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SOCIAL SECURITY PRIVATIZATION COULD FORCE THOUSANDS IN VIRGINIA INTO POVERTY

New Report Shows Social Security Privatization Could Cut Guaranteed Benefits By \$250K, Placing 181K Older People In Virginia At Risk Of Poverty

RICHMOND, VA. – Social Security privatization, embraced by **Sen. John McCain**, R-Ariz., would cut guaranteed benefits for thousands of future retirees in Virginia by thousands of dollars, according to a new report released today by the research arm of the Campaign for America's Future. Today's report shows that more than 181,000 older people living in Virginia would have a greater risk of falling into poverty, each losing more than \$250,000 over the course of their lifetimes, by the time a privatization plan like the one supported by Sen. McCain and **President Bush** is fully implemented.

Campaign for America's Future co-director **Roger Hickey**, whose organization has worked to defend and strengthen Social Security for more than a decade, said the popular program is at risk again.

"Social Security is very popular in Virginia, but its guaranteed benefits are in the national crossfire again," said Hickey. "Sen. McCain has been very clear about his plans to push privatization again despite the public backlash President Bush faced when he pushed his scheme a few years ago. The conservative ideologues just won't stop trying to privatize Social Security."

In Virginia, 1,180,000 people depend on their earned Social Security benefit every month, according to the Social Security Administration. Thousands of businesses and the state government also depend on the program. More than \$13.9 billion flows into the Virginia economy from Social Security each year.

Diverting a portion of payroll taxes into risky private accounts could force many people below the poverty line. More than 708,000 people in Virginia currently live in poverty, according to the U.S. Census. Meanwhile, 170,000 individuals depend on their guaranteed Social Security benefits for 90 percent or more of their income. The average Social Security check for individual retirees in Virginia is \$1,071 per month; it takes \$867 per month to stay above the federal poverty line. These Social Security recipients would be close to the edge and vulnerable to rising food, housing and energy costs.

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****NOTE: Media representatives interested in a copy of today's Virginia Social Security report should visit www.ourfuture.org/privatization. ****