

106TH CONGRESS
2D SESSION

S. 2381

To amend title XI of the Social Security Act to include additional information in social security account statements.

IN THE SENATE OF THE UNITED STATES

APRIL 7, 2000

Mr. MCCAIN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XI of the Social Security Act to include additional information in social security account statements.

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 “Straight Talk on Social
5 Security Act”.

6 **SEC. 2. MATERIAL TO BE INCLUDED IN SOCIAL SECURITY**
7 **ACCOUNT STATEMENT.**

8 Section 1143(a)(2) of the Social Security Act (42
9 U.S.C. 1320b–13(a)(2)) is amended—

10 (1) in subparagraph (C) by striking “and”;

1 (2) in subparagraph (D) by striking the period
2 and inserting “; and”; and

3 (3) by adding at the end the following new sub-
4 paragraph:

5 “(E)(i) as determined by the Chief Actuary of
6 the Social Security Administration—

7 “(I) a comparison of the annual social se-
8 curity tax inflows (including amounts appro-
9 priated under subsections (a) and (b) of section
10 201 of this Act and section 121(e) of the Social
11 Security Amendments of 1983 (26 U.S.C. 401
12 note)) to the amount paid in benefits annually;
13 and

14 “(II) a statement whether the ratio de-
15 scribed in subclause (I) will result in a cash
16 flow deficit and what year any such deficit will
17 commence, as well as the first year in which
18 funds in the Federal Old-Age and Survivors In-
19 surance Trust Fund and the Federal Disability
20 Insurance Trust Fund will cease to be sufficient
21 to cover any such deficit and the percentage of
22 benefits due at that time that could be paid
23 from the annual social security tax inflows (as
24 that term is used in subclause (I));

1 “(ii) an explanation that states in substance
2 that the Trust Funds balances reflect resources au-
3 thorized by Congress to pay future social security
4 benefits, but do not consist of real economic assets
5 that can be used in the future to fund benefits, and
6 that such balances are claims against the United
7 States Treasury that, when redeemed, must be fi-
8 nanced through increased taxes, public borrowing,
9 benefit reduction, or elimination of other Federal ex-
10 penditures; and

11 “(iii) an explanation, in simple and easily un-
12 derstood terms, of the average rate of return that a
13 taxpayer can expect to receive on old-age insurance
14 benefits as compared to the total amount of social
15 security taxes a taxpayer expects to pay, including
16 the inflation-adjusted average rate of return for
17 workers born in every year beginning with 1900, set
18 out in chart or graph form, with an explanatory cap-
19 tion or legend, as determined by the Chief Actuary
20 of the Social Security Administration.”.

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