative Data," *The Journal of Human Resources*, 43(1): 57-87, 2008.

so many workers make the critical decision of whether and how much to work partly in response to such a widely misunderstood policy is alarming. As one study put it, “The mechanics of the Earnings Test are sufficiently obscure to most people that they are likely to have great difficulty deciding what is in their best interest.”¹⁵ If people work less or stop working in response to a tax that does not actually exist, the RET is causing decisions that are clearly suboptimal. Even when workers do understand the RET, it can be detrimental. For those still employed who claim Social Security early because they do not expect to live much longer, the RET reduces their lifetime Social Security benefits.¹⁶ Likewise, for older Americans who want and are able to work to supplement their Social Security income due to immediate financial obligations, such as medical bills, the RET potentially stands in the way.

It should be noted, however, that the RET may induce later claiming. By withholding benefits while a claimant is working, the RET encourages some workers younger than the FRA to delay claiming until they have retired. When lawmakers eliminated the RET for workers who had reached the FRA, many affected workers responded by claiming earlier.¹⁷ With most workers today claiming Social Security before the FRA, the effect of eliminating the RET entirely may lead to a much greater number of earlier claims than did eliminating the RET beginning at the FRA. Consequently, it is paramount that better education and information on the impacts of the Social Security claiming decision be provided to potential beneficiaries, including changing the way Social Security claiming is currently framed. Additionally, as Congress explores making reforms to the RET, it should do so in the context of larger reforms to ensure Social Security’s solvency.

Re-Framing Claiming Decisions

The official names of claiming ages should be revised to better reflect the implications of claiming decisions. For instance, SSA could rename the “early eligibility age” as the “minimum benefit age” and age 70 as the “maximum monthly benefit age.” Additionally, SSA should explore how various framings—showing benefits in monthly versus annual values (which may better align with how people think of their own budgets), presenting

¹⁵ Jeffrey Brown, Arie Kapteyn, Olivia Mitchell, and Teryn Mattox, “Framing the Social Security Earnings Test,” PRC Working Paper No. 2013-06, Pension Research Council, 2013. Available at: <https://pensionresearchcouncil.wharton.upenn.edu/wp-content/uploads/2015/09/WP2013-06-Brown-Kapteyn-OSM-Mattox-FINAL-7.24.2013.pdf>.

¹⁶ Gruber and Orszag, “What To Do About the Social Security Earnings Test?” CRR Issue Brief No. 1, Center for Retirement Research at Boston College, 1999. Available at: https://crr.bc.edu/wp-content/uploads/1999/07/ib_1.pdf.

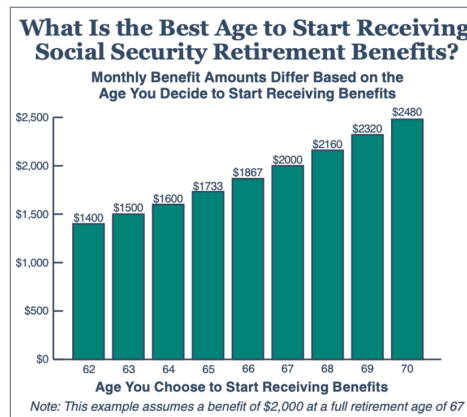
¹⁷ Anya Olsen and Kathleen Romig, “Modeling Behavioral Responses to the Retirement Earnings Test,” Social Security Bulletin, 73(1), 2013.

benefit levels as gains versus losses, using older claiming ages as a benchmark, distinguishing “retirement” versus “claiming”—affect claiming decisions.

Monthly Social Security benefits depend on the age at which someone claims. Workers who claim before their full retirement age, or FRA, accept reduced monthly benefits for the rest of their lives. As a result of legislation passed in the 1980s, the FRA is gradually increasing and will reach age 67 for workers born in or after 1960. People can claim as early as age 62—the early eligibility age, or EEA—and the earlier someone claims, the greater the benefit reduction.

Conversely, someone who delays claiming benefits until after their FRA, up to age 70, receives “delayed retirement credits” in the form of permanently higher monthly benefits. Delaying claiming is equivalent to purchasing additional annuity income—inflation protected income for the rest of one’s life—at the cost of forgoing early benefits.

The figure below is provided by the SSA and shows the monthly value of claiming at various ages for a hypothetical worker eligible to receive \$2,000 per month at the FRA of 67.¹⁸ By claiming at age 62 instead of age 70, the beneficiary would receive a monthly benefit that is 44% lower. To frame it differently, the age 70 monthly benefit amount is 77% higher than the age 62 monthly amount!



¹⁸ “When to Start Receiving Retirement Benefits.” Social Security Administration. Available at: <https://www.ssa.gov/pubs/EN-05-10147.pdf>.

The various claiming options are essentially a menu of annuities available to a beneficiary. The adjustments to monthly benefits by claiming age are meant to be actuarially neutral—meaning that a beneficiary who lives a life of average length would cost the program roughly the same amount in total lifetime benefits, adjusted for inflation, regardless of when they claimed. Claiming early will lead to lower lifetime benefits for those who live longer than average. Alternatively, those who live shorter lives than average will receive smaller lifetime benefits if they delay claiming. Regardless of expected benefit amount, anyone who claims later secures the longevity insurance of a higher monthly benefit, that is inflation projected, for the rest of their lives and, notably, at older ages when they may be more in need of higher monthly income to pay healthcare expenses.

Further, it is worth noting, that a worker's Social Security benefit can also determine how much their spouse receives after the worker dies. This additional insurance value is particularly important to older women, who often receive survivor benefits after their spouse's passing rather than continuing to receive retirement benefits based on their own work histories. When a worker claims early, however, it can reduce the survivor benefit for which their spouse is eligible. So, one spouse's early claiming may reduce the financial security of the entire household, well after that claimant's passing. Indeed, women face steep declines in income when widowed, and in 2016, the poverty rate of widows over age 65 was roughly three times that of their married counterparts.¹⁹ Thus, when making the personal decision of when to claim benefits, someone should not only consider their own life expectancy and financial needs but also their spouse's.

Bipartisan legislation that recently passed the House²⁰ would require the SSA to replace the term “early eligibility age” to “minimum monthly benefit age”; the term “full retirement age” and “normal retirement age” to “standard monthly benefit age”; and finally, the term “delayed retirement credit” should not be used to refer to age 70 as the “maximum monthly benefit age”. This “Claiming Age Clarity Act”, was introduced in the House by Representatives Lloyd Smucker (R-PA) and Don Beyer (D-VA). This legislation was supported by AARP, and Bipartisan Policy Center Action.²¹ A companion bill was introduced in the Senate by Senator Bill Cassidy (R-LA) and currently has 12 co-sponsors, including Chairman Rick Scott (R-FL) and Ranking Member Gillibrand (D-NY).²²

¹⁹ Andrew Eschtruth and Alicia Munnell, “Modernizing Social Security: Minimum Benefits,” CRR Issue Brief No. 19-2, Center for Retirement Research at Boston College, 2019. Available at: https://crr.bc.edu/wp-content/uploads/2019/01/IB_19-2.pdf.

²⁰ <https://www.congress.gov/bills/119th-congress/house-bill/5284/text>.

²¹ <https://smucker.house.gov/media/press-releases/smucker-beyer-introduce-claiming-age-clarity-act>; <https://www.aarp.org/social-security/retirement-age-clarity-act/> and <https://bpcaction.org/bpc-action-applauds-new-legislation-to-enhance-social-security-claiming/>.

²² <https://www.congress.gov/bills/119th-congress/senate-bill/1504/all-info>.

Working in Retirement

The year 2024 marked the beginning of the “Peak 65® Zone,” the largest surge of retirement age Americans turning 65 in our nation’s history.²³ Over 4.1 million Americans will turn 65 each year through 2027, which is more than 11,200 every day.²⁴ Many households face an uncertain financial future in retirement, with one measure suggesting that about half of all households are “at risk” of not having sufficient resources to maintain their standard of living in retirement.²⁵ Retirees face a challenge of having enough income in retirement.²⁶ And the nation’s retirees face a growing gap in the level of protected income they need and can count on throughout retirement. One research paper estimates that for households with insufficient income in retirement, the gap amounts to an annual shortfall of \$7,050. That would amount to an annual national retirement income gap of approximately \$230 billion in 2040.²⁷

Traditionally, retirement savings was thought to come from three main sources: an employer-provided defined-benefit pension plan; personal savings; and Social Security. This is the so-called three-legged stool of retirement security. One could easily assume using this framing that one-third of income in retirement should come from each of these three sources. In fact, Social Security was designed to replace about 40% of income in retirement for the average worker,²⁸ and today replaces about 37% for the average worker.²⁹ Therefore, for someone with an employer defined-benefit pension, that would mean two-thirds of their income in retirement was “protected” through some sort of annuity – a combination of Social Security and a regular distribution from a pension. The old metaphor of the three-legged stool of retirement planning—employer pensions, personal savings, and Social Security—no longer holds.³⁰

²³ Jason Fichtner, “The Peak 65® Zone is Here – Creating a New Framework for America’s Retirement Security.” Retirement Income Institute. January 2024. Available at: https://www.limraconsumer.com/wp-content/uploads/2024/01/Whitepaper_Fichtner.pdf.

²⁴ The data used for this calculation are from the Social Security Administration. <https://www.ssa.gov/OACT/HistEst/Population/2023/Population2023.html> & https://www.ssa.gov/OACT/HistEst/Population/2023/SSPopDec_TR2023.xlsx

²⁵ <https://crr.bc.edu/project-page/national-retirement-risk-index/>, accessed December 27, 2023.

²⁶ For a review of the literature and evidence, see, for example: “How Will Retirement Saving Change by 2050? Prospects for the Millennial Generation.” Gale, Gelfond and Fichtner. March 2019. <https://www.brookings.edu/wp-content/uploads/2019/03/How-Will-Retirement-Saving-Change-by-2050.docx.pdf>.

²⁷ “The Cost of Doing Nothing: Federal and State Impacts of Insufficient Retirement Savings.” ESI Econsult Solutions, Inc. May 2023. Available at: https://econsultsolutions.com/wp-content/uploads/2023/05/Impacts_of_Insufficient_Retirement_Savings_May2023.pdf.

²⁸ <https://www.ssa.gov/myaccount/assets/materials/workers-61-69.pdf>.

²⁹ <https://www.cbpp.org/sites/default/files/atoms/files/8-8-16socsec.pdf>.

³⁰ <https://www.ssa.gov/history/stool.html>.

Social Security is now the principal source of income for most retirees. According to the Social Security Administration (SSA), based on research released in 2021 using 2015 data, Social Security benefits represent approximately 30% of the income for those over age 65.³¹ Further, based on that same analysis, Social Security provides 50% or more of income for 37% of men and 42% of women age 65 and over, while providing 90% or more of income for 12% of men and 15% of women age 65 and older.^{32,33} Yet this wasn't always the case.

Today, in order to recreate the income protection from a pension, some financial planners recommend around 20%-25% of your retirement assets be in an annuity, not including Social Security benefits.³⁴ As a rule of thumb, retirement assets should be able to provide roughly 70-75% of pre-retirement income,³⁵ and some recommend a higher replacement rate of 85%.³⁶ But it is important to stress that one-size does not fit all.³⁷ Some low-income households won't require any additional annuitization beyond Social Security.³⁸ However, for many middle- and high-income earners, some additional annuitization beyond Social Security benefits is necessary to help mitigate risk and maintain their standard of living in retirement.

In part due to the decline of defined-benefit pension plans, many Americans lack sufficient, reliable, and protected retirement income that will last for the rest of their lives. It's time for a new retirement security framework that focuses on the need for sufficient protected income in retirement and modernizes the narrative framing of the three-legged stool.

The revised three-legged stool still relies on Social Security benefits as the foundation of retirement security. However, given the decline of defined-benefit pension plans and the

³¹ <https://www.ssa.gov/news/press/factsheets/basicfact-alt.pdf> SSA 2023 Release, accessed December 27, 2023.

³² <https://www.ssa.gov/policy/docs/ssb/v77n2/v77n2p1.html> and

<https://www.ssa.gov/policy/docs/workingpapers/wp116.html>.

³³ <https://www.ssa.gov/news/press/factsheets/basicfact-alt.pdf> SSA 2023 Release, accessed December 27, 2023.

³⁴ <https://alex.fyi/blog/how-much-should-i-allocate-to-an-income-annuity/>.

³⁵ <https://crr.bc.edu/working-papers/what-replacement-rates-do-households-actually-experience-in-retirement/>.

³⁶ <https://www.securian.com/insights-tools/articles/retirement-income-replacement-ratio.html>

³⁷ <https://www.forbes.com/sites/kotlikoff/2018/06/22/the-70-replacement-rate-in-retirement-is-rubbish/?sh=2715a0757917>.

³⁸ Note: Many low-income retirees are not homeowners and continue to rent throughout retirement. An unrelated study by the Urban Institute on replacement rates of unemployment insurance during the Covid-19 pandemic found that a 70% replacement rate would leave many low-income workers unable to pay for basic living expenses such as rent. Hence, low-income households may need close a 100% replacement rate or more during retirement to maintain the living standards they had during working years. See: <https://www.urban.org/urban-wire/moving-70-percent-income-replacement-unemployment-insurance-benefits-will-disproportionately-hurt-low-income-renters>.

rise in dominance of defined-contribution plans, the second leg of the stool now requires creating personal pensions and additional protected income, on top of Social Security, from defined-contribution plan assets. The third and final leg of the reimagined three-legged stool still includes income from personal savings, but now might also include earnings from later in life for those who are willing and able to work.

According to recent research by AARP, 68% of retirees felt like they retired at the right time, while nearly 3 in 10 (28%) felt they retired too early.³⁹ Additionally, 15% said they retired because they became eligible for Social Security. The AARP survey research also asks if people are working in retirement or looking for work. Of those respondents who were working or looking for work, 41% said their main reason for doing so was needing money for basic living expenses, and a combined 21% said they were doing so because they enjoyed working, it gave them something to do, or made them feel useful.⁴⁰ When asked whether if they were looking for a job how difficult they thought it would be to find one, 67% responded that it would be somewhat difficult or very difficult.⁴¹ When asked why they thought finding a job would be difficult, the top response (35%) was perception of age discrimination.⁴²

However, many employers are recognizing the benefits of hiring and retaining older workers.⁴³ This comes at a time when more people want to continue working into retirement or past the traditional cultural anchor age of retirement at 65. The number of employed Americans 65 and older increased more than 33% between 2015 and 2024, according to a CNBC analysis of data from the Bureau of Labor Statistics.⁴⁴ That equates to 7% of the American workforce in 2024, up from 5.7% a decade ago. It is also important to note that many workers cannot continue working past age 62, which is a main reason why people claim early, and therefore worsens their retirement security due to the permanent reduction in monthly Social Security benefits.

³⁹ <https://www.aarp.org/pri/topics/work-finances-retirement/employers-workforce/retirement-decisions-working-job-hunting/> Question 5A.

⁴⁰ <https://www.aarp.org/pri/topics/work-finances-retirement/employers-workforce/retirement-decisions-working-job-hunting/> Question 6.

⁴¹ <https://www.aarp.org/pri/topics/work-finances-retirement/employers-workforce/retirement-decisions-working-job-hunting/> Question 8.

⁴² <https://www.aarp.org/pri/topics/work-finances-retirement/employers-workforce/retirement-decisions-working-job-hunting/> Question 8A.

⁴³ <https://longevity.stanford.edu/why-more-companies-are-recognizing-the-benefits-of-keeping-older-employees/>

⁴⁴ <https://www.cnbc.com/2025/02/02/why-more-retirement-age-americans-keep-working.html>

The World Economic Forum recently posted “4 Ways to Retain Older Workers and Boost the Global Economy.”⁴⁵ The four are: provide flexible work arrangements, provide lifelong learning, anti-discrimination law enforcement, and help people have healthier lives. Additionally, organizations like SHRM provide toolkits to employers “Unlock the Benefits of Employing Older Workers.”⁴⁶

Lastly, the National Academy of Social Insurance (NASI) released a 2023 report based on its Older Workers’ Retirement Security Task Force.⁴⁷ The task force report includes several options to help older workers, including reforming the RET.

SSI Asset Limits

As Congress considers legislation to reduce confusion on when to claim Social Security, it should correct one of the most regressive, *anti*-saving provisions in federal law by finally updating the woefully out-of-date asset limits in the Supplemental Security Income (SSI) program, which provides monthly cash assistance to nearly 8 million older and disabled people with very low incomes and is barrier to saving even a modest amount for the future.

SSI benefits are quite modest. The maximum is only three-fourths of the federal poverty line, leaving 4 in 10 beneficiaries in poverty even with their benefits.⁴⁸ Further, with narrow exceptions (such as a primary residence), the rules limit beneficiaries’ savings and assets to a mere \$2,000 (or \$3,000 for a couple); anyone exceeding these limits is disqualified from the program.⁴⁹ These limits have been frozen for *over 40 years*, which has dramatically weakened the program.

In a 2022 op-ed, I co-authored with Rebecca Vallas (National Academy of Social Insurance) and Kathleen Romig (Center on Budget and Policy Priorities), we noted that when creating SSI in 1972, policymakers set asset limits that let beneficiaries have some savings to cover the cost of emergencies.⁵⁰ Legislation enacted in 1984 raised the asset limits but didn’t automatically adjust them for inflation, leaving beneficiaries largely unable to save for an accident, unexpected repair bill, or other expense — and completely unable to save for their future. Had SSI’s asset limits been indexed to inflation since 1984, they’d be more than twice as high as they are today. Had they been indexed since 1972, they’d be more

⁴⁵ <https://www.weforum.org/stories/2026/03/4-ways-to-retain-older-workers-and-boost-the-global-economy/>, March 18, 2026.

⁴⁶ <https://www.shrm.org/topics-tools/tools/toolkits/employing-older-workers-toolkit>. Accessed March 19, 2026.

⁴⁷ <https://www.nasi.org/wp-content/uploads/2023/09/OlderWorkersTaskForce-Report-FINAL.pdf>

⁴⁸ <https://www.cbpp.org/research/social-security/supplemental-security-income>.

⁴⁹ <https://www.cbpp.org/research/social-security/supplemental-security-income>.

⁵⁰ <https://thehill.com/opinion/finance/3532554-congress-should-give-ssi-asset-limits-a-21st-century-upgrade/>.

than four times as high.⁵¹ It is worth noting that SSI's income exclusion amounts have not changed in 1972, even to account for inflation.⁵²

In a more recent op-ed, co-authored with Andrew Biggs (American Enterprise Institute),⁵³ we noted that in 2024, the Social Security Administration spent \$5 billion⁵⁴ administering SSI while paying \$62 billion⁵⁵ in benefits. Relative to benefits paid, SSI is more than four times as expensive to administer as Social Security Disability Insurance and nearly 30 times more costly than the retirement program, with SSI's outdated asset test likely contributing to its disproportionate administrative costs. Yet 40%⁵⁶ of SSI recipients age 65 or older still live in poverty.

Congress could fix this with simple reforms. The bipartisan SSI Savings Penalty Elimination Act would inflation-adjust the asset limit upward to \$10,000 for an individual and \$20,000 for a couple and permanently index them to inflation. This bill has been introduced in the House⁵⁷ by Congressmen Brian Fitzpatrick (R-PA) and Danny K. Davis (D-IL), and a companion bill in the Senate⁵⁸ by Senators Catherine Cortez Masto (D-NV), Bill Cassidy (R-LA), Chairman Rick Scott (R-FL) and Senate Finance Committee Ranking Member Ron Wyden (D-OR).⁵⁹

Conclusion

Research demonstrates that many people lack the financial education and understanding to make complex financial decisions, including about risks in retirement.⁶⁰ The information people receive, and the form it takes, can also influence how people make financial choices.

The old metaphor of the three-legged stool of retirement planning no longer holds (employer pension, personal savings, and Social Security). Many Americans lack sufficient, reliable, and protected retirement income that will last for the rest of their lives. It's time for

⁵¹ <https://www.cbpp.org/research/social-security/policymakers-should-expand-and-simplify-supplemental-security-income>.

⁵² <https://www.cbpp.org/research/social-security/policymakers-should-expand-and-simplify-supplemental-security-income>

⁵³ <https://thehill.com/opinion/finance/5720836-ssi-reform-poverty-reduction/>.

⁵⁴ <https://www.ssa.gov/budget/assets/materials/2025/FY25-JEAC.pdf>.

⁵⁵ <https://www.ssa.gov/budget/assets/materials/2025/FY25-JEAC.pdf>.

⁵⁶ <https://www.ssa.gov/policy/docs/ssb/v69n1/v69n1p45.html>.

⁵⁷ <https://www.congress.gov/bills/119th-congress/house-bill/2540/text>.

⁵⁸ <https://www.congress.gov/bills/119th-congress/senate-bill/1234/all-info>.

⁵⁹ <https://fitzpatrick.house.gov/2025/4/fitzpatrick-davis-lead-bipartisan-bicameral-push-to-modernize-supplemental-security-income-program>.

⁶⁰ See, for example: "Risk Literacy in the U.S.: New Evidence and Implications for Retirement Planning and Financial Fragility." Lusardi, et al. December 2023. <https://www.protectedincome.org/research/risk-literacy-in-the-us-new-evidence-and-implications-for-retirement-planning-and-financial-fragility/>.

a new retirement security framework that reframes the three-legged stool to focus on income is the outcome in retirement, including reducing the confusion around the Social Security claiming decision, and reducing barriers to working later in life for those who want and are able to do so.

Thank you again for providing me with this opportunity to testify today.



STATEMENT FOR THE RECORD
DAN ADCOCK
DIRECTOR OF GOVERNMENT RELATIONS AND POLICY
NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE
UNITED STATES SENATE
SPECIAL COMMITTEE ON AGING
HEARING ON
“EXPERIENCE MATTERS: SENIORS AND THE WORKFORCE”
MARCH 25, 2026

Dear Chairman Scott and Ranking Member Gillibrand:

On behalf of the millions of members and supporters of the National Committee to Preserve Social Security and Medicare, I thank you for inviting me to testify before you today for your important hearing titled: “Experience Matters: Seniors and the Workforce.” Members of the National Committee come from all walks of life and every political persuasion. What unites them is their passion for protecting and strengthening Social Security, Medicare, Medicaid, and the other programs that are so vitally important to older Americans.

Max Richtman, President and CEO of the National Committee, is sorry he could not join you this afternoon, particularly because he served as staff director for the Senate Special Committee on Aging. In fact, as one of his first initiatives after joining the National Committee, he worked closely on the Senior Citizen’s Freedom to Work Act with Senator John McCain, who spent decades advocating for and advancing legislation that would reduce the impact of the Retirement Earnings Test (RET) on seniors continuing to work. Mr. Richtman attended town hall meetings with Senator McCain in Phoenix and Tucson, and was privileged to be invited to the White House when President Bill Clinton signed the bill.

I also want to commend the Committee Chairman Rick Scott and Ranking Member Kirsten Gillibrand, in addition to all Committee members, for your commitment to operating this committee in a bipartisan manner. Bipartisanship has been a tradition of the Senate Aging Committee.

I am especially encouraged by this Committee’s long-time focus on exploring ways to help older Americans remain active throughout their lives, whether through work, community engagement or other activities that may help seniors live their best, most purposeful lives. I think this is a goal we all share. I also believe that a single solution won’t by itself achieve this goal, especially as it relates to workforce participation, because the decision of whether to continue working for older Americans is complex and varies for each individual. This decision first and foremost depends upon the older worker’s health, but is also significantly influenced by their financial circumstances, the availability of jobs and ultimately, the willingness of employers to invest in older workers. It is important that Congress remove impediments older workers confront when deciding whether to continue working, while ensuring any changes do not inadvertently force seniors into the workforce because they simply

cannot afford to retire. It is one thing to “work until you die” because you enjoy working and it brings joy and purpose into your life, and an entirely different matter to be forced into working forever because you have no choice financially.

One piece of this puzzle is repeal of the Retirement Earnings Test. The National Committee supports Chairman Scott’s repeal legislation in concept. However, before Congress enacts such a major change to the Social Security program, I believe this Committee should carefully explore three basic questions:

- 1) Will everyone benefit from repealing the RET, and if some workers end up worse off, are there ways to mitigate the financial impacts on these workers and their families?
- 2) Will repealing the RET actually increase the participation of older Americans in the workforce or are there other legislative changes that should be made to advance this goal?
- 3) What will the impacts of repealing the RET be on the Social Security Administration’s ability to implement the change, and on the solvency of the Social Security Trust Funds?

I regularly participate in many town hall meetings and other gatherings of seniors, and I can tell you one thing without hesitation: repealing the RET would be extremely popular with most seniors. After the last amendments in 2000 which repealed the RET for claimants who reach their Full Retirement Age (FRA), many seniors who were not covered by the amendment complained that they had been left behind. In part, that is because the RET is extremely complicated, and tends to induce fear and uncertainty even in seniors who would never be affected by it. For those who are affected, the application of the RET is so complex that most seniors do not realize that Social Security benefits withheld due to the RET are ultimately re-paid to these same seniors through higher lifetime benefits. Those who are unaware of this feature of the RET may find it difficult to fully weigh the impact on their own family’s finances.

I have heard economists who label the RET a “tax on work” for seniors, which only adds to the confusion. In fact, the RET is a reduction in benefits that are eventually re-paid to the seniors and their families. This feature of the RET is largely responsible for the conflicting ways in which repeal would impact seniors. In effect, seniors are trading higher benefits today for lower benefits for the rest of their lives, which may well be an appropriate trade-off in some cases. Unfortunately, many seniors today are simply unaware that this is the choice they are making. Because repealing the RET would remove that choice from seniors’ hands entirely, it is incumbent on Congress to fully understand these impacts and ensure the action you take is ultimately in the best interests of most seniors. If there are older Americans who will be disadvantaged by the repeal, it is the responsibility of Congress to explore ways that might help mitigate the negative impact for these seniors and their families.

The RET generally works as follows: anyone claiming Social Security benefits before their Full Retirement Age (FRA) (65-67 depending on year of birth) is subject to an early retirement penalty for each year before their FRA that they claim benefits. This reduction can be as high as 30 percent and continues throughout the beneficiaries’ lifetime. It also applies to the benefits of spouses and minor children who are receiving benefits from the workers’ earnings record. Workers who claim Social Security benefits prior to reaching FRA *and are still working* are additionally subject to a limit on how much they can earn without the amount of their Social Security benefits being further reduced. This reduction, however, is not permanent. Once the worker reaches their FRA, the reduction terminates, and any months in which the workers’ benefits had been reduced are deducted from the benefit cut

they experience for claiming prior to their FRA. In effect, the RET reduces the benefit cut that results from claiming Social Security benefits early, and that smaller benefit cut continues throughout the claimants' life, and the lives of family members claiming benefits based on the workers' earnings record. In other words, the RET partly mitigates the reduced benefit that results from claiming benefits early. It is this feature of the RET that contributes to the challenge of projecting the positive and negative impacts of RET repeal.

I am not a researcher or an economist, so I cannot personally testify as to the impact of repeal of the RET either on beneficiaries, on the workforce and the economy, or on the Social Security system itself. But I would like to bring to the Committee's attention issues that have been raised by researchers that I believe are important for you to consider. Some of the research was conducted after the amendments in 2000, so they are extrapolating from real-world impacts of eliminating the RET for those over their Full Retirement Age (FRA).

Some research concludes that repealing the RET is likely to have a larger impact on the age at which workers claim their Social Security benefits than it does on keeping seniors in the workforce. In effect, it would act as an inducement for some older Americans to claim their Social Security benefits prior to attaining their FRA, which they previously resisted because of the impact of the RET. This choice would leave them and their families with lower benefits over the course of their retirement.

The impact of repeal on auxiliary beneficiaries is one that Congress cannot dismiss. Any auxiliary beneficiaries who are receiving benefits based on that worker's earnings history will also end up with lower benefits than they would absent repeal. Widows, in particular, could end up suffering from lower benefits, an impact on a particularly vulnerable segment of our society that Congress needs to consider. In addition, although disability benefits are not subject to the RET, some disabled beneficiaries also receive benefits as an aged spouse or survivor. They could be adversely impacted by repeal of the RET.

Although most of the research concludes repeal would have a minimal impact on poverty overall because most low-income beneficiaries are below the RET earnings limit thresholds and therefore would not be impacted at all by repeal, the possibility that poverty might increase for some groups of beneficiaries, especially if they represent the most vulnerable in our society such as widows, demands further investigation from Congress.

Considering my second point of the need to explore the impact of RET repeal on workforce participation, there is also mixed research. For example, there may be a subset of workers who would claim their benefits early and either reduce or completely terminate their employment, because they would end up with either the same total income, or in some cases, more total income, once they claim their benefits, and this reduces the earnings they need to maintain their standards of living. Because this Committee's goal is increased workforce participation by older Americans, understanding this dynamic is important to achieving your goals.

There are also age-related effects of repeal, as younger seniors appear to be more likely to increase their workforce participation than older seniors, which is not surprising considering the resistance older workers confront when in the workforce. In this respect, I would like to simply make one observation: while repealing the Social Security RET may result in some additional workforce participation by

seniors, nothing is likely to noticeably move the dial as long as employers continue to discriminate in hiring based on age. As you well know through the numerous hearings this Committee has held on the issue, especially the landmark hearing you held on September 3rd, 2025 titled “Protecting Older Americans: Leveling the Playing Field for Older Workers”, despite the fact that age discrimination is illegal in the United States and Congress has taken numerous steps to eliminate it, it continues to be prevalent in the workforce, and has a significant impact on the ability of seniors to find and keep jobs, receive promotions and meaningfully participate in the workforce.

In your September hearing, Nancy LeaMond, Chief Advocacy and Engagement Officer at AARP, reported on a survey her organization had conducted on attitudes toward seniors in the workforce. AARP’s survey of workers age 50-plus found that 22 percent of respondents felt that they were being pushed out of work, while an astonishing two-thirds (64 percent) reported seeing or experiencing age discrimination in the workplace. Of those who have seen or experienced it, nearly all (91 percent) believe age discrimination toward older workers is common, including 36 percent who said it is very common.

Your hearing highlighted options for reducing or eliminating this age discrimination, including your bipartisan legislation S. 2703, the “Protecting Older Americans Act of 2025”, which the National Committee supports. This bill would eliminate the current practice of employers utilizing ‘forced arbitration’ to resolve age discrimination complaints, which would shift some of the leverage employers currently exert in these claims back to the workers themselves. In addition to this bill, the National Committee would draw your attention to S. 1820, the “Protecting Older Workers Against Discrimination Act (POWADA)”, introduced by Senators Tammy Baldwin and Chuck Grassley, which would restore protections for older workers that were lost by the Supreme Court’s decision to subject claims of age discrimination by older workers to a higher standard of proof than other protected classes.

Repealing the RET without further addressing the scourge of age discrimination not only risks undermining your goal of increasing workforce participation by older Americans, it also further risks placing these workers in a worse financial situation than if the RET had not been repealed. If workers cannot find jobs due to their age, but now claim their Social Security benefits before their Full Retirement Age because they no longer fear the RET, they will end up with deep cuts to their Social Security benefits that will follow them as long as they live, without the moderating effect of the RET. They may expect earnings from work to help mitigate the early claiming cuts only to find the work environment is still stacked against them. This would place these workers in the worst of all worlds: permanent deep Social Security benefit cuts with little earned income to supplement the benefits. This is a result no one wants to see.

My last point involves implementation of any potential RET repeal and Trust Fund solvency. As you well know, the Social Security Administration (SSA) has undergone a dramatic downsizing as a result of Elon Musk’s DOGE-inspired staff cuts. SSA was already at historically low staffing levels before the rounds of downsizing, and losing some 7,000 experienced staff at a time when over 10,000 baby boomers are turning age 65 every day has had foreseeable negative impacts on performance. The Agency is showing the strains of understaffing, despite current SSA Commissioner Frank Bisignano’s assurances and his efforts to triage operations. According to the most recent annual survey we conducted of our own members, a full 94 percent reported that they or a friend or family member had

trouble accessing customer service at the Social Security Administration, either in person, online or on the phone.

When waiting times on the phone systems continued to be unacceptably long, SSA first changed the method it used for reporting wait times and then shifted staff from other positions to answer phones, requiring them to be trained for these new positions. Similar actions are taking place to cover severe staff shortages in many field offices. Replacing staff with Artificial Intelligence (AI) has had mixed success, as should have been anticipated when serving a customer base that is older and is less capable of conducting important financial transactions online due to lack of comfort using technology or minimal online infrastructure.

Many of the impacts of the staff shortages are visible today. Others may remain hidden from view for months or years, as the backlogs of work previously being completed by the staff that was shifted to other responsibilities may not be readily apparent to the public, especially considering the lack of transparency from this administration. While repealing the RET will ultimately reduce the Agency's workload, that is not necessarily the impact in the short term. SSA will be required to modify its computer programs to reflect the elimination of the RETs impact on early retirement reduction factors, change its educational material, both online and on paper, and staff – who are already buckling under the weight of existing responsibilities – will need to be retrained. All of this will take time and especially resources to implement effectively. I urge you to ensure SSA has sufficient additional resources to do this work so it is not forced to shift resources from its other operations, which are already severely underfunded.

That is also an issue that concerns us regarding S. 1504, the Claiming Age Clarity Act, a bipartisan bill sponsored by Senator Bill Cassidy. We fully support any effort to make the financial consequences of claiming Social Security benefits fully transparent to the American people, as anything that helps older Americans with the critical decision of when to claim benefits is welcome. However, we are concerned that unless Congress specifically provides sufficient resources for *any* additional workload expected of SSA, it will simply crowd out other critical work that is already having a negative impact on Americans' ability to claim their earned benefits.

Finally, it is critical for this Committee to be cognizant of the impact of repealing the RET on the Social Security Trust Funds. According to [a letter](#) by Stephen Goss, Chief Actuary of the Social Security Administration, to Representative Jackie Walorski regarding H.R. 2663, the "Senior Citizens' Freedom to Work Act of 2019":

"The initial effect of the proposal would be almost entirely additional benefit payments for individuals who, under current law, would have their benefits reduced or would have chosen to start benefits later. However, most individuals who would receive additional benefits under their NRA due to the elimination of the RET would, as a result, receive a permanent reduction in their monthly benefit level that would, on average, more than offset the value of the additional benefits over the course of their remaining lifetime. Therefore, over the long-range projection period, enactment of the proposal would reduce OASDI cost."

At the time this letter was written, Social Security's Trustees were projecting, under their intermediate assumptions, that the hypothetical Old Age and Disability (OASDI) Trust Funds would be depleted in

2035, only one year later than the most recent (2025) reports' projected depletion date of 2034. Note however, that in 2019 the depletion date was sixteen years away – well outside the short-term ten-year period for determining solvency. With today's projections for insolvency less than a decade away, it is incumbent on Congress to carefully consider any legislation that might further accelerate depletion of the Trust Funds in the short-term, as that could have catastrophic consequences on every single beneficiary.

As I mentioned earlier, I spend much of my time talking to seniors from all parts of the country and every political persuasion. I am often approached by people looking for advice on the optimum time for claiming Social Security benefits. In previous years, their concerns tended to focus on the adequacy of benefits at different claiming ages. More recently, I am approached by seniors worried about Social Security's impending insolvency, and asking whether claiming benefits early might help insulate them from benefit cuts if nothing is done before the Trust Funds are depleted. These Americans are well aware of the financial benefits they would enjoy if they delay claiming their benefits, and the lifetime cut in benefits if they claim early. They ask for advice on whether claiming benefits now might help them avoid the deep cuts that would result if Congress fails to act in time. They are willing to consider pre-emptively accepting lifelong reduced benefits for fear that waiting could result in even deeper cuts.

If Congress repeals the RET, this would clearly reflect the will of your constituents. However, ensuring Social Security's solvency without benefit cuts, either for today's beneficiaries or for their children and grandchildren, would also reflect the wishes of the American people. Poll after poll shows overwhelming majorities, irrespective of party, favor extending the programs' solvency by asking the wealthy to pay their fair share, rather than imposing benefit cuts. This is true not only for current beneficiaries, but also for future generations, as today's young people could well be even more dependent on Social Security than current beneficiaries as the bedrock of their income in case of retirement, disability or the death of a family breadwinner. Today, over one-half of seniors receive over half of their income from Social Security, and it provides about 90 percent of income for more than one-in-four seniors. Without Social Security, almost half of older Americans (40 percent) would live in poverty.

Today's younger generations are even less likely than their parents or grandparents to have access to traditional pensions, and their ability to save for emergencies, let alone having the resources to save for retirement, is severely constrained. Only about one-half of today's workers participate in retirement savings plans such as a 401(k) plan at work, and many enter the workplace burdened by significant college loan debt. The prevalence of gig work and similar flexible employment relationships also reduces opportunities for younger workers to regularly save for retirement.

Bills have been introduced that would extend solvency of the Trust Funds while also making important, long-needed benefit improvements to the program. Some of these improvements might help mitigate the long-term impacts of repealing the RET. For example, S. 770, the "Social Security Expansion Act" would extend the solvency of the Trust Funds by 75 years, while also increasing benefits and, most importantly, improving the formula by which the annual Cost-of-Living Adjustment (COLA) is calculated, a change which has long been an important priority for National Committee members. We firmly believe that the current formula does not accurately measure the spending patterns of seniors and therefore underestimates the inflation they experience. We support improving the current formula by utilizing the Consumer Price Index for the Elderly (CPI-E), which we believe

more accurately reflects cost increases in the market basket of goods and services most important to seniors.

In conclusion, I want to thank you again for holding this important hearing and for inviting me to testify on behalf of the National Committee to Preserve Social Security and Medicare. We are confident that this Committee will find solutions to workplace participation by older Americans that will have a positive impact on seniors and their families. We look forward to working with you on this issue, and on other issues important to our Nation's older Americans.

Questions for the Record

U.S. SENATE SPECIAL COMMITTEE ON AGING
 "EXPERIENCE MATTERS: SENIORS AND THE WORKFORCE"

MARCH 25, 2026

QUESTIONS FOR THE RECORD

Rachel Greszler

Ranking Member Kirsten Gillibrand

Question:

Why in your view is the repeal of the Retirement Earnings Test a better policy proposal than further liberalizing it, for example by increasing the current dollar exemption amounts?

Response:

Increasing the current dollar exemption for the retirement earnings test (from the current \$24,480 in 2026) would be helpful because it would reduce the number of working seniors who are hit by the test and who lose Social Security benefits. Moreover, among those who continue to lose benefits, it would reduce the amount that some of them lose. There are two primary reasons, however, why I strongly support complete repeal of the retirement earnings test rather than an increase in the exemption amount:

First is that an increase in the threshold contradicts the primary remaining justification for the test, which is a paternalistic attempt to protect older Americans from making decisions that might not be best for them. Specifically, this refers to the decision to claim Social Security benefits before the full retirement age, thereby exchanging a lower monthly Social Security benefit for a longer period of receiving benefits.

The rationale behind the retirement earnings test is: if you are still working and earning over \$24,480, you may not need as much income now from Social Security, but there is a chance that you will need a higher Social Security benefit in the future when you are less likely to be able to work and may have used up other non-Social Security savings.

In this way, the retirement earnings test essentially takes away individuals' choices over when to claim benefits if the government thinks that they are A) earning enough to not need as much in benefits now, and B) are at risk of outliving their savings and may need higher Social Security benefits in the future. Increasing the exemption amount eliminates the policy for those it is most likely to "protect," while leaving it in place for higher earners who are less likely to outlive their savings.

From a fiscal and economic perspective, raising the cap would be significantly inferior to eliminating it because people who are still working and earning significant incomes between ages 62 and 66 tend to have longer life expectancies, and thus are more likely to come out ahead, in terms of total Social Security benefits received, as a result of the retirement earnings test.

Second, an increase in the exemption does little to reduce administrative costs and burdens on the Social Security Administration. If any level of retirement earnings test exists, the Social Security Administration has to monitor the earnings of all beneficiaries between the ages of 62 and 66, approximately five million individuals. While the number of people affected by the test (roughly 520,000 in 2019) would decline, and the SSA would have to withhold fewer benefit checks and respond to fewer calls and visits from those affected by the test, the SSA would still have to send notices to and monitor the earnings of millions of individuals who are below the full retirement age. Eliminating the retirement earnings test would in the long run save the entirety of the estimated \$70 million per year in administrative costs and eliminate all confusion caused by the test.

In the near term, immediately after elimination of the retirement earnings test, the SSA would need to address individuals who have had benefits withheld by the test and who have not yet reached their full retirement age. The simplest way to do this would be to move up the re-calculation of lifetime benefits from individuals' attainment of full retirement age to the year of implementation.

Thank you for the opportunity to further explain why I believe eliminating the retirement earnings test entirely is the best way to help workers and reduce admin-

istrative costs and complexities for civil servants at the Social Security Administration.

U.S. SENATE SPECIAL COMMITTEE ON AGING
 "EXPERIENCE MATTERS: SENIORS AND THE WORKFORCE"

MARCH 25, 2026

QUESTIONS FOR THE RECORD

Dr. Jason Fichtner

Ranking Member Kirsten Gillibrand

Question:

Based on your prior management roles at SSA, what impacts would repeal of the Retirement Earnings Test and the Claiming Age Clarity Act have on agency operations and budgets, and what advice can you share on how best to support effective agency implementation of these potential reforms?

Response:

I am of the view that the Claiming Age Clarity Act would have a negligible impact on SSA's budget and operations. Short-term costs to changing terminology in communications and policy documents, training staff, etc., are real, but at the margin the costs would be negligible.

If the Agency has not yet shared a cost estimate of implementing this legislation, the Senate should ask for an official cost estimate. I am also of the view that additional appropriations are not necessary to implement the bill. That said, a small amount of dedicated funding would likely make implementation more effective, and support for that funding may address any administrative cost concerns that legislators or the Agency has if this bill were to become law. Recently, the Bipartisan Policy Center Action submitted a letter to the Senate and House Labor, Health and Human Services, Education, and Related Agencies Appropriations Subcommittee (March 19, 2026) where they supported *"including at least \$10 million in dedicated funding to improve SSA's communication with individuals considering when to claim old-age benefits. This funding should support the adoption of clearer, more intuitive claiming terminology-consistent with the intent of H.R. 5284 and S. 1504-and enable updated systems and publications, as well as expanded outreach, education, and decision-support efforts to help beneficiaries choose the claiming age that best fits their individual circumstances."*¹

I will add that the act will likely reduce administrative costs in the long term because of the increased clarity the new claiming language will provide the public.

Likewise, the repeal of the Retirement Earnings Test (RET) would also have some short term costs, including reprogramming systems, communications and policy documents, training staff, etc. In her testimony before the committee during this hearing, Rachel Greszler referenced an SSA OIG report that SSA spends approximately \$70 million annually administering the RET.² If the RET were to be repealed, the Agency would eventually free up \$70 million annually for other administrative purposes.

Question:

I am a strong supporter of ABLE Accounts that support people with disabilities and empower them to fully engage in their communities. From your time at SSA, how can the agency better publicize and educate beneficiaries and their families about these accounts?

Response:

While SSA does provide information on ABLE Accounts, for example on the Agency's website,³ the Agency could do a better job promoting the benefits of ABLE accounts through targeted outreach to the SSI community. In a 2023 research paper by the Center for Financial Security at the University of Wisconsin-Madison, researchers documented "...an array of barriers, including financial constraints as well

¹ <https://bpcaction.org/wp-content/uploads/BPCA-FY27-LHHS-Appropriations-Requests.pdf>

² Office of the Inspector General, "The Social Security Administration's Enforcement of the Retirement Earnings Test," Social Security Administration, February 2, 2024, <https://oig.ssa.gov/assets/uploads/a-08-21-51049.pdf>

³ <https://www.ssa.gov/ssi/spotlights/spot-able.html> & <https://choosework.ssa.gov/blog/2023-08-22-able-accounts-what-you-should-know.html>

as diverse administrative burdens and misperceptions, that deter eligible persons from opening ABE accounts.”⁴ Lack of understanding and awareness of ABE accounts was one of the key findings of the report, leading to a recommendation that “...state administrators might offer stronger campaigns to increase overall awareness of ABE.”

Senator Elizabeth Warren

Question:

During the hearing, you mentioned that the Social Security Administration (SSA) under the current administration has hid metrics from its operational meetings. What metrics has the agency concealed, and what do these metrics show? Please list the metrics that are no longer being reported and the function they have.

Under which commissioner, did SSA stop releasing these metrics? Have past administrations released these metrics, and if so, which ones? How does concealing these metrics impact the agency’s functions and Americans’ ability to interact with SSA?

Response:

Unfortunately, I have not kept records on SSA’s reporting of operational metrics overtime, nor by individual commissioners. During my testimony, I mentioned that Acting Commissioner Lee Dudek was posting SSA operational meetings to SSA’s YouTube channel⁵ and offering metrics online, including real-time data on hold times and callback times on the 800 number.⁶ These posts were removed from YouTube shortly after Commissioner Frank Bisignano took office. News articles have reported some of the information that was presented during these meetings.⁷ I personally found this type of disclosure to be of benefit to the public. The real-time metrics on the 800 number were a laudable improvement in the ability of the American public to interact with SSA to allow them to make an informed decision about when to call the agency or to schedule an appointment. The loss of this level of detailed public disclosure, as well as the manner in which it was transmitted via YouTube videos, is loss of that may make it more difficult for the public to view and understand the critical challenges now facing the agency. This loss not only impacts the public, but also impacts Congress, which could provide oversight, instructions, or dedicated funding to address customer service challenges.

Question:

How is SSA deploying call-sharing - or the redirecting of a call meant for a local field to a field office in a different region - on its national 1-800 hotline?

Have the older Americans that your organization works with reported having their calls redirected, and if so, how does this mechanism impact their ability to talk to an SSA representative and have their question resolved?

Response:

Based on what’s been reported, SSA now shifts calls from one field office to another once they go unanswered for a certain period of time. Other organizations have been publishing reports about SSA customer service metrics, including the 800 number.⁸

Katie Savin, also a Fellow at the National Academy of Social Insurance (NASI),⁹ has been quoted in the New York Times,¹⁰ about how staffing reductions at SSA have made it difficult for claimants to get customer service assistance.

Question:

Have the older Americans that your organization works with reported increases in the wait time for scheduling an in-person appointment at an SSA field office?

If so, how many days are they waiting for an appointment, on average?

⁴ <https://rdrc.wisc.edu/files/working-papers/WI23-10—Working-Paper—Pollack-et-al—4.24.pdf>

⁵ <https://www.youtube.com/@SocialSecurity/playlists>

⁶ <https://www.ssa.gov/news/en/press/releases/2025-03-24.html>

⁷ See for example: <https://www.nytimes.com/2025/06/16/us/politics/doge-social-security.html> & <https://www.londondisability.com/ssas-push-for-transparency-youtube-videos-and-more-what-it-means-for-your-disability-claim> & <https://www.youtube.com/shorts/P0—8GK—JnY> (accessed April 11, 2026).

⁸ <https://www.cbpp.org/research/social-security/trump-administration-personnel-policies-harming-social-security-customer>

⁹ <https://www.nasi.org/fellows/>

¹⁰ <https://www.nytimes.com/2025/09/24/business/social-security-customer-service.html>

Response:

Unfortunately, I do not personally have any direct knowledge or information to be able to answer this question. SSA does report wait times on its website.¹¹

Question:

Reports indicate that the drastic staff cuts the administration has made at SSA have forced some rural field offices to close. Has your organization heard of any SSA field offices closing completely under the current administration - or having such limited capacity due to staff cuts that they are unable to perform their usual services and are effectively closed?

Response:

I am not aware of any field offices being permanently closed as of this time. SSA occasionally temporarily closes field offices to deal with maintenance or other issues and then reopens those offices once the issues have been resolved. The last SSA public notice I am aware of is dated March 27, 2025.¹²

¹¹ <https://www.ssa.gov/ssa-performance>

¹² <https://www.ssa.gov/blog/en/posts/2025-03-27-b.html>

U.S. SENATE SPECIAL COMMITTEE ON AGING
 "EXPERIENCE MATTERS: SENIORS AND THE WORKFORCE"

MARCH 25, 2026

QUESTIONS FOR THE RECORD

Dan Adcock

Ranking Member Kirsten Gillibrand

Question:

Your organization was closely involved in the successful and bipartisan effort to reform the Retirement Earnings Test during the Clinton administration. What would you advise policymakers to take into account when considering repeal in this era?

Response:

Earlier claiming reduces monthly benefits for life, especially if people do not fully understand the adjustment, which has implications for old-age benefit adequacy. In fact, the misunderstanding that benefits reduced by the Retirement Earnings Test are "lost" continues to be a problem to this day. For the current proposal to repeal the RET for 62- to 66-year-olds, claiming decisions are more consequential for long-term benefit adequacy since early claim results in much lower lifetime benefits.

Finally, the administrative burden of the 2000 RET repeal was real. The need to track earnings, withhold, and later recompute benefits cost SSA on the order of hundreds of millions of dollars annually in operations and contributed to beneficiaries' confusion. Given that mass staff reductions at SSA and flat funding has hollowed out the agency, it is hard to see how SSA could absorb the administrative requirements of repealing the RET for 62- to 66-year-olds.

Question:

In your view, why ultimately did Congress elect to retain elements of the Retirement Earnings Test, and are any of those considerations still valid today?

Response:

Repeal of the RET was promoted as a way of increasing participation in the workforce by older workers, much as the current effort to eliminate the RET for those between ages 62 and 66 is proposed. However, research has shown that, while elimination of the RET does result in some additional workforce participation, it also would result in a significant number of workers who claim their Social Security benefit early. This decision to claim early has two major consequences - permanently reduced benefits for those workers least able to afford to lose this income, and potentially accelerated insolvency of the Social Security Trust Funds. Both of these concerns would have been known to the authors of the 2000 RET repeal and presumably influenced their decision to retain the RET for those claiming benefits at ages 62 to 66.

Question:

Do you see any potential positive outcomes from a renewed repeal initiative?

Response:

We know from seniors we have talked to at townhall meetings across the country that repealing the rest of the Retirement Earnings Test would be popular. In some cases, claiming decisions motivated by repealing the RET might benefit some people but before this legislation is approved and enacted, Congress must determine if there are ways to mitigate the permanent loss of benefits for those workers and their families who might be hurt by the change (like improving survivor benefits), if there are really jobs available for people ages 62 to 66 when age discrimination in employment is pervasive, and what will be the short term impact on Social Security Trust Fund solvency if the RET is repealed.

Question:

How can we best protect and strengthen Social Security for retirees, the disabled, and survivors, and what should we bear in mind regarding the program's annual cost-of-living adjustments, particularly at a time of soaring costs for Americans?

Response:

The best way to protect and strengthen Social Security for retirees, the disabled, and survivors, as well as for all workers and their families, is by extending Social Security solvency and improving benefits by finally making the wealthy pay their fair share in FICA contributions. Because of decades of stagnate middle class wages, income inequality and the erosion of employer sponsored retirement benefits, a growing share of Americans will depend on Social Security for all or most of their income in retirement. That's why any conversation about Social Security reform must include benefit adequacy if the program is going to allow retirees to maintain a modest standard of living in retirement.

The number one benefit improvement our members tell us would be to make the COLAs more accurate so that they take into consideration the disproportionate share of income seniors spend on out-of-pocket health care costs. Undervaluing the COLA has significant long-term impacts as its' effects compound over time. That leaves the oldest retirees, who presumably are the least able to work, and are the most likely to have exhausted any other resources and have the highest health care costs, with the deepest financial burden caused by years of underestimating the inflation they experience.

Question:

Last year, the Secretary of the Treasury stated that efforts to build wealth were viewed as "a backdoor to privatizing Social Security". However, Americans can best be served in retirement with support from both Social Security and private savings. In your view, how can Congress move the needle on expanding access for the millions of Americans currently shut out of the retirement system?

Response:

There are many proposals - some well-meaning - that would help workers save for retirement. It is commendable that lawmakers are trying to fill the gap in retirement savings left by some employers that don't help their employees plan for their golden years. Part of the challenge remains that so many workers are struggling to simply afford the daily costs of living, that even when retirement savings plans are offered by their employers, they simply do not feel they have enough disposable income to take advantage of them but the wheel does not have to be reinvented if we have a highly successful retirement program that could be enhanced if benefits were improved - and that program is Social Security.

Senator Elizabeth Warren**Question:**

Has the insolvency of the Social Security trust fund been accelerated under the current Trump administration?

If so, what actions taken by the administration have contributed to this acceleration?

Response:

The One Big Beautiful Bill Act included a temporary additional deduction of \$6,000 per eligible individual age 65+ through 2028. Because of how this tax cut indirectly results in less taxation of Social Security benefits and since this taxation helps fund benefits, the trust fund will receive \$30 billion less revenue a year which will accelerate insolvency.

Question:

Do you expect the unprecedented levels of workforce reductions at SSA, and the ripple effects these reductions have had on key agency services, to also contribute to accelerating the trust fund's insolvency?

Response:

Potentially, yes. We have heard from some people in their 60s that they have claimed benefits earlier than planned because of what might happen to the program as a result of the mass staff reductions and chaos caused by DOGE at SSA. The next Social Security Trustees Report may show whether such early claiming is having an impact on solvency.

While not related to accelerating solvency, we are concerned that the DOGE staff cuts and mayhem at SSA could soften public support for the program which would make it easier for some lawmakers to enact legislation to cut earned benefits.

Question:

How is SSA deploying call-sharing - or the redirecting of a call meant for a local field to a field office in a different region - on its national 1-800 hotline?

Have the older Americans that your organization works with reported having their calls redirected, and if so, how does this mechanism impact their ability to talk to an SSA representative and have their question resolved?

Response:

The National Committee has not heard from members about redirection because they may not even know it is happening and it only becomes apparent when the caller is ill-advised and shows up at their local field office. In other words, if a call is redirected, the SSA employee does not say where they are physically, so the claimant/beneficiary has no idea and that adds to the risk of not knowing local information (e.g., claimant/beneficiary's local records, state taxation of benefits, etc.) and this is all very compounded by the reassignment of SSA personnel into these front-line jobs by staff not properly trained or acclimated. Very general questions work well with call redirection, but specific, personal issues do not and the consequences of bad information can be huge.

As for the reassigned SSA staff, whatever work they did in their former jobs is likely to be neglected, particularly because of the mass staff reductions. For example, the SSDI backlog will grow if adjudication staff were reassigned to the national call center. Likewise, overpayments could become a greater problem if operations staff are now answering calls.

Question:

Have the older Americans that your organization works with reported increases in the wait time for scheduling an in-person appointment at an SSA field office?

If so, how many days are they waiting for an appointment, on average?

Response:

We don't have a good number from our members about how much wait times have increased, but what we hear anecdotally is that beneficiaries are waiting months for an appointment.

Question:

Reports indicate that the drastic staff cuts the administration has made at SSA have forced some rural field offices to close. Has your organization heard of any SSA field offices closing completely under the current administration - or having such limited capacity due to staff cuts that they are unable to perform their usual services and are effectively closed?

Response:

While the SSA website lists multiple field office closures in 2025, some field offices still open are effectively closed because many of their staffers were let go by the DOGE mass staff cuts. That means seniors and people with disabilities - many with mobility issues - are traveling farther and waiting longer for an appointment at a field office.

Senator Raphael Warnock

Question:

Since January 2025, the Trump administration has cut more than 7,000 Social Security Administration (SSA) employees, and Georgia lost nearly 10 percent of its SSA workforce between Fiscal Year 2024-2025. Due to limited workforce, older Georgians must wait weeks to schedule an appointment with the SSA field office and an average of 11 months for their disability claims.

How can Congress improve the SSA workforce capacity and address the declining quality of customer service in states like Georgia?

Response:

Because the appropriation process tends to be bipartisan in the Senate - unlike the House - there are more opportunities for Democratic Senators to call for increasing appropriations for SSA and for including instructions in the Labor-HHS appropriations bill for SSA to more adequately staff field offices, including in Georgia.

Question:

According to the Institute on Taxation and Economic Policy, the average driving-age person in the South will pay \$39 more per month in higher gas prices, compared to \$34 nationally or \$24 in the Northeast. Food prices have also increased by over 23 percent compared to 2020, and nearly 10 percent of Georgians age 65 and older

are food insecure. Seniors in Georgia are facing a calculus of whether they will have enough money, through Social Security or savings, to retire.

What steps can Congress take to address the concern over rising costs of living among seniors and ensure older Georgians have a pathway to a financially secure retirement?

Response:

Congress can enact legislation that would base Social Security cost-of-living adjustments (COLAs) on a fully developed Consumer Price Index for the Elderly (CPI-E). The CPI-E would more accurately measure the spending patterns of seniors, including the disproportionate share of income they spend on out-of-pocket health care expenses. Georgia seniors could also better afford rising costs if Congress passed S. 3078, the Social Security Emergency Inflation Relief Act which would increase Social Security benefits by \$200 per month.

Statements for the Record



AARP Statement for the Record
For the Hearing before the
Senate Special Committee on Aging
On
“Experience Matters: Seniors in the Workforce”
March 31, 2026

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AARP, which advocates for the 125 million Americans age 50 and older, appreciates the opportunity to submit a statement for the record for the Senate Special Committee on Aging hearing, “Experience Matters: Seniors and the Workforce.” The experience and knowledge that older workers bring to the workplace are valuable; however, age discrimination remains a barrier to employment.

Americans are working later into life than ever before. In fact, workers age 75 and older are the fastest-growing age group in the workforce.¹ As of February 2026, there were 39.2 million workers age 55 and older in the United States,² which is over 2.5 times the number of older adults working just 40 years ago.³ These workers are employed across all major industries.

For some, the decision to stay in the workforce is driven by the desire to stay active; for others, it is because they are not financially prepared to retire. With increased cost of living and insufficient retirement savings, reaching a secure retirement is far more challenging than ever before. In the past six months, 7 percent of retirees age 50 and older have “unretired,” or reentered the labor force. This is approximately 8.5 million Americans.⁴ Among people 50-plus, either working or looking for work, 41 percent said their main reason is to afford everyday living costs. Among retirees, 28 percent said they retired too early. With the cost of living still high and many people worried that they don’t have enough money saved for retirement, the trend of older adults working longer will likely continue.

Older Workers are a Vital Part of the Workforce.

Despite negative stereotypes and assumptions about older workers, they bring valuable experience, perspective, and stability, as well as needed leadership skills.⁵ They often serve as mentors and help train the next generation of workers and leaders. Additionally, older workers serve a needed role in addressing labor shortages across industries.

Older workers want to stay competitive in the workforce. They want to continue learning new skills, grow professionally, and use their skills and talents.⁶ A high percentage reported having much to accomplish in their careers. In fact, 61 percent of older workers surveyed had updated their resumes, applied for jobs, posted resumes, interviewed for new jobs, created LinkedIn

¹ TED: The Economics Daily. Bureau of Labor Statistics (Nov. 4, 2021), <https://www.bls.gov/opub/ted/2021/number-of-people-75-and-older-in-the-labor-force-is-expected-to-grow-96-5-percent-by-2030.htm>.

² Bureau of Labor Statistics, Current Population Survey, <https://www.bls.gov/data>.

³ “New AARP Survey Shows a Sharp Increase in the Number of Older Workers Seeking a Job Change,” (Jan. 16, 2025), <https://press.aarp.org/2025-1-16-New-AARP-Survey-Sharp-Increase-Number-Older-Americans-Seeking-Job-Change#:~:text=Age%20discrimination%20is%20a%20concern,to%20negotiate%20a%20job%20offer>.

⁴ “Retirement on Pause: High Costs Push Older Americans Back to Work,” (Feb. 5, 2026), <https://www.aarp.org/press/releases/2026-02-05-high-costs-older-americans-back-to-work.html>

⁵ Perron, Rebecca, “AARP-LinkedIn Report Shows the Value Older Workers Bring to Multigenerational Workplaces,” (Dec. 9, 2025), <https://www.aarp.org/pri/topics/work-finances-retirement/employers-workforce/multigenerational-workforce-linkedln/>.

⁶ Choi-Allum, Lona, “High on Priority List for Older Workers: Meaningful Employment and Flexibility,” (Jan. 18, 2023), <https://www.aarp.org/pri/topics/work-finances-retirement/employers-workforce/multicultural-work-jobs-study-2023/>

profiles, or met with recruiters in the past two years. Respondents who took some type of training (54 percent) cited keeping current skills up-to-date and developing new ones as the top reasons.

With increased use of artificial intelligence (AI) in the workforce and the fear that it could disrupt the job market and displace workers, older workers, with years of professional experience, will be essential in providing critical thinking, creative problem-solving, and ethical oversight for the development of new AI models and the interpretation and evaluation of AI outputs. AI also creates opportunities for older workers by reshaping how work is performed, such as automating physically demanding tasks, enabling older adults with mobility issues and health conditions to remain active in the workforce.⁷

Those are some of the many reasons AARP continues to advocate for, and support, a more age-inclusive workforce. The 50-plus workforce segment is highly engaged, translating into higher productivity, increased revenues, and improved business outcomes. Multigenerational workforces are more productive, better performing, and more innovative. For employers, tapping into their skills and expertise makes good business sense.

To help accomplish this, AARP is working with both employers and job seekers to help older workers remain in the workforce. Our collaboration with the job-hiring site Indeed helped 221,000 job seekers in 2025 alone find jobs of interest by either starting or completing job applications. We also had 4,942 individuals receive a free resume report, download a free interview guide or participate in Indeed's Career Services (resume package, interview prep service, or one-on-one coaching session).

AARP's Skills Builder for Work online courses, which help older workers build new skills, had 30,959 course enrollments in 2025, and over 13,700 course enrollments so far this year. Our AARP Navigator: Job Search with Confidence Online Course, which gives step-by-step guidance to help navigate job searches, connected 3,633 people so far in 2026, and AARP's Job Search Toolkit, a free downloadable resource - Strategies for a Successful Job Search, assisted over 35,000 people in 2025 and over 6,000 people through February 2026.

We also launched the AARP Employer Alliance⁸ that helps organizations build workplaces where employees of all ages work and thrive. The Employer Alliance currently impacts 461,861 employees through our 154 member companies to date, and we expect exponential growth in participating firms this year.

AARP also helps older, low-income, unemployed individuals stay connected to the workforce through the Senior Community Service Employment Program (SCSEP) and free coaching and workshops on job searching for unemployed and underemployed workers over 50. For low-income older adults who participate in the gig economy, work as contractors, or run small

⁷ Maresova, Petra, Ondrej Krejcar, Raihan Maskuriy, Nor Azlina Abu Bakar, Ali Selamat, Zuzana Truhlarova, Jiri Horak, et al. 2023. "Challenges and Opportunity in Mobility Among Older Adults—Key Determinant Identification," (July 21, 2023), <https://doi.org/10.1186/s12877-023-04106-7>.

⁸ AARP Employer Alliance, <https://www.aarp.org/work/employer-alliance/>.

businesses, AARP provides information and tools to navigate self-employment. Through its BACK TO WORK@50+ program, the AARP Foundation has served more than 130,000 people since 2013, resulting in more than \$140 million in reported income for low-income older adults. During that time, more than 15,000 low-income older adults received job search coaching.

Barrier to Employment

Despite all the work AARP is doing, it simply isn't enough. According to AARP research, sixty-four percent of older workers have seen or experienced age discrimination in the workforce. Of those, 91 percent believe it is common in the workplace today.⁹ These numbers are even higher for Black workers (72 percent) and women age 50-plus (65 percent).¹⁰

Many older workers worry about their job security, with 44 percent noting they experienced a workforce disruption in the past five years.¹¹ According to a recent AARP survey, 24 percent of older workers are concerned about losing their job within the next year.¹² More than two-thirds (67 percent) of older adults believe it would be difficult to find a new job right now, and over one-third (35 percent) cite age discrimination as the main reason for their expected difficulty.

Age discrimination in hiring is pervasive. According to an AARP survey, 53 percent of workers age 40-plus say they were asked by an employer to provide their birth date, graduation date(s), or other age-related information during the application or interview process.¹³ We have also seen how employers use subtle terms to mask age discrimination in their job postings. For example, recruiters might use phrases such as "digital native" in their job ads, referring to the younger generation of people born into modern technological culture, particularly social media.¹⁴ Other phrases, such as "high energy level," are used as euphemisms for "young," playing on the biased and inaccurate assumption that older employees lack energy. An employer also might discard applications if the candidates do not have email accounts ending in ".edu," which are university accounts commonly used by students and recent college grads but are less common among older alumni.

Automated systems and AI can also exclude qualified candidates based on age. A survey from the Society for Human Resource Management found that about one in four employers use AI or automated algorithms to support hiring and recruiting decisions, with larger employers more

⁹ Perron, Rebecca, "Age Discrimination Holds Steady Among Older Workers in 2025," (Jan. 27, 2026), <https://www.aarp.org/pri/topics/work-finances-retirement/employers-workforce/age-discrimination-workplace/>.

¹⁰ *Id.*

¹¹ Choi-Allum, Lona, "High on Priority List for Older Workers: Meaningful Employment and Flexibility," (Jan. 18, 2025), <https://www.aarp.org/pri/topics/work-finances-retirement/employers-workforce/multicultural-work-jobs-study-2023/>

¹² Retirement on Pause: High Costs Push Older Americans Back to Work," (Feb. 5, 2026), <https://www.aarp.org/press/releases/2026-02-05-high-costs-older-americans-back-to-work.html>

¹³ Choi-Allum, Lona, "Age Discrimination is Pervasive and Must Be Stopped," <https://doi.org/10.26419/res.00554.014>

¹⁴ Giang, Vivian, "This is the latest way employers mask age bias, lawyers say," (May 4, 2015), <https://fortune.com/2015/05/04/digital-native-employers-bias/>

likely to use AI tools in their hiring processes.¹⁵ But while automation and AI are important tools that can improve efficiency, studies have shown that age bias can be built into the algorithm – whether explicitly in the form of required graduation dates or a limit on years of experience, or implicitly in the form of machine learning based on hiring patterns that historically exclude older workers.¹⁶

Age discrimination also has a significant impact on our economy as a whole. One AARP report found that age discrimination costs the United States an additional \$850 billion to our GDP.¹⁷ This figure is projected to balloon to a staggering \$3.9 trillion in 2050.¹⁸ Age discrimination also prevents us from addressing labor shortages, keeping skilled, qualified, and eager workers sidelined.

Plainly put, if Congress wants a thriving workforce, it must address age discrimination. Doing so will help ensure the financial well-being of older adults, our communities, and the economy. AARP is committed to ensuring that all workers are treated fairly based on their qualifications, not their age. That is why AARP urges Congress to pass several bipartisan pieces of legislation to help older workers remain in the workforce for as long as they choose. AARP is advocating for the passage of:

- **The Protecting Older Workers Against Discrimination Act (POWADA)** would rectify a 2009 U.S. Supreme Court decision that set an excessively high standard of proof for victims of age bias to prevail in court. This bill was reintroduced in the U.S. House by Reps. Bobby Scott (D-VA) and Glenn Grothman (R-WI), and in the U.S. Senate by Sens. Charles Grassley (R-IA) and Tammy Baldwin (D-WI).
- **The Protect Older Job Applicants Act (POJA)** would amend the “Age Discrimination in Employment Act” to explicitly include older job applicants, who are often discriminated against when applying for new jobs. It is sponsored by Reps. Sylvia Garcia (D-TX) and Maria Elvira Salazar (R-FL).
- **The Protecting Older Americans Act** would eliminate mandatory arbitration for age discrimination claims. This provides victims of age discrimination in the workplace with the option to have their case heard in court or arbitrated. It is sponsored by Sens. Kirsten Gillibrand (D-NY) and Lindsey Graham (R-SC).
- **The EITC for Older Workers Act** would repeal the upper age limit of 64 for the Earned Income Tax Credit (EITC), allowing workers ages 65 and older to claim the credit, providing additional financial support to low- to moderate-income older

¹⁵ Society for Human Resource Management, “2024 Talent Trends: Artificial Intelligence in HR.” (Jan. 10, 2024), https://shrm-res.cloudinary.com/image/upload/AI/2024-Talent-Trends-Survey_Artificial-Intelligence-Findings.pdf

¹⁶ The Gerontologist, “Digital Ageism: Challenges and Opportunities in Artificial Intelligence for Older Adults,” (Jan. 20, 2022), <https://academic.oup.com/gerontologist/article/62/7/947/6511948>

¹⁷ Terrell, Kenneth, “Age Discrimination Costs the Nation \$850 Billion, Study Finds,” (Jan. 30, 2020), <https://www.aarp.org/advocacy/age-discrimination-economic-impact-2020/?msocid=019438a33d026b06263f2bef3cb56a0c/>.

¹⁸*Id.*

workers who remain in the workforce, helping them meet the rising cost of living. The bill was reintroduced in the U.S. House and is sponsored by Reps. Mike Carey (R-OH) and Danny K. Davis (D-IL).

AARP also urges Congress to reauthorize the Workforce Innovation and Opportunity Act. This important program that helps older adults and individuals with barriers to employment stay in the workforce by providing necessary job training and job placement has not been updated since 2014. The labor market has changed drastically since then, and WIOA needs to be modernized to address current job demands. In addition to other updated provisions, the most recent bipartisan and bicameral bill, A Stronger Workforce for America Act, includes training in digital literacy and information technology to address the increased use of technology in the workforce. This is critically important considering the increased use of artificial intelligence and other technologies in the workforce.

Considerations Around Social Security’s Retirement Earnings Test (RET) and Benefit Claiming

Age discrimination and unmet training needs – not Social Security’s Retirement Earnings Test (RET) – are the primary barriers facing older workers who want or need to work. In fact, evidence finds “mixed” effects of the RET on labor force supply, and the majority of beneficiaries who are working have earnings below the RET thresholds.¹⁹

As the Committee considers any potential changes to the RET, several factors are worth keeping in mind. The RET is deeply unpopular among those affected by it, because it often comes as a surprise and because it is poorly understood; many people do not realize that in exchange they will get higher monthly benefits for life after reaching full retirement age (FRA). Despite its unpopularity, however, ample research shows that many people would be worse off in their later years if the RET were not in place. While such a change would be appealing to those in their early 60s, it also “would lead to earlier benefit claiming and increased poverty rates, especially among women and those aged 80-89.”²⁰ Fully a quarter of Social Security beneficiaries ultimately could see lower benefits in their 70s and later as a result of repeal.²¹ These are serious consequences that Congress should take to heart as it designs any policy changes to the RET.

Rampant age discrimination or caregiving duties can lead workers to “retire” earlier than they planned. Sometimes they find they can return to the workforce, and the RET, cumbersome as it may be, gives them an opportunity to get back on track and maximize their Social Security.

AARP also urges the Senate to pass the Claiming Age Clarity Act (S. 1504), which would improve the terminology the Social Security Administration uses regarding retirement benefit

¹⁹ Li, Zhe, “Social Security Retirement Earnings Test: How Earnings Affect Benefits,” Congressional Research Service (May 10, 2023), <https://www.congress.gov/crs-product/R41242>.

²⁰ *Id.*

²¹ Social Security Administration, “Projected Effects of a Proposal to Eliminate the Retirement Earnings Test: Projected Effects of Proposal on Social Security Benefits in 2070,” (February 20, 2024), <https://www.ssa.gov/policy/docs/projections/policy-options/eliminate-ret.html>.

claiming ages.²² This bipartisan bill – which passed the House by voice vote in December – would provide American workers with clearer, more understandable information about how their claiming age affects their earned benefits, helping them make more informed choices about when to start collecting Social Security.

Conclusion

AARP appreciates the committee’s ongoing focus on older workers. Many older Americans want or need to keep working. Yet age discrimination continues to be a serious barrier for older individuals. It also has a negative impact on the broader workforce, as the experience and value these older workers contribute is lost. AARP wants to see a strong economy and thriving workforce, and we know older workers are a key component in making that happen. We encourage Congress to remove barriers to work that are preventing all of us from achieving this shared goal.

²² Deirdre Shesgreen, AARP, “Can a Few New Labels Change Social Security Claiming Trends?,” <https://www.aarp.org/social-security/retirement-age-clarity-act/>; AARP letter to Senators Bill Cassidy, Chris Coons, Susan Collins, and Tim Kaine, September 2025, <https://www.aarp.org/content/dam/aarp/politics/advocacy/2025/09/endorsement-letter-claiming-age-clarity-act-senate.pdf>.



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**TESTIMONY
RICHARD J. FIESTA
EXECUTIVE DIRECTOR, ALLIANCE FOR RETIRED AMERICANS**

**SENATE SPECIAL COMMITTEE ON AGING
EXPERIENCE MATTERS: SENIORS AND THE WORKFORCE
THE FUTURE OF RETIREMENT
MARCH 25, 2026**

The [Alliance for Retired Americans](#) appreciates the opportunity to submit testimony to the Senate Special Committee on Aging for the hearing titled "Experience Matters: Seniors and the Workforce." We thank Chairman Scott and Ranking Member Gillibrand for holding this hearing, and are most appreciative of the witnesses for providing insightful testimony.

The Alliance is a 4.4-million-member national grassroots advocacy organization with 40-state chapters and members in every state. Our mission is to educate, mobilize, and advocate for a healthy and secure retirement for all Americans.

As our nation ages, older workers play an increasingly important role in sustaining our economy. Today, nearly one in five Americans age 65 and older is in the labor force, more than double the share from the 1980s, reflecting not only the value of older workers but also the economic pressures and necessity many face. Seniors make up 7% of the workforce and are likely to reach nearly 10% by 2030, making them one of the fastest-growing workforce segments of the U.S. economy.

Older Americans contribute experience, stability, and productivity to the workforce, and many desire to remain engaged and continue working. However, for millions of others, working longer is not a choice but an economic necessity. Nearly half of older households rely on Social Security for at least 50 percent of their income, and about one-quarter rely on the program for 90 percent or more. However, these benefits are often insufficient to cover their living expenses.

Many older adults choose to continue working while receiving Social Security benefits. Yet as Chairman Scott indicated in his testimony, workers between the ages of 62-66 who "start to claim their benefits – benefits they are entitled to and have earned... (the Retirement Earnings Test) essentially takes away \$1 of their benefits for every \$2 in benefits they earn once their income hits \$24,000 a year." This is because the Retirement Earnings Test (RET) temporarily reduces or withholds benefits for individuals who claim Social Security before reaching full retirement age and continue to work while earning above an annually adjusted income threshold. The Alliance strongly believes that any legislation that adjusts the RET must include substantive safeguards to prevent beneficiaries from claiming benefits early.



Irrespective of one's position on the RET, the Alliance for Retired Americans categorically believes that what is urgently needed is comprehensive Social Security reform and significant financial support for the program. Social Security is our nation's foundational bedrock income security program for older Americans, and has been proven to be the most successful and efficient retirement program in our nation's history. Moreover, the program's costs are only 2 percent of total program outlays, and for millions of retirees, this indispensable social insurance program is the difference between economic stability and poverty.

To strengthen Social Security for current and future generations, Congress must act to extend the program's solvency and increase benefits. And the most pragmatic and equitable way to achieve this is to eliminate the Social Security tax cap on wages.

It is outrageous that wages above \$184,500 are exempt from Social Security payroll taxes. Because of this, high-income earners stop contributing to the program once they reach that threshold, and this year, millionaires stopped paying FICA taxes on March 9. Conversely, a worker earning a yearly salary of \$60,000, for example, pays Social Security taxes on every dollar earned throughout the year.

Scrapping the payroll tax cap would ensure that the wealthiest Americans contribute the same share of their income as working families. The Alliance for Retired Americans strongly supports federal legislation to increase Social Security benefits and extend the Trust Fund's solvency by raising or scrapping the cap on Social Security payroll taxes above the current \$184,500, requiring high-income Americans to pay their fair share into the system.

Moreover, Congress must augment Social Security benefits. The average monthly retirement benefit is approximately \$2,071, an amount insufficient for many seniors to cover basic living expenses, particularly given rising costs for housing, healthcare, and long-term care.

Two exemplary legislative items introduced in this Congress would substantially increase the Social Security Trust Fund and increase monthly benefits. One, the Social Security Expansion Act, introduced by Senator Sanders (VT) and Rep. Hoyle (OR), would extend the solvency of the Social Security Trust Fund for 75 years by lifting the payroll tax cap and applying the Social Security payroll tax to income above \$250,000. It also increases benefits for both current and future beneficiaries by \$200 per month. It improves the accuracy of annual cost-of-living adjustments by adopting the Consumer Price Index for the Elderly (CPI-E), which better reflects seniors' real expenses.

Similarly, the Safeguarding American Families and Expanding Social Security (SAFE) Act, introduced by Senator Schatz (HI), entirely phases out the payroll tax wage cap so that all Americans contribute equitably. The bill increases benefits by over \$150 per month, implements the Senior COLA, and extends the life of the Social Security Trust Fund. Both bills boost benefits, enhance long-term solvency, and make the system fairer, and if enacted, these legislative reforms would reduce the economic pressures that force many older Americans to remain in the workforce.

Alliance for Retired Americans

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Older Americans are a vital part of our nation's workforce and deserve policies that reflect their contributions. The Alliance believes that Congress should remove barriers to work, promote flexible employment opportunities, and ensure that those who want to continue working can do so. Yet, more importantly, Congress must urgently strengthen Social Security's finances and augment benefits for those who depend on it.

A secure retirement should not be a privilege reserved for the few, but must remain a promise kept for all. On behalf of our 4.4 million members, the Alliance for Retired Americans appreciates the opportunity to submit testimony on these vitally important issues.

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**AMERICAN
PSYCHOLOGICAL
ASSOCIATION**
SERVICES, INC.

Statement for the Record of
Katherine B. McGuire, MSc
Chief Advocacy Officer
American Psychological Association Services, Inc.
to the
United States Senate
Special Committee on Aging

Re: "Experience Matters: Seniors and the Workforce"
March 25, 2026

Chairman Scott, Ranking Member Gillibrand, and members of the Committee, on behalf of APA Services, I want to thank the Special Committee on Aging for this important hearing, "Experience Matters: Seniors and the Workforce." The focus of the hearing honors the significant contributions of older adults to the workplace. American Psychological Association Services, Inc. (APA Services) submits the following statement for the record, as we greatly appreciate the Committee's willingness to examine obstacles for retirees and other older adults who prefer to remain in the workforce.

APA Services is the companion organization of the American Psychological Association, which is the nation's largest scientific and professional nonprofit organization representing the discipline and profession of psychology, as well as over 190,000 members and affiliates who are clinicians, researchers, educators, consultants, and students in psychological science. APA's standing Committee on Aging (CONA) contributed their expertise to this testimony drawing upon the knowledge of geriatric psychologists, developmental psychologists, neuropsychologists, researchers, academics and more to promote human welfare for older adults through the advancement of psychological science and policy development. On behalf of APA Services, I would like to speak to three issues critical to the discussion in this hearing: (1) The need to promote the benefits of keeping older workers in the workplace; (2) The need to address ageism in the workplace; and (3) The need to support policies that expand age-inclusive work options.

Promoting the benefits of keeping older workers in the workforce

We applaud this Committee's focus on supporting older workers to build a competitive and resilient workforce, and to better the lives of all Americans across the lifespan. The percentage of workers age 65 and older has increased from 10.8% to 19.5% between 1985 and 2024.¹ This phenomenon can be attributed to many different factors, including improved life expectancy, the pursuit of a sense of meaning and purpose, a desire to combat social isolation and loneliness, and/or financial reasons that lead to either returning to the workforce from retirement or remaining in the workforce longer.

Addressing obstacles faced by older adults returning to the workforce both contributes to the experience of an overall workforce while also acknowledging current and future workforce shortages. Older workers bring years of institutional knowledge and wisdom, as well as stability to the workplace. Generational intelligence (also referred to as "Gentelligence") is a new analytical framework in psychological science that moves beyond generational stereotypes to leverage the strengths of an intergenerational workforce as a net economic and competitive advantage.²

The U.S. continues to face significant workforce shortages in many sectors, especially in healthcare. Nearly 40% of the nursing home workforce is 55 and older.³ The behavioral health workforce is also aging despite increasing demand for their services, particularly in rural and underserved areas and among specialists; for example, only 1-2% of psychologists identify as specializing in geropsychology.⁴ Retaining older

¹ Wilkins, M. (May 2025). Golden Years: Older Americans at Work and Play, Beyond the Numbers Vol. 14(5). Accessed from: <https://www.bls.gov/opub/btn/volume-14/golden-years-older-americans-at-work-and-play.htm>.

² Gerhardt, M., Nachemson-Ekwall, J., Fogel, B. (2021). Gentelligence: The Revolutionary Approach to Leading an Intergenerational Workforce. Bowman & Littlefield.

³ American Health Care Association (n.d.), Fast Facts. Accessed at: <https://www.ahcancal.org/Data-and-Research/facts/Pages/default.aspx>.

⁴ Moye J, Karen MJ, Stamm KE, et al. Workforce Analysis of Psychological Practice with Older Adults: Growing Crisis Requires Urgent Action, Training and Education in Professional Psychology. Feb 2019; 13(1):46-55. Doi:10.1037/tep0000206.

workers may reduce the costs associated with recurring recruitment and training, and reducing turnover will also improve the overall satisfaction of staff and patients alike.⁵

A growing body of literature on age and work shows that older workers often use more adaptive emotion regulation strategies on the job, such as cognitive reappraisal, and are less likely to rely on maladaptive strategies like suppression; these patterns are linked to better daily well-being at work and sustained functioning over time, contradicting stereotypes that older workers are less flexible or emotionally effective in demanding employment environments.⁶ Studies in occupational psychology further show that older employees bring higher crystallized intelligence—verbal skills and knowledge accumulated over time—supporting judgment, mentoring, and nuanced decision-making in complex, interpersonal roles.

Addressing Ageism in the Workplace

APA Services appreciates this committee's September 2025 hearing on *Protecting Older Americans: Leveling the Playing Field for Older Workers*. To support the committee's goal of ensuring equitable access to employment opportunities, APA Services supports bipartisan S. 2703: *Protecting Older Americans Act of 2025* and S. 1820, *Protecting Older Workers Against Discrimination Act*.

Despite the benefits of an age-diverse workforce, age discrimination remains rampant across an array of industries and workplaces. In a 2025 study conducted by AARP, almost two-thirds (64%) of workers aged 50 and older reported seeing or experiencing workplace age discrimination.⁷ Even the perception of age discrimination in the workplace predicts lower job satisfaction, poorer self-rated health, and more depressive

⁵ Poon, Cecilia Y.M.; Watanabe-Galloway, Shinobu; Liu, Yadi; Yale, Charles; Bhale, Deepanjali; Schneider, Erin O.; Houfek, Julia F.; Chasek, Christine; Doyle, Marley; and Ratnapradipa, Kendra, "Workforce Barriers and Needed Supports to Enhance Behavioral Health Service Provision for Older Adults in Nebraska" (2024). Reports and White Papers: Behavioral Health Education Center of Nebraska. 2.
https://digitalcommons.unmc.edu/bhecn_report/2

⁶ Susanne Scheibe, Darya Moghimi, Age and Context Effects in Daily Emotion Regulation and Well-Being at Work, *Work, Aging and Retirement*, Volume 7, Issue 1, January 2021, Pages 31–45, <https://doi.org/10.1093/workar/waz014>.

⁷ Perron, Rebecca. Age Discrimination in the Workforce: Ethnic Minorities — Annotated Questionnaire by Race/Ethnicity. Washington, DC: AARP Research, January 2026.
<https://doi.org/10.26419/res.00849.008>.

symptoms.⁸ This phenomenon carries economic and personal costs. Overall, age discrimination in the workplace cost the U.S. economy \$850 billion in a single year.⁹ In addition, older workers have been at increased risk for forced retirement and layoffs in the past few years due to an uncertain economy and restructuring in many sectors, including those within the federal government and researchers whose critical work was supported by federal funding. Involuntary job loss significantly contributes to more depressive symptoms¹⁰. Forced retirement may also result in social isolation and loneliness. One modern aspect of age discrimination and ageism in the workplace involves incorrect assumptions about technology use by older workers. In AARP's 2025 study, 33% reported experiencing the assumption that older workers were less tech savvy.¹¹

The APA Resolution on Ageism (2025) highlights the impact of ageism in the workplace, as well as psychologists' commitment to address it through internal practices, training, research, and advocacy.¹² Psychological research helps enhance access, comfort level, and training opportunities of technology use in the workplace, so that the unique needs and preferences of workers of all ages and backgrounds may benefit from new

⁸ Marchiondo LA, Gonzales E, Williams LJ. Trajectories of Perceived Workplace Age Discrimination and Long-Term Associations With Mental, Self-Rated, and Occupational Health. *J Gerontol B Psychol Sci Soc Sci*. 2019 Apr 12;74(4):655-663. doi: 10.1093/geronb/gbx095. PMID: 28977664; PMCID: PMC6460336.

⁹ AARP (n.d.), The Economic Impact of Age Discrimination, Accessed at https://www.aarp.org/content/dam/aarp/research/surveys_statistics/econ/2020/impact-of-age-discrimination.doi.10.26419-2Fint.00042.003.pdf.

¹⁰ Sally Picciotto, Ellen A Eisen, David H Rehkopf, Amy L Byers, Contribution of Involuntary Job Loss to the Burden of Depressive Symptoms Over Two Decades in a National Study of Aging Adults, *The Journals of Gerontology: Series B*, Volume 79, Issue 10, October 2024, gbae135, <https://doi.org/10.1093/geronb/gbae135>

¹¹ Perron, Rebecca. Age Discrimination in the Workforce: Ethnic Minorities — Annotated Questionnaire by Race/Ethnicity. Washington, DC: AARP Research, January 2026. <https://doi.org/10.26419/res.00849.008>.

¹² American Psychological Association (August 2025), APA Resolution on Ageism. Retrieved at <https://www.apa.org/about/policy/resolution-ageism.pdf>

technologies.¹³ For example, earlier research suggested that voice-assistant technology might not recognize the voice of an older person as well as that of a younger person, necessitating modification in the design of new technology for it to be useful to older workers.¹⁴ There are also concerns that AI algorithms used in the hiring process may be inherently ageist and automatically favor younger job applicants.¹⁵

Supporting policies that expand age-inclusive work options.

APA Services support initiatives that encourage age-friendly workplaces as part of an overall age-friendly environment. For example, the Age-Friendly Institute has a Certified Age-Friendly Employer (CAFE) program to identify and recognize employers that are committed to being good places to work for people age 50 and older.¹⁶ AARP also has many resources to support employers seeking to hire and retain older workers.¹⁷ APA Services supports ongoing funding of the Senior Community Service Employment Program (SCSEP), authorized by the Older Americans Act, as the program provides necessary training for low-income, unemployed adults 55 and older through their community service and work-based job training.

Through this hearing, APA Services hopes the committee will discuss the important issue of financial obstacles faced by working older adults. APA Services supports policies and practices that would make retirement planning and transition less

¹³ Boot, W. R., Charness, N., Czaja, S. J., & Rogers, W. A. (2020). Designing for older adults: Case studies, methods, and tools. CRC Press.

¹⁴ Kim S. Exploring How Older Adults Use a Smart Speaker-Based Voice Assistant in Their First Interactions: Qualitative Study. JMIR Mhealth Uhealth. 2021 Jan 13;9(1):e20427. doi: 10.2196/20427. PMID: 33439130; PMCID: PMC7840274.

¹⁵ Institute for the Future of Work (April 2020). Artificial Intelligence in Hiring: Assessing Impacts on Equality. Accessed at: https://cdn.prod.website-files.com/64d5f73a7fc5e8a240310c4d/64d5f73b7fc5e8a240310ea0_5f71d338891671faa84de443_IFOW%2B-%2BAssessing%2Bimpacts%2Bon%2Bequality.pdf.

¹⁶ AgeFriendly Insitute (n.d.), Certified Age Friendly Employer Program. Accessed at: <https://institute.agefriendly.com/initiatives/certified-age-friendly-employer-program/>.

¹⁷ AARP (n.d.), How the Employer Pledge Program Helps Older Workers Get Hired. Accessed from: <https://www.aarp.org/work/job-search/employer-pledge-program-helps-older-workers/>.

overwhelming,¹⁸ including clarity around when to claim Social Security retirement benefits, as well as the process to seek job accommodation, retraining, or transition to part-time work. Additionally, because chronic health conditions and disabling conditions tend to become more prevalent among older adults, it would be important to support access to and the availability of comprehensive health benefits for full-time and part-time workers beyond basic health insurance coverage, as well as flexible work schedules to accommodate healthcare and family caregiving needs.

Thank you again for the committee's focus on ways in which society benefits from an age-inclusive workforce. APA Services stands ready to work with the Committee to ensure and protect dignity and purpose in aging. To the extent that APA Services or psychologists involved in the treatment or study of older adults in the workplace can be a resource to the Committee, please contact K. Conwell Smith, APA Deputy Chief for Advocacy at ksmith@apa.org or (301) 875-8923.

¹⁸ American Psychological Association (Jan. 1, 2026). Strategies to help psychologists navigate layoffs at mid- and late-career, *The Monitor on Psychology*, Vol 5(1). Accessed from: <https://www.apa.org/monitor/2026/01-02/layoffs-mid-late-career-psychologists>



March 23, 2026

The Honorable Rick Scott
Chairman
Special Committee on Aging
United States Senate
Washington, DC 20510

The Honorable Kirsten Gillibrand
Ranking Member
Special Committee on Aging
United States Senate
Washington, DC 20510

Letter for the Record: Special Committee on Aging Hearing, “Experience Matters: Seniors and the Workforce,” March 25, 2026

Dear Chairman Scott and Ranking Member Gillibrand:

The Bipartisan Policy Center applauds the committee’s leadership in holding this important hearing on seniors in the workforce. As the share of Americans aged 65 and over rises, ensuring that older Americans have the opportunity and incentive to remain engaged in the labor force is critical to both their individual financial security and the nation’s economic prosperity.

Workers approaching retirement also need clear, accurate information to make informed decisions about when to claim Social Security benefits—choices that will affect their standard of living for the rest of their lives.¹ The issues that this hearing addresses sit at the intersection of retirement security policy, labor market dynamics, and Social Security solvency, all areas where thoughtful reforms can yield significant benefits for current and future retirees.

BPC has conducted extensive research and analysis on these topics, including examining the effects of the Social Security Retirement Earnings Test (RET) and strategies to help Americans optimize their retirement planning. In short, repealing the RET would eliminate a major source of confusion for Social Security claimants, but such a repeal could have detrimental effects on Americans’ financial security in retirement if not paired with changes to help individuals make more informed decisions about claiming Social Security benefits.

¹ Jason J. Fichtner, Gary Koenig, Shai Akabas, and Nicko Gladstone, “How to Help Americans Claim Social Security at the Right Age,” Bipartisan Policy Center, 2020. Available at: <https://bipartisanpolicy.org/report/how-to-help-americans-claim-social-security-at-the-right-age/>.

Social Security's Retirement Earnings Test

Social Security old-age benefits are designed to protect workers from lost earnings due to retirement, not simply to provide a pension to everyone beyond a certain age. Accordingly, the program includes a provision called the RET, which temporarily withholds some retirement benefits from individuals who claim Social Security before their full retirement age (FRA, currently age 67) and who continue to earn income over a certain threshold.²

Once claimants subject to the RET reach their FRA, the Social Security Administration (SSA) restores their previously withheld benefits by permanently increasing their monthly payments. Thus, over a lifetime, beneficiaries should receive approximately the same amount in total benefits whether they are subject to the RET or not.

The rules of the RET differ depending on how close a beneficiary is to FRA. A beneficiary who is below FRA and will not attain it during the year is subject to a \$1 reduction in monthly benefits for every \$2 of annual earnings above a certain threshold (\$24,480 in 2026).³ A beneficiary who will reach FRA in the current year is subject to a \$1 reduction in benefits for every \$3 of annual earnings above a different threshold (\$65,160 in 2026).⁴ When a beneficiary has benefits fully or partially withheld under the RET, those "lost" benefits are restored starting at FRA through a recomputation.

Unfortunately, the RET can confuse Americans who are planning their retirement, as most people are unaware that the benefit reduction is temporary and that withheld benefits are restored later in retirement.⁵ This likely causes some older workers to drop out of the labor force or limit their earnings. When the RET was eliminated in 2000 for workers between the FRA and age 70, those who were no longer subject to it became 1 to 4 percentage points more likely to participate in the labor force.⁶ Studies commonly find that the RET depresses labor force participation most among the youngest workers it affects, suggesting that estimates from the 2000 reform are likely lower bounds of the effect from repealing the RET entirely. Additionally, earnings rose by 15% to 20% for those with incomes close to the RET income

² Emerson Sprick, "The Retirement Earnings Test," Bipartisan Policy Center, 2023. Available at: <https://bipartisanpolicy.org/explainer/retirement-earnings-test/>.

³ Social Security Administration, "Exempt Amounts Under The Earnings Test," accessed March 2026. Available at: <https://www.ssa.gov/OACT/COLA/rtea.html>.

⁴ Ibid.

⁵ S. Kathi Brown, "The Impact Of Claiming Age On Monthly Social Security Retirement Benefits: How Knowledgeable Are Future Beneficiaries?" AARP, February 2012. Available at: <https://www.aarp.org/pri/topics/work-finances-retirement/social-security/social-security-claiming-age-retirement-benefits/>.

⁶ Leora Friedberg and Anthony Webb, "New Evidence on the Labor Supply Effects of the Social Security Earnings Test," *Tax Policy and the Economy* 23(1), 2009. Available at: <https://www.journals.uchicago.edu/doi/full/10.1086/597053>; Theodore F. Figinski, "Women and the Social Security Earnings Test," 2011. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1821290; Jae Song and Joyce Manchester, "New Evidence on Earnings and Benefit Claims Following Changes in the Retirement Earnings Test in 2000," *Journal of Public Economics* 91, 2007. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=975674.



thresholds.⁷ The RET's disincentives impede policymakers' goal of maximizing Americans' participation in the workforce to help them build more secure retirements.

The Case for RET Repeal

Due to these concerns, some legislators have proposed eliminating the RET entirely, which could facilitate longer careers and greater personal savings. Repealing the RET would:

- **Boost labor force participation among beneficiaries between age 62 and FRA.** An analysis of the research on the RET and BPC's calculations suggest that repealing the RET would result in an additional 250,000 to 1 million Americans in the labor force by eliminating disincentives to earning.⁸ Given that working longer has been shown to dramatically improve retirees' standard of living, encouraging older workers to continue working by eliminating the RET could bolster their retirement security in addition to benefiting the broader labor market.⁹
- **Help workers better prepare for retirement.** Workers and retirees widely misunderstand the RET, failing to account for both lower benefits early in retirement and higher benefits later. Eliminating the RET would simplify Social Security benefit calculations and retirement planning, enabling workers to make better-informed choices about their claiming decision.
- **Marginally bolster the solvency of the Social Security trust funds.** SSA estimates that this reform would close approximately 1% of Social Security's long-range shortfall due to its effects on claiming behavior.¹⁰

If Congress elects to keep the RET, SSA could better communicate its impact to Americans by changing the name of the test to "Temporary Benefit Withholding" or something similar. This could reduce confusion about the rule by clarifying that forgone benefits are ultimately returned to beneficiaries.

⁷ Gary V. Engelhardt and Anil Kumar, "The Repeal of the Retirement Earnings Test and the Labor Supply of Older Men," CRR WP 2007-1, 2007. Available at: https://crr.bc.edu/wp-content/uploads/2007/05/wp_2007-1-508.pdf; Theodore F. Figinski, "Women and the Social Security Earnings Test," 2011. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1821290; Jae Song and Joyce Manchester, "New Evidence on Earnings and Benefit Claims Following Changes in the Retirement Earnings Test in 2000," *Journal of Public Economics* 91, 2007. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=975674; Steven J. Haider and David S. Loughran, "The Effect of the Social Security Earnings Test on Male Labor Supply: New Evidence from Survey and Administrative Data," *Journal of Human Resources* 43(1), 2008. Available at: <https://www.ijstor.org/stable/40057339>.

⁸ Estimates based on U.S. Census Bureau data showing a labor force participation rate of 44% and a labor force of 12 million among adults aged 62-67.

⁹ Gila Bronshtein, Jason Scott, John B. Shoven, and Sita N. Slavov, "The Power of Working Longer," NBER Working Paper 24226, 2018. Available at: <https://www.nber.org/papers/w24226>.

¹⁰ Social Security Administration, "Provisions Affecting Level of Monthly Benefits," B7.11, accessed March 2026. Available at: https://www.ssa.gov/oact/solvency/provisions/charts/chart_run359.html.



Complementary Reform Options

Although repealing the RET would eliminate one major source of claiming-related confusion, it would likely exacerbate another if done without accompanying reforms. In particular, repealing the RET would likely hamper the retirement security of some Americans by inducing them to claim benefits earlier than they would if the RET were in place.¹¹ The RET, by withholding some benefits before an individual reaches the FRA, makes claiming early less attractive, especially for those who do not realize that their foregone benefits will be restored later. Although based on a misunderstanding, this effect is generally beneficial, as most Americans claim benefits earlier than is optimal and thereby lock in lower monthly Social Security benefits for the rest of their lives.¹²

Accordingly, policymakers should pair RET repeal with other policy changes that help people optimize their claiming decision, such as:

- **Renaming claiming ages to clarify their true significance.** Currently, SSA refers to age 62 (the age at which retirees can first claim Social Security) as the “early eligibility age” and age 67 as the “full retirement age.” “Delayed retirement credits” refer to the monthly benefit increase that beneficiaries can receive if they delay claiming after full retirement age, up to age 70. This nomenclature subtly conveys that earlier claiming is better, with real effects on claiming behavior.¹³ The Claiming Age Clarity Act (S. 1504)—bipartisan legislation originally introduced in this Congress by Senators Cassidy, Coons, Collins, and Kaine, and already passed by the House (as H.R. 5284)—would address this issue by referring to the ages of 62, 67, and 70 instead as, respectively, the “minimum monthly benefit age,” “standard monthly benefit age,” and “maximum monthly benefit age.”¹⁴ This would improve clarity and likely discourage some individuals from claiming earlier than necessary.
- **Reinstating broad distribution of an improved Social Security Statement.** SSA used to mail annual statements each year to everyone aged 25 or older but no longer does so due to budget constraints. These statements, however, increase knowledge of Social Security’s rules and confidence in the program’s future, make younger

¹¹ Anya Olsen and Kathleen Romig, “Modeling Behavioral Responses to Eliminating the Retirement Earnings Test,” *Social Security Bulletin* 73(1), February 2013. Available at: <https://www.ssa.gov/policy/docs/ssb/v73n1/v73n1p39.html>.

¹² Emerson Sprick, “Hedging the Risk of a Longer-than-Expected Life: The Value of a Social Security Bridge Strategy,” Bipartisan Policy Center, July 2025. Available at: <https://bipartisanpolicy.org/report/social-security-bridge-strategy/>.

¹³ See, e.g., Adam Eric Greenberg, Hal E. Herschfield, Suzanne B. Shu, and Stephen A. Spiller, “What Motivates Social Security Claiming Age Intentions? Testing Behaviorally Informed Interventions Alongside Individual Differences,” *Journal of Marketing Research* 60(6), 2022. Available at: <https://journals.sagepub.com/doi/abs/10.1177/00222437221147221>; Francisco Pérez-Arce, Lila Rabinovich, Joannee Yoong, and Laith Alattar, “Three Little Words? The Impact of Social Security Terminology,” CESR-Schaeffer Working Paper No. 005, 2019. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3502412.

¹⁴ Claiming Age Clarity Act, S. 1504, 119th Cong., 2025. Available at: <https://www.congress.gov/bill/119th/congress/senate-bill/1504>.



Americans more likely to work, and increase the claiming age of older Americans.¹⁵ S. 1505, also introduced by Senators Cassidy, Coons, Collins, and Kaine, would solve the problem by mailing the newly redesigned paper statements to most workers, helping to facilitate deliberate and informed claiming decisions.¹⁶

- **Enabling retirees to sustainably draw down savings to finance delaying Social Security claiming.** A “bridge strategy” involves spending substantial retirement savings early in retirement, but that additional outlay secures higher Social Security benefits—and thereby creates less need for non-Social Security income—for the remainder of retirement.¹⁷ Despite the benefits, few Americans use any guaranteed-income solutions, let alone products to facilitate bridge strategies, for reasons that include psychological barriers and insufficient product offerings. Lawmakers could help by, for example, implementing a safe harbor for retirement plan features that help participants make informed decisions about when to claim Social Security benefits and that assist participants in using their retirement-plan savings to enable later claiming.¹⁸
- **Encouraging SSA to improve its resources and processes related to the claiming decision.** SSA houses a tremendous amount of public information for current workers and retirees through its online resources and field offices, and it has myriad opportunities to draw attention to the significant potential costs of claiming benefits too early. BPC’s report on Social Security claiming describes several improvements that SSA could undertake to promote better decision-making.¹⁹
- **Offering lump-sum incentives for delayed claiming.** Under current law, delaying Social Security claiming results in higher monthly benefits, but research shows that many individuals would respond more strongly to a lump-sum reward. Studies suggest that converting some of an individual’s delayed retirement credits into an actuarially fair lump sum could meaningfully delay claiming—particularly among those otherwise inclined to claim early—and may even encourage longer workforce participation.²⁰ Policymakers could consider designs that provide a lump sum

¹⁵ Barbara A. Smith, “Can Informational Interventions Be Effective Policy Tools? An Initial Assessment of the Social Security Statement,” *Social Security Bulletin* 80(4), 2020. Available at: <https://www.ssa.gov/policy/docs/ssb/v80n4/v80n4p1.html>.

¹⁶ A bill to ensure that Social Security beneficiaries receive regular statements from the Social Security Administration, and for other purposes, S. 1505, 119th Cong., 2025. Available at: <https://www.congress.gov/bills/119/congress/senate/bills/1505>.

¹⁷ Emerson Sprick, “Hedging the Risk of a Longer-than-Expected Life: The Value of a Social Security Bridge Strategy,” Bipartisan Policy Center, July 2025. Available at: <https://bipartisanpolicy.org/report/social-security-bridge-strategy/>.

¹⁸ Commission on Retirement Security and Personal Savings, “Securing Our Financial Future,” Bipartisan Policy Center, 2016. Available at: <https://bipartisanpolicy.org/report/retirement-security/>.

¹⁹ Jason J. Fichtner, Gary Koenig, Shai Akabas, and Nicko Gladstone, “How to Help Americans Claim Social Security at the Right Age,” Bipartisan Policy Center, 2020, 27-34. Available at: <https://bipartisanpolicy.org/report/how-to-help-americans-claim-social-security-at-the-right-age/>.

²⁰ Raimond Maurer, Olivia S. Mitchell, Ralph Rogalla, and Tatjana Schimetschek, “Optimal Social Security Claiming Behavior Under Lump Sum Incentives: Theory and Evidence,” CFS Working Paper No. 629, Center for Financial Studies, 2019. Available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3476315.



alongside higher monthly benefits while preserving sufficient lifetime income protection.²¹

We appreciate the Committee's consideration of these important policy issues and welcome the opportunity to provide further information or answer questions.

Sincerely,

Shai Akabas
Vice President, Economic Policy
Bipartisan Policy Center

Emerson Sprick
Director, Retirement & Labor Policy
Bipartisan Policy Center

²¹ Stephen Goss to Sam Johnson and Adrian Smith, September 19, 2017, U.S. Social Security Administration, Office of the Chief Actuary. Available at: https://www.ssa.gov/oact/solvency/JohnsonSmith_20170919.pdf.





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Committee for a Responsible Federal Budget Statement for the Record for the Senate Committee on Aging Hearing on “Experience Matters: Seniors and the Workforce” March 25, 2026

Chairman Scott, Ranking Member Gillibrand, and distinguished Members of the Senate Committee on Aging:

Thank you for the opportunity to provide a written statement for the record for the Committee’s March 25 hearing, “**Experience Matters: Seniors and the Workforce.**” We write in support of efforts to promote work and improve solvency, including by repealing Social Security’s Retirement Earnings Test (RET).

Currently, those who collect Social Security prior to the Full Retirement Age (FRA) face an RET that lowers benefits in years with earnings above \$24,480 (indexed), while increasing them in subsequent years. The RET is thus a deferral of benefits that results in [permanently higher payments](#) after the worker reaches the FRA.

Although the RET actually defers rather than reduces payments, many believe it represents a reduction that [punishes earnings and work](#). As a result, research has found the RET [discourages](#) older Americans from working. Some have [remarked](#) that the RET “distorts economic incentives like a tax without raising revenue.”

Repealing the earnings test would thus promote work at older ages and better inform claiming decisions, which would help strengthen economic growth. Continued work at older ages would also help [increase wealth and financial](#) security and has numerous [macroeconomic, fiscal, medical, and social benefits](#).

According to the [Chief Actuary](#) of the Social Security Administration, RET repeal would also modestly improve Social Security solvency – closing about 1% of the program’s 75-year shortfall and 2% of its 75th year deficit. Although RET repeal would modestly increase near-term deficits, this represents a shift in the *timing* of payments; repealing the RET would reduce deficits and debt over the long term, in part by promoting work at older ages.

Importantly, repealing the retirement earnings test would make only very modest progress toward addressing Social Security’s looming insolvency and supporting older workers. Much more needs to be done to prevent the automatic 24% benefit cut currently projected to happen in 2032. There are [many well-known options to improve solvency](#) and encourage [productive aging](#) that should also be considered.

We appreciate the work of the Aging Committee to begin discussion of these important topics. Time is running short.



Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

**United States Senate
Special Committee on Aging**

Statement for the Record

Experience Matters: Seniors and the Workforce



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Chairman Scott, Ranking Member Gillibrand, and members of the Committee, I want to thank the Special Committee on Aging for holding today's hearing: *Experience Matters: Seniors and the Workforce*. The Social Security Administration (SSA) Office of the Inspector General's (OIG) mission is to serve the public through independent oversight of SSA's programs and operations, including SSA's enforcement of the earnings test.

The earnings test is a provision of the *Social Security Act* that requires SSA to withhold payments from beneficiaries who are under full retirement age (FRA) if their earnings exceed a certain limit.¹ To administer the earnings test, SSA employees and systems: (1) suspend benefits based on estimated earnings, (2) enforce the earnings test based on actual earnings, (3) calculate overpayments, and (4) increase monthly benefits effective at FRA if SSA withheld benefits because of the earnings test.²

Earlier this year, SSA OIG issued a report on SSA's major management and performance challenges during Fiscal Year (FY) 2025, including the need for SSA to improve the prevention, detection, and recovery of improper payments.³ Improper payments can be overpayments, when SSA pays someone more than they are due, or underpayments, when SSA pays someone less than they are due. SSA estimated almost \$11.3 billion in improper payments in FY 2025, which included approximately \$9.3 billion in overpayments and almost \$2 billion in underpayments. SSA has identified the application of the annual earnings test as a leading cause of overpayments in the Old-Age, Survivors, and Disability Insurance (OASDI) program.

In February 2024, SSA OIG completed an audit to determine (1) whether SSA accurately and timely paid beneficiaries subject to the earnings test and (2) the administrative costs to enforce the earnings test.⁴ To accomplish the objectives, SSA OIG reviewed three populations of beneficiaries affected by earnings test provisions and worked with SSA staff to obtain estimated administrative costs to enforce the earnings test in FY 2021.

SSA OIG's review found SSA did not accurately or timely pay beneficiaries subject to the earnings test. SSA OIG estimated SSA established approximately 294,000 earnings test overpayments, totaling more than \$1 billion, in FY 2021. Of these, SSA OIG estimated SSA inaccurately calculated approximately 47,000 overpayments totaling more than \$148 million. That is, SSA requested beneficiaries pay more or less than what they owed. For 50 sampled beneficiaries, SSA OIG found that SSA did not accurately calculate eight overpayments totaling approximately \$25,000. In general, SSA inaccurately calculated these overpayments because it used incorrect monthly earnings information when the monthly earnings test applied.

¹ *Social Security Act* § 203, 42 U.S.C. § 403(b).

² SSA, OIG, *The Social Security Administration's Enforcement of the Earnings Test*, A-08-21-51049 (February 2024).

³ SSA, OIG, *The Social Security Administration's Major Management and Performance Challenges During Fiscal Year 2025*, 042513 (January 2026).

⁴ SSA, OIG, *The Social Security Administration's Enforcement of the Earnings Test*, A-08-21-51049 (February 2024).

SSA also identified similar problems with earnings test overpayment calculations in two of its prior internal reviews. In a 2015 review, SSA found, in a significant number of cases processed by SSA's automated systems, the monthly earnings information it needed to make a correct overpayment calculation was missing. In a 2018 review, SSA estimated \$201 million in inaccurately calculated earnings test overpayments. This reaffirmed the issues SSA OIG identified are part of long-standing problems with SSA's earnings test overpayment calculations.

Without accurate and timely earnings information, SSA will continue overpaying beneficiaries and inaccurately calculate some of these overpayments. SSA policy indicates it is the beneficiary's responsibility to report their annual and monthly earnings if they expect their earnings to exceed the annual limit.⁵ However, relying on beneficiaries to self-report their annual and monthly earnings is an inherent challenge that is impeding SSA's ability to process earnings test actions accurately and timely. For example, beneficiaries may fail to report or incorrectly estimate their earnings because they misunderstand SSA's earnings test policies or want to delay earnings test withholdings.

As noted in SSA OIG's audit, SSA has opportunities to improve the accuracy and timeliness of its earnings information thereby improving the accuracy of its payments to beneficiaries subject to the earnings test by:

- Expanding existing initiatives to obtain earnings information electronically. For example, SSA has agreements with third parties to obtain wage information (including quarterly and monthly wages) to reduce its reliance on disabled beneficiaries to self-report their earnings.⁶
- Incorporating applicants' responses to the earnings test questions on the printed application summary SSA provides beneficiaries when they request to start receiving their OASDI benefits. Policy requires that SSA employees provide in-person and telephone applicants with printed copies of their responses to the application questions for their review and correction.⁷ However, SSA OIG's audit found the printed copy SSA provides the applicant does not include their responses to the earnings test questions. Therefore, applicants may not have an opportunity to review or correct the estimated earnings information SSA employees used to suspend or pay their benefits.
- Revising its systems to ensure the Agency requests monthly earnings information from beneficiaries eligible for the monthly earnings test. SSA could not provide SSA OIG with documentation demonstrating that it requested monthly earnings information from beneficiaries eligible for the monthly earnings test for 20 of the sampled overpayments. SSA personnel conducted an internal review in 2015 and recommended the Agency "... investigate the feasibility of implementing an automated solution; for example, an annual report of earnings or systems alert, to help identify and resolve instances where excess earnings exist but the [benefit record] does not contain a record of non-service months for the year." However, SSA stated it did not implement this recommendation because of resource limitations.

⁵ SSA, *POMS*, RS 02510.005 (November 29, 2023) and RS 02510.015 (November 29, 2023).

⁶ SSA, *POMS*, DI 10505.005, C (May 2, 2019).

⁷ SSA, *POMS*, GN 00201.015, F (October 5, 2023).

- Adding language to overpayment notices informing beneficiaries who are eligible for the monthly earnings test that their overpayment may be reduced or eliminated if they had monthly wages below the applicable limit. The overpayment notices SSA OIG reviewed did not specifically advise beneficiaries their overpayment could be reduced or eliminated if they contacted SSA to report earnings below the monthly limit. The notices also did not advise the beneficiaries of the monthly earnings limit in the overpayment year.

For the 100 sampled beneficiaries with earnings discrepancies between the benefit records and the Agency's Master Earnings File (MEF), SSA OIG found that SSA did not accurately pay 18 approximately \$58,000. SSA OIG estimated SSA inaccurately paid approximately \$29 million to 9,000 beneficiaries with estimated earnings on their benefit records that were more or less than their actual earnings recorded on the MEF. This primarily occurred because programming limitations prevented SSA's automated systems from identifying certain underpayments. Additionally, SSA's processing systems could not fully automate some enforcement actions that the Agency's systems identified and should have resulted in overpayments.

SSA OIG determined the Agency did not timely pay 86 sampled beneficiaries approximately \$40,000 in earnings test-related monthly benefit increases because of its outdated systems and unclear policies. SSA issued the first monthly benefit increase to the 86 beneficiaries an average 292 days after policy allowed the first increased payment.⁸ SSA OIG estimated SSA did not pay approximately 176,000 beneficiaries \$81 million on the date policy first allowed the increased payment. One beneficiary who attained FRA in December 2019 did not receive their cumulative monthly benefit increase of approximately \$500 before their death in October 2020.

SSA OIG concluded the primary cause of SSA's untimely release of earnings test-related monthly benefit increases relates to SSA's outdated systems that did not issue increased benefits effective at FRA. SSA designed its systems to automatically compute monthly benefit increases related to earnings test withholdings in August of the year after the beneficiary reaches FRA. SSA designed this system in 1989 and has not made adjustments to reflect faster receipt of electronic wage information on the MEF, changes in requirements to file annual reports,⁹ or increased earnings limits in the FRA year.¹⁰

SSA OIG also determined the Agency's policies regarding when, and how, employees can grant earnings test-related monthly benefit increases were not clear, which likely contributed to SSA's untimely release of increased benefits due effective at FRA. Beneficiaries have the right to request monthly benefit increases before the automated increase. However, SSA policy did not clearly explain the criteria that must be met for employees to grant the monthly benefit increase or what actions employees must take to release the increase. For example, SSA policy did not specify whether employees can grant a monthly benefit increase when the Agency does not have the beneficiary's complete earnings for all years subject to the earnings test.¹¹

⁸ SSA, *POMS*, RS 02510.015, B (November 29, 2023), RS 00615.480 (September 16, 2002), RS 00615.482 (December 7, 2023), and RS 02501.021, C (November 7, 2023).

⁹ SSA, *POMS*, RS 02510.001 (November 16, 2023).

¹⁰ *The Senior Citizens' Freedom to Work Act of 2000*, Pub. L. No. 106-182, 114 Stat. 198.

¹¹ SSA, *POMS*, RS 02510.015, B (November 29, 2023).

SSA policy advised employees they must take manual actions to release the monthly benefit increase but does not describe those manual actions.¹²

Based on SSA OIG's review of available SSA data, the Agency spent approximately \$70 million in administrative costs to enforce the earnings test in FY 2021. These costs included a variety of manual transactions SSA employees completed in FY 2021, including overpayment collection actions, to enforce the earnings test. However, the estimate is conservative as there were data limitations that prevented SSA OIG and SSA from quantifying many employee actions. For example, SSA systems did not capture data necessary to quantify the time the Agency's employees spend explaining and answering earnings test questions from the public.

SSA has opportunities to reduce its administrative costs to enforce the earnings test by excluding overpayments from the earnings enforcement process if the estimated cost to collect the overpayment exceeds the potential collection. According to SSA, in FY 2021, it cost approximately \$287 to collect an overpayment due the Retirement and Survivors Insurance Trust Fund. Based on this estimate, SSA will spend approximately \$8 million over multiple years to recover approximately 28,000 FY 2021 earnings test overpayments valued less than SSA's average recovery cost. SSA OIG did not conduct a full cost-benefit analysis of collecting low-dollar earnings test overpayments.

However, in a 2015 report, based on the results of a cost-benefit analysis, SSA OIG recommended SSA "... re-evaluate its process for collecting overpayments where the value of the overpayment is less than what SSA spends to collect the overpayment to ensure it expends resources on activities that result in the greatest return on investment."¹³ SSA agreed to implement the recommendation but subsequently determined it did not have sufficient data to determine the costs associated with collecting various types of overpayments.

Systems enhancements to improve the accuracy and timeliness of earnings test payments may also reduce SSA's administrative costs to enforce the earnings test. For example, SSA could save administrative expenses by allowing beneficiaries to submit earnings estimates and annual reports online for automated processing instead of requiring employees to process the earnings information. According to SSA, employees processed approximately 152,000 earnings estimates and annual reports in FY 2021. SSA already has processes in place for disabled beneficiaries to report their earnings online or through mobile devices. SSA could also reduce administrative expenses by reducing the number of enforcement cases its systems cannot automatically process. In addition, SSA OIG's prior review recommended SSA increase its use of Robotic Process Automation, where cost beneficial, when processing manual workloads.

Based on the findings of the 2024 audit, SSA OIG made ten recommendations for SSA to improve its administration of the earnings test. SSA agreed with the recommendations. As of March 2026, SSA has implemented seven of the ten recommendations. SSA OIG acknowledges SSA's ongoing efforts to implement the unimplemented recommendations, and SSA OIG continues monitoring these efforts to determine whether the Agency's actions in response to the recommendations address the root causes of the audit's findings.

¹² SSA, POMS, RS 00615.480 (September 16, 2002), RS 00615.482 (December 7, 2023), and RS 02501.021, C (November 7, 2023).

¹³ SSA, OIG, *Cost-benefit Analysis of Processing Low-dollar Overpayments*, A-07-14-14065, p. 9 (July 2015).

SSA must be a responsible steward of the funds entrusted to its care by minimizing the risk of making improper payments and recovering overpayments when they occur. Accordingly, SSA must improve how it receives and processes earnings information to ensure it issues accurate and timely payments to beneficiaries subject to the earnings test. Until SSA takes action to fix these issues, it will continue amassing overpayments and underpayments and causing inefficient use of employee time spent taking manual actions and collecting overpayments.

Thank you for holding this hearing today to discuss topics related to seniors in the workforce, including the impact and enforcement of SSA's earnings test, a leading cause of SSA overpayments for seniors. Thank you for the opportunity to submit the statement for the record.