

108TH CONGRESS
1ST SESSION

S. 368

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

FEBRUARY 12, 2003

Mr. McCAIN (for himself and Mr. GRAHAM of South Carolina) 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 of 2003”.

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—

1 (1) in subparagraph (C) by striking “and” at
2 the end;

3 (2) in subparagraph (D) by striking the period
4 and inserting a semicolon; and

5 (3) by adding at the end the following:

6 “(E) a statement of the current social security
7 tax rates applicable with respect to wages and self-
8 employment income, including an indication of the
9 combined total of such rates of employee and em-
10 ployer taxes with respect to wages; and

11 “(F)(i) as determined by the Chief Actuary of
12 the Social Security Administration, a comparison of
13 the total annual amount of social security tax
14 inflows (including amounts appropriated under sub-
15 sections (a) and (b) of section 201 of this Act and
16 section 121(e) of the Social Security Amendments of
17 1983 (42 U.S.C. 401 note)) during the preceding
18 calendar year to the total annual amount paid in
19 benefits during such calendar year;

20 “(ii) as determined by such Chief Actuary—

21 “(I) a statement of whether the ratio of
22 the inflows described in clause (i) for future cal-
23 endar years to amounts paid for such calendar
24 years is expected to result in a cash flow deficit,

1 “(II) the calendar year that is expected to
2 be the year in which any such deficit will com-
3 mence, and

4 “(III) the first calendar year in which
5 funds in the Federal Old-Age and Survivors In-
6 surance Trust Fund and the Federal Disability
7 Insurance Trust Fund will cease to be sufficient
8 to cover any such deficit;

9 “(iii) an explanation that states in substance—

10 “(I) that the Trust Fund balances reflect
11 resources authorized by the Congress to pay fu-
12 ture benefits, but they do not consist of real
13 economic assets that can be used in the future
14 to fund benefits, and that such balances are
15 claims against the United States Treasury that,
16 when redeemed, must be financed through in-
17 creased taxes, public borrowing, benefit reduc-
18 tion, or elimination of other Federal expendi-
19 tures,

20 “(II) that such benefits are established and
21 maintained only to the extent the laws enacted
22 by the Congress to govern such benefits so pro-
23 vide, and

24 “(III) that, under current law, inflows to
25 the Trust Funds are at levels inadequate to en-

1 sure indefinitely the payment of benefits in full;
2 and

3 “(iv) in simple and easily understood terms—

4 “(I) a representation of the rate of return
5 that a typical taxpayer retiring at retirement
6 age (as defined in section 216(l)) credited each
7 year with average wages and self-employment
8 income would receive on old-age insurance bene-
9 fits as compared to the total amount of em-
10 ployer, employee, and self-employment contribu-
11 tions of such a taxpayer, as determined by such
12 Chief Actuary for each cohort of workers born
13 in each year beginning with 1925, which shall
14 be set out in chart or graph form with an ex-
15 planatory caption or legend, and

16 “(II) an explanation for the occurrence of
17 past changes in such rate of return and for the
18 possible occurrence of future changes in such
19 rate of return.

20 The Comptroller General of the United States shall con-
21 sult with the Chief Actuary to the extent the Chief Act-
22 ary determines necessary to meet the requirements of sub-
23 paragraph (F).”.

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