

# SB-11

Restoring national confidence in Social Security by reforming the Social Security Program in such a manner as to both substantially increase Social Security revenue and fully, financially support future generations, thereby ensuring the program's longevity

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## IN THE SENATE OF THE AMERICAN LEGION BOYS NATION

Mr. Schotzko of Minnesota introduced the following bill;

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## A BILL

Restoring national confidence in Social Security by reforming the Social Security Program in such a manner as to both substantially increase Social Security revenue and fully, financially support future generations, thereby ensuring the program's longevity

*Be it enacted by The American Legion Boys Nation Senate assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security Confidence Act".

### Section 2. Reforming Social Security.

Whereas Social Security, the nation's largest federal program that provides crucial cash payments to retirees; people with disabilities; and their spouses, survivors, and dependents, is projected to begin running annual deficits for the foreseeable future, threatening its ability to pay full benefits within the next 15 years. As a result, national confidence in the future of the social security program has dissipated, which has noticeably reduced generational confidence in the American legislative system.

This act will take substantive measures to combat such as has arisen due to Social Security uncertainty.

### Section 3. Extending Payroll Tax Maximums.

Beginning in 2023, the cap on earnings subject to payroll tax for the purpose of Social Security shall be raised by \$20,000 per individual earner to \$167,000 per individual earner per year. Each subsequent year until the cap reaches \$500,000 per individual earner and \$800,000 total per married couple, the cap shall be raised an equivalent amount adjusted for inflation.

(1) In 2022, Only \$147,000 of a worker's earnings is subject to the 12.4% Social Security taxes. That current arrangement means that roughly 85% of wages are subject to taxation. Increasing that cap would result in a more stable financial future for Social Security

(2) This marks an increase from the current payroll tax cap of \$147,000 per individual earner

(3) The gradual shift to a higher payroll tax cap will grant taxpayers the opportunity to budget for the increase in taxes in advance

### Section 4. Raising Full Retirement Age.

Beginning in 2023, for those turning 62, Social Security full retirement qualification age shall increase to precisely 67 years 3 months. For each citizen turning 62 in each subsequent year, the Social Security full retirement qualification age shall increase an additional three months until it reaches 69 years of age for those turning 62 in 2030.

(1) Social Security was enacted at a time when U.S. life expectancy was roughly 60.7 years of age and full retirement qualification age was 65. U.S. life expectancy has since reached roughly 77.3 years of age and full retirement qualification age has only risen to 67. Raising the qualifying age to 69 allows Social Security to retain some capital solely for the purpose of solidifying the longevity of Social Security without robbing U.S. Citizens of nearly a decade of expected financial support in an attempt to rectify the proportional discrepancy between 1935 and today.

(2) This marks an increase from the current full retirement qualification age of 67

(3) The drastic nature of this policy necessitates a gradual shift as to provide beneficiaries ample

opportunity to financially prepare for suspended benefits

(4) Persons who delay collecting Social Security past their full retirement age are currently entitled to delayed retirement credits that increase their monthly benefits 8 percent for every year they delay up to age 70. This act will extend delayed retirement credits to three years past the full retirement qualification age at the time beneficiaries turn 62, meaning to age 72 for those who turn 62 in 2030 and beyond

#### Section 5. Modifying C.O.L.A.s.

Beginning in 2030, all C.O.L.A.s, as they pertain to Social Security benefits, shall be calculated based on estimated changes in consumer price index specifically for a person aged 62 or older living in their home congressional district.

(1) Beneficiaries must receive the full benefits necessary to meet actual living costs of an elderly individual before Social Security confidence can improve. With the influx of funding resulting from actions outlined in sections 3 and 4 of the Social Security Confidence Act, this becomes possible

(2) C.O.L.A.s will now correlate with average spending specifically by adults aged 62 and older and their families

(3) This differs from how C.O.L.A.s are currently calculated. C.O.L.A.s are currently based on changes in the consumer price index for urban wage earners and clerical workers