

115TH CONGRESS  
2D SESSION

# H. R. 7269

To amend title II of the Social Security Act to make the Social Security Trustees Report process more accountable and transparent, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 12, 2018

Mr. SAM JOHNSON of Texas introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend title II of the Social Security Act to make the Social Security Trustees Report process more accountable and transparent, 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 Trust-  
5 ees Report Accountability, Transparency, and Improve-  
6 ment Act of 2018”.

7 **SEC. 2. MANAGEMENT OF THE TRUST FUNDS.**

8 Section 201(c) of the Social Security Act is amended  
9 to read as follows:

1           “(c)(1) With respect to the Federal Old-Age and Sur-  
2           vivors Insurance Trust Fund and the Federal Disability  
3           Insurance Trust Fund (hereinafter in this title called the  
4           ‘Trust Funds’) there is hereby created a body to be known  
5           as the Board of Trustees of the Trust Funds (hereinafter  
6           in this title called the ‘Board of Trustees’) which Board  
7           of Trustees shall be composed of the Commissioner of So-  
8           cial Security, the Secretary of the Treasury, the Secretary  
9           of Labor, and the Secretary of Health and Human Serv-  
10          ices, all ex officio, and of four members of the public (here-  
11          inafter in this title called ‘public trustees’), to be ap-  
12          pointed in accordance with paragraph (2). The Secretary  
13          of the Treasury shall be the Managing Trustee of the  
14          Board of Trustees (hereinafter in this title called the  
15          ‘Managing Trustee’). The Deputy Commissioner of Social  
16          Security shall serve as Secretary of the Board of Trustees.  
17          The Board of Trustees shall meet not less frequently than  
18          once each calendar year. A person serving on the Board  
19          of Trustees shall not be considered to be a fiduciary and  
20          shall not be personally liable for actions taken in such ca-  
21          pacity with respect to the Trust Funds.”.

22       **SEC. 3. APPOINTMENT AND TERMS OF PUBLIC TRUSTEES.**

23           Section 201(c) of the Social Security Act, as amended  
24          by section 2, is further amended by adding at the end the  
25          following:

1 “(2)(A) Public trustees shall be appointed as follows:

2 “(i) Two members (each member from a dif-  
3 ferent political party) shall be appointed by the  
4 President pro tempore of the Senate with the advice  
5 of the Chairman and the Ranking Minority Member  
6 of the Senate Committee on Finance.

7 “(ii) Two members (each member from a dif-  
8 ferent political party) shall be appointed by the  
9 Speaker of the House of Representatives, with the  
10 advice of the Chairman and the Ranking Minority  
11 Member of the House Committee on Ways and  
12 Means

13 “(B)(i) Except as provided in clause (iii), each public  
14 trustee shall serve for a term beginning on the day after  
15 the expiration of the term of such member’s predecessor  
16 and expiring on the fourth April 1 occurring during such  
17 term (or, if later, the date on which the fourth report of  
18 the Board is issued under paragraph (3)(A)(ii) during  
19 such term).

20 “(ii) A public trustee may not serve more than two  
21 consecutive full terms. A public trustee nominated and  
22 confirmed to fill a vacancy occurring during a term shall  
23 be nominated and confirmed only for the remainder of  
24 such term.

1       “(iii) Clause (i) shall be applied with respect to initial  
2 appointments under this paragraph—

3           “(I) by substituting ‘first’ for ‘fourth’ each  
4 place it appears in clause (i) with respect to one of  
5 the public trustees appointed by the President pro  
6 tempore of the Senate (as designated by the Presi-  
7 dent pro tempore of the Senate at the time of nomi-  
8 nation);

9           “(II) by substituting ‘second’ for ‘fourth’ each  
10 place it appears in clause (i) with respect to one of  
11 the public trustees appointed by the Speaker of the  
12 House of Representatives (as designated by the  
13 Speaker of the House of Representatives at the time  
14 of nomination); and

15           “(III) by substituting ‘third’ for ‘fourth’ each  
16 place it appears in clause (i) with respect to one of  
17 the public trustees appointed by the President pro  
18 tempore of the Senate (as designated by the Presi-  
19 dent pro tempore of Senate at the time of nomina-  
20 tion).”.

21 **SEC. 4. DUTIES OF THE BOARD AND THE PUBLIC TRUST-**

22 **EES.**

23       Section 201(c) of the Social Security Act, as amended  
24 by sections 2 and 3, is further amended by adding at the  
25 end the following:

1       “(3)(A) It shall be the duty of the Board of Trustees  
2 to—

3               “(i) hold the Trust Funds;

4               “(ii) report to the Congress not later than the  
5 first day of April of each year on the operation and  
6 status of the Trust Funds during the preceding cal-  
7 endar year (and during the preceding fiscal year)  
8 and on their expected operation and status during  
9 the next ensuing 75 calendar years (and during the  
10 next ensuing 75 fiscal years);

11              “(iii) report immediately to the Congress when-  
12 ever the Board of Trustees is of the opinion that the  
13 amount of either of the Trust Funds is unduly  
14 small;

15              “(iv) recommend improvements in administra-  
16 tive procedures and policies designed to effectuate  
17 the proper coordination of the Old-Age, Survivors,  
18 and Disability Insurance program and the Federal-  
19 State unemployment compensation program; and

20              “(v) review the general policies followed in man-  
21 aging the Trust Funds, and recommend changes in  
22 such policies, including necessary changes in the  
23 provisions of the law which govern the way in which  
24 the Trust Funds are to be managed.

25       “(B) It shall be the duty of the public trustees to—

1           “(i) in any case in which the Board of Trustees  
2 determines that the report provided for in subpara-  
3 graph (A)(ii) will not be completed by the first day  
4 of April, to provide written notification of the ex-  
5 pected issue date to the Committee on Ways and  
6 Means of the House of Representatives and the  
7 Committee on Finance of the Senate not later than  
8 the first day of March, and written notification of an  
9 updated expected issue date not later than 14 days  
10 prior to the issue date; and

11           “(ii) at the time such report is issued, report to  
12 the Congress responding to recommendations from  
13 the Social Security Advisory Board received during  
14 the previous year regarding the techniques, meth-  
15 odologies, actuarial assumptions, and cost estimates  
16 used in such report.”.

17 **SEC. 5. TRUSTEES REPORT.**

18           Section 201(c) of the Social Security Act, as amended  
19 by sections 2, 3, and 4, is further amended by adding at  
20 the end the following:

21           “(4) The report provided for in paragraph (3)(A)(ii)  
22 shall include the following:

23           “(A) A statement of the assets of, and the dis-  
24 bursements made from, the Trust Funds during the  
25 preceding calendar year (and during the preceding

1 fiscal year) and an estimate of the expected future  
2 income to, and disbursements to be made from, the  
3 Trust Funds during each of the next ensuing 75 cal-  
4 endar years (and during the next ensuing 75 fiscal  
5 years).

6 “(B) A statement of the actuarial status of the  
7 Trust Funds, including—

8 “(i) a finding by the Board of Trustees as  
9 to whether the Federal Old-Age and Survivors  
10 Insurance Trust Fund and the Federal Dis-  
11 ability Insurance Trust Fund, individually and  
12 collectively, are in close actuarial balance (as  
13 defined by the Board of Trustees); and

14 “(ii) an actuarial opinion by the Chief Ac-  
15 tuary of the Social Security Administration cer-  
16 tifying that the techniques and methodologies  
17 used are generally accepted within the actuarial  
18 profession and that the assumptions and cost  
19 estimates used are reasonable.

20 “(C) An assessment of the previous annual re-  
21 port made in the first calendar year of the 10-cal-  
22 endar year period ending on the first day of the cal-  
23 endar year in which such report is made comparing  
24 the projected values in such previous annual report  
25 of each demographic and economic assumption made

1 for each of the 10 calendar years in such period with  
2 the actual data available with respect to each such  
3 assumption for each such calendar year.

4 “(D) An actuarial analysis of the benefit dis-  
5 bursements made from the Federal Old-Age and  
6 Survivors Insurance Trust Fund with respect to dis-  
7 abled beneficiaries.

8 Such report shall be printed as a House document of the  
9 session of the Congress to which the report is made. Such  
10 report shall also include the full names of the attendees  
11 of the Trustees Working Group during the report’s devel-  
12 opment.”.

13 **SEC. 6. EFFECTIVE DATE.**

14 The amendments make by this Act shall apply with  
15 respect to public trustees appointed for terms beginning  
16 after April 1, 2019, and with respect to reports issued for  
17 fiscal years after 2018.

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