



December 4, 2019

The Honorable John B. Larson
Chairman, Subcommittee on Social Security
Committee on Ways and Means
1501 Longworth House Office Building
Washington, D.C. 20515

The Honorable Ron Wyden
Ranking Member
Committee on Finance
221 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Vern Buchanan
2427 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Bill Cassidy, M.D.
520 Hart Senate Office Building
Washington, D.C. 20510

Dear Chairman Larson, Congressman Buchanan, Ranking Member Wyden and Senator Cassidy:

On behalf of the millions of members and supporters of the National Committee to Preserve Social Security and Medicare, I am writing to endorse your bill, the Know Your Social Security Act. This important legislation requires the Social Security Administration to resume annual mailing of Social Security statements to all of the estimated 150 million American workers who are eligible to receive them, and have not otherwise accessed them through their My SSA account.

For nearly a decade now, SSA has unilaterally nullified section 1143 of the Social Security Act by refusing to mail annual statements to workers, even though section 1143 is unambiguously clear that such statements are required. The Know Your Social Security Act clarifies that mailings are required, a measure that is deeply appreciated by our members.

The Social Security statement is one of the many enduring legacies left to the nation by one of its most distinguished lawmakers, Senator Daniel Patrick Moynihan of New York. He regarded the statement as a simple and efficient way of building public support and understanding for Social Security. Not surprisingly, Senator Moynihan's simple, common sense amendment worked as intended while SSA was producing the statements each year. In fact, the bipartisan Social Security Advisory Board of 10 years ago found that SSA's own survey data showed "...a link between increasing public confidence and receipt of a statement. People who receive a statement not only experience higher knowledge of Social Security than non-recipients, but also exhibit greater confidence that the program still will be there for them when they need it." ¹

The statement also raises workers' awareness of the need for retirement planning by focusing attention on their future retirement income. It brings clarity to an often confusing and perplexing subject by providing a starting point: the individual's estimated Social Security benefits, whether retirement, survivors or disability insurance. From there, workers can determine how much more they need to save for the future. Because the statements were intended to reach people early in their working lives, they provided an invaluable service.

Another important function of the Social Security statement, if it were to be delivered annually as Congress intended, would be to enable workers to determine the accuracy of the wage records maintained by SSA for each worker. As the statement indicates, workers are encouraged to review the chart showing their reported wages, comparing the amounts reflected on SSA's records with information from the worker's own records.

Workers are further advised that only they can perform this function and that they should report discrepancies to SSA as soon as possible.

We have been especially concerned that, with the suspension of statements to all but those who are approaching retirement age, few workers have been able to check the accuracy of SSA's wage records. The annual statement, when it was being provided, helped to assure that if errors were made in the reporting of wages that they could be quickly discovered and corrected while the required evidence would still be readily at hand. Since SSA has suspended the statements now for nearly a decade, we are concerned that many errors in SSA's records will go undetected and that some workers' benefits will be reduced as a result.

As mentioned earlier, one function performed by annual distribution of Social Security statements was to inform workers of the kinds of benefits that are provided by Social Security. The statements focused on retirement, survivors, and disability benefits. In other words, the statements were an invaluable annual tutorial of what Social Security is all about. And knowledge about Social Security is vitally important to the successful functioning of the program. We see that reflected in recent work that finds that one reason for the seemingly inexplicable recent decline in disability applications is related to the suspension of the statements.² Clearly, restoration of annual production and mailing of the annual statements, as is required in the Know Your Social Security Act, is long overdue.

When it was being mailed to all eligible workers, the Social Security statement was able to play a critical role in building and strengthening public confidence in Social Security. It provided workers with the only meaningful pre-retirement information that they ever received about the program and the benefits they could expect when they retire or otherwise qualify for benefits. SSA's decision to end annual mailings has harmed many workers. It is time for SSA to undo this harmful decision and to follow the clear, unambiguous requirements of the law to mail statements to all eligible workers. We applaud you for your leadership in introducing the Know Your Social Security Act, and look forward to working with you to enact this important measure.

Sincerely,

A handwritten signature in cursive script that reads "Max Richtman".

Max Richtman
President and CEO

¹ Social Security Advisory Board, “The Social Security Statement and How it can be Improved,” August 2009, p. 16.

² Philip Armour, “The Role of Information in Disability Insurance Application: An Analysis of the Social Security Statement Phase-In. *American Economic Journal: Economic Policy*, 2018.