

106TH CONGRESS
2^D SESSION

S. 2249

To amend title VII of the Social Security Act to require the Commissioner of Social Security to provide Congress with an annual report on the social security program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 20, 2000

Mr. GREGG (for himself, Mr. KERREY, Mr. BREAUX, Mr. BAYH) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title VII of the Social Security Act to require the Commissioner of Social Security to provide Congress with an annual report on the social security program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Security Report-

5 ing Improvements Act of 2000”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1 (1) The Social Security Advisory Board, the
2 Technical Panel on Assumptions and Methods of the
3 Social Security Advisory Board (in this Act referred
4 to as the “Panel”), and the Office of the Chief Actu-
5 ary of the Social Security Administration should be
6 commended for their professional, nonpartisan work
7 to project the future financial operations of the so-
8 cial security program established under title II of
9 the Social Security Act.

10 (2) The Panel reported its recommendations in
11 November 1999.

12 (3) The Panel recommended a series of changes
13 to current projections of the financial operations of
14 the social security program which would, if adopted,
15 increase existing estimates of the program’s un-
16 funded obligations.

17 (4) The Panel further recommended the use of
18 standards of comparison that emphasize program
19 sustainability, such as showing the program’s pro-
20 jected annual income rates, cost rates, and balances
21 with an emphasis that is equal to 75-year program
22 solvency.

23 (5) The Panel further recommended that re-
24 form proposals be evaluated using standards of com-
25 parison that include the proposal’s impact on the

1 Federal unified budget, as well as a recognition of
2 the funding shortfalls present under current law.

3 (6) The Panel made several other recommenda-
4 tions that are worthy of consideration, involving
5 issues that include, but are not limited to, workforce
6 participation, poverty rates among the elderly, and
7 assumptions regarding equity investment returns.

8 (7) Adoption of the Panel's recommendations
9 would assist in developing a fiscally responsible re-
10 form solution that avoids passing hidden costs to fu-
11 ture taxpayers.

12 **SEC. 3. ANNUAL REPORT FROM THE COMMISSIONER OF SO-**
13 **CIAL SECURITY.**

14 (a) IN GENERAL.—Section 704 of the Social Security
15 Act (42 U.S.C. 904) is amended by adding at the end the
16 following new subsection:

17 “Annual Report to Congress

18 “(f) The Commissioner, in conjunction with the Sec-
19 retary, the Secretary of the Treasury, and the Director
20 of the Office of Management and Budget, shall submit an
21 annual report to Congress that includes the following:

22 “(1) Projections of the old-age, survivors, and
23 disability insurance program's (in this subsection re-
24 ferred to as the ‘program’) annual income rates, cost
25 rates, and annual balances throughout the 75-year

1 valuation window used by the Board of Trustees of
2 the Federal Old-Age and Survivors Insurance Trust
3 Fund and the Federal Disability Insurance Trust
4 Fund (in this subsection referred to as the ‘Board
5 of Trustees’).

6 “(2) A clear and explicit presentation of the
7 program’s financing shortfalls, expressed as the ex-
8 cess in dollars of program outlays over revenues, in
9 years that the sum of payroll tax revenues and reve-
10 nues resulting from taxes imposed on benefits pro-
11 vided under the program are projected by the Board
12 of Trustees to be less than program outlays.

13 “(3) A presentation of benefit levels under the
14 program and tax rates throughout the long-range
15 valuation period used by the Board of Trustees that
16 reflects the extent to which benefits would need to
17 be reduced to be funded under currently projected
18 program revenues, and the percentage that taxes
19 would need to be increased in order to fund prom-
20 ised benefits.

21 “(4) An evaluation of the effects upon national
22 savings levels and on the fiscal operations of the
23 Federal Government of enacted provisions of law re-
24 lating to the program.

1 (3) The need for a clear and explicit presen-
2 tation of the anticipated reduction in the social secu-
3 rity program's unfunded obligations.

4 (4) Ensured continued solvency under alter-
5 native assumptions regarding mortality, fertility,
6 rates of return, and other appropriate economic and
7 demographic assumptions.

8 (5) The total amount of retirement income pro-
9 vided under proposed reform in comparison to a
10 standard that explicitly recognizes the benefit reduc-
11 tions or tax increases that enacted provisions of law
12 relating to the social security program would re-
13 quire, according to the estimates in the most recent
14 report of the Board of Trustees of the Federal Old-
15 Age and Survivors Insurance Trust Fund and the
16 Federal Disability Insurance Trust Fund.

17 (6) The long-term impact of the current projec-
18 tions of insolvency and of alternative reform pro-
19 posals upon workforce participation, poverty among
20 the elderly, national savings levels, and other issues
21 identified by the Panel.

22 **SEC. 5. SENSE OF CONGRESS REGARDING IMPLEMENTA-**
23 **TION OF RECOMMENDATIONS.**

24 It is the sense of Congress that the recommendations
25 of the Panel should be implemented to the extent deemed

1 reasonable by the Board of Trustees of the Federal Old-
2 Age and Survivors Insurance Trust Fund and the Federal
3 Disability Insurance Trust Fund, in consultation with the
4 agencies and offices that have research, estimating, and
5 reporting responsibilities pertinent to the social security
6 program.

○