

Congress of the United States
Washington, DC 20510

August 31, 2020

Stephen Goss
Chief Actuary
Social Security Administration
6401 Security Blvd.
Baltimore, MD 21235

Dear Mr. Goss:

We write to express our concern regarding the use of your office for political purposes. The American public expects and deserves a fair assessment of the Social Security program's financial status and effects of proposed legislation, however actions over the past several years raise concerns about the true independence of the Office of the Chief Actuary. Use of the Office of the Chief Actuary to score political points is unacceptable and cannot continue.

On June 7, 2016, Senators Warren, Schumer, and Whitehouse published an essay in HuffPost alleging that intellectual and political biases of a Public Trustee led to an overstatement of financial challenges facing Social Security's trust funds.¹ They wrote that "...the 2014 trustees report curiously incorporated a number of assumptions playing up the potential future insolvency of the program — a key talking point in the right-wing war on Social Security. These assumptions were so troubling that the independent Chief Actuary for Social Security took the unprecedented step of writing a public statement of actuarial opinion disagreeing with the report. After similarly questionable elements appeared in the 2015 report, the Chief Actuary repeated this extraordinary public rebuke."

Those allegations gained national attention, including discussions in at least one hearing in Congress, and threatened public confidence in the integrity of the Social Security Trustees' reports. The allegations were also, as you know, patently false.² They were used for purely political purposes to feed a smear campaign against a nominee for the position of Public Trustee

¹ See, "The Koch Brothers Are Trying to Handpick Government Officials. We Have To Stop Them.," HuffPost, June 7, 2016 (available at https://www.huffpost.com/entry/koch-brothers-charles-blahous_b_10325224).

² [https://www.finance.senate.gov/imo/media/doc/2019-06-21%20CEG%20to%20SSAB%20Technical%20Panel%20\(Assessment%20of%20Democrat%20Allegations%20regarding%20Trustees%20Report\).pdf](https://www.finance.senate.gov/imo/media/doc/2019-06-21%20CEG%20to%20SSAB%20Technical%20Panel%20(Assessment%20of%20Democrat%20Allegations%20regarding%20Trustees%20Report).pdf)

for the Social Security and Medicare trust funds, painting him as a “Koch-Funded” individual who would undermine retirement security of Americans.³

Because your position was being used to perpetuate falsehoods in the run-up to a Presidential election, we would have expected you to have promptly cleared the record. You did not. Then-Chairman Hatch of the Senate Finance Committee repeatedly laid bare the lies contained in the politically-motivated smear campaign, on the Senate floor,⁴ and in the Senate Finance Committee.⁵ He also identified that the allegations put forward by the Senators had “injected needless politics into Social Security trustee reports, and have threatened the integrity of those very reports.” Nonetheless, you remained silent.

It was not until you were forced by questioning from then-Chairman Sam Johnson at a House Ways and Means Social Security Subcommittee hearing that you weakly disavowed the lies fueling political smear campaigns.⁶ Of course, by that time, skewed political ads were being used to mislead voters, and threats to “the perceived nonpartisanship and objectivity of key government reports” were noticed even by the liberal Washington Post.⁷

We now approach another Presidential election, and your office has once again been asked to contribute to a politically motivated effort to mislead voters. On August 19 of this year, Senators Van Hollen, Sanders, Wyden, and Schumer wrote to you asking for an analysis of “hypothetical legislation” to eliminate FICA and SECA taxes used to fund Social Security programs.⁸ The intention behind the Senators’ inquiry was clear: argue that the President would “terminate” payroll taxes that fund Social Security, leaving the trust funds without that important source of revenue, and then argue that the President and others want to destroy Social Security.⁹

Your response to the Senators’ letter was disappointing, to say the least. The “hypothetical” legislation that the authors of the letter identify they would not support has not been proposed by anyone and has never, to our knowledge, been proposed or referred to the Senate Finance Committee or Committee on Ways and Means, at least in modern history. Nonetheless, your analysis of the hypothetical that no one supports appears on your office’s website under “Office

³ <https://www.dsc.org/news/gop-senators-vote-koch-funded-architect-social-security-privatization/>

⁴ See, for example, <https://www.finance.senate.gov/chairmans-news/hatch-calls-out-senate-democrats-manufactured-controversy-on-obama-trustee-nominee>.

⁵ See, for example, <https://www.finance.senate.gov/chairmans-news/hatch-statement-at-finance-committee-executive-session-on-social-security-and-me-dicare-trustees-nominations>.

⁶ In testimony before Congress, in response to a question from then-Chairman Sam Johnson about whether a single Public Trustee “somehow managed to take over the process and changed assumptions in the report to overstate Social Security’s troubles” Social Security’s Chief Actuary stated that “I’ve never seen anybody capable of overwhelming the five others.” See the recording of the House Ways and Means Subcommittee on Social Security’s June 22, 2016 hearing.

⁷ https://www.washingtonpost.com/opinions/the-showdown-democrats-dont-need-to-have/2016/06/14/0b753d96-319c-11e6-8ff7-7b6c1998b7a0_story.html

⁸ <https://www.vanhollen.senate.gov/download/van-hollen-letter-to-ssa-actuary-on-payroll-tax>

⁹ <https://twitter.com/ChrisVanHollen/status/1296547485272494081>

of the Chief Actuary’s Estimates of Proposals to Change Social Security,”¹⁰ and news reports have characterized your analysis as a warning of a possible end to Social Security benefits.¹¹

In your response to the Senators’ letter, you did identify that, aside from the Democrat Senators who authored the letter, no one has proposed the legislation to zero-out FICA and SECA taxes for which they requested analysis. You also correctly identified that past payroll tax holidays enacted by President Obama provided General Fund transfers from Treasury to Social Security’s trust funds (breaking the link between worker contributions and their attendant benefits, a supposed bedrock foundation of Social Security) to offset effects on trust funds.

Unfortunately, you did not stop there. While you could have pointed out that effects on trust funds of the legislation that the four Democrat Senators were putting forward are readily discernible from the most recent trustees report, you did not. Rather, you proceeded to put your office’s imprimatur on the hypothetical legislation to display the obvious: absent sources of revenue from FICA and SECA payroll taxes, Social Security trust funds would deplete rapidly and benefits could not be paid. That, as you know, provided fuel for the ensuing misleading political messaging that was the most likely desired outcome of the Senators’ inquiry on their “hypothetical.”¹²

In the same spirit of inquiring about a legislative hypothetical that an inquirer does not support, it would seem entirely consistent to inquire about “hypotheticals” that Democrats may not have proposed, but could be linked to them through innuendo. It would be consistent for someone to ask you about “hypothetical” legislation to significantly cut Social Security benefits, arguing that while the legislation is not something that they would support, it would be of interest to obtain analysis.

Senator Sanders has identified that former Vice President Biden has a long history of advocating cuts in safety net programs, and that Mr. Biden was “talking about the necessity—with pride—about cutting Social Security, cutting Medicare, cutting veterans programs.”¹³ It would be straightforward for someone to write to you, the Chief Actuary, identifying that “while we would not be supportive of this hypothetical legislation,” please analyze “hypothetical” legislation involving Social Security benefit cuts of the types that Senator Sanders has alleged Vice President Biden has a long history of supporting. The next step, upon receiving your analysis, would be to argue that Mr. Biden, with a long history, according to Senator Sanders, of talking about cuts to safety net programs, would push to enact such legislation. That, as with the letter you received recently from Senators Van Hollen, Sanders, Wyden, and Schumer, would be a politically-motivated use of your office. We believe that you are aware of that, and would prefer not to have your office used for political reasons, as you understand the important role of independent scorekeeping.

¹⁰ <https://www.ssa.gov/oact/solvency/index.html>

¹¹ See, for example, <https://www.nbcnews.com/politics/politics-news/terminating-payroll-tax-could-end-social-security-benefits-2023-chief-n1238021>.

¹² <https://twitter.com/ChrisVanHollen/status/1298046095742963713>;
<https://twitter.com/SSWorks/status/1298625721938714624>

¹³ <https://www.youtube.com/watch?v=9X3UiSvgle0>

Unfortunately, you continue to remain silent, in the face of numerous partisan and distorted claims that the President intends to entirely remove, for all time, revenue streams necessary to fund Social Security. To preserve the integrity and public trust of your office, please clarify that the political claims, facilitated by your response to the Senators' letter, of some "plan" to "destroy Social Security"¹⁴ or permanently deplete trust funds¹⁵ are false and misleading. Please, also, reaffirm that the "hypothetical legislation" that no one supports does not correspond to any proposal by the Administration, Member of the House of Representatives, or Senator, including those who requested the analysis. We ask that you do so via a written response to this letter and that you make your response publicly available in the same location of the website cataloging proposals scored by your office.

Social Security is an important program on which millions of Americans rely, and it is facing serious financial challenges to its long term viability. As the Chief Actuary, you have an important role helping Congress and the American people understand the implications of proposed changes to the program. We take seriously the responsibility to ensure Social Security remains strong for generations to come and know the American people expect and deserve real conversations about how to do just that. It is unfortunate that some seek to use your office for election-year partisan scare tactics and we expect that in the future, you will not honor requests that serve no purpose beyond political posturing and are not grounded in serious inquiry. We look forward to your prompt reply.

Sincerely,



Chuck Grassley
Chairman
Senate Finance Committee



Kevin Brady
Ranking Member
Committee on Ways and Means

cc: The Honorable Andrew Saul, Commissioner of Social Security and Trustee of the Old Age, Survivors, and Disability Insurance Trust Funds

The Honorable Steven Mnuchin, Secretary of the Treasury and Managing Trustee of the Old Age, Survivors, and Disability Insurance Trust Funds

¹⁴ <https://socialsecurityworks.org/2020/08/24/if-donald-trump-is-reelected-he-will-destroy-social-security/>;

¹⁵ <https://twitter.com/ChrisVanHollen/status/1298046095742963713>