

HR 4895

Individual Social Security Investment Program Act of 2004

Congress: 108 (2003–2005, Ended)

Chamber: House

Policy Area: Social Welfare

Introduced: Jul 22, 2004

Current Status: Referred to the Subcommittee on Social Security.

Latest Action: Referred to the Subcommittee on Social Security. (Aug 3, 2004)

Official Text: <https://www.congress.gov/bill/108th-congress/house-bill/4895>

Sponsor

Name: Rep. Johnson, Sam [R-TX-3]

Party: Republican • **State:** TX • **Chamber:** House

Cosponsors (18 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Bartlett, Roscoe G. [R-MD-6]	R · MD		Jul 22, 2004
Rep. Burton, Dan [R-IN-5]	R · IN		Jul 22, 2004
Rep. Doolittle, John T. [R-CA-4]	R · CA		Jul 22, 2004
Rep. Dunn, Jennifer [R-WA-8]	R · WA		Jul 22, 2004
Rep. Feeney, Tom [R-FL-24]	R · FL		Jul 22, 2004
Rep. Flake, Jeff [R-AZ-6]	R · AZ		Jul 22, 2004
Rep. Franks, Trent [R-AZ-2]	R · AZ		Jul 22, 2004
Rep. Hoekstra, Peter [R-MI-2]	R · MI		Jul 22, 2004
Rep. Otter, C. L. (Butch) [R-ID-1]	R · ID		Jul 22, 2004
Rep. Pitts, Joseph R. [R-PA-16]	R · PA		Jul 22, 2004
Rep. Shadegg, John B. [R-AZ-3]	R · AZ		Jul 22, 2004
Rep. Smith, Nick [R-MI-7]	R · MI		Jul 22, 2004
Rep. Toomey, Patrick J. [R-PA-15]	R · PA		Jul 22, 2004
Rep. Wilson, Joe [R-SC-2]	R · SC		Jul 22, 2004
Rep. Linder, John [R-GA-7]	R · GA		Sep 22, 2004
Rep. Bishop, Rob [R-UT-1]	R · UT		Oct 4, 2004
Rep. Miller, Jeff [R-FL-1]	R · FL		Oct 4, 2004
Rep. Cannon, Chris [R-UT-3]	R · UT		Oct 8, 2004

Committee Activity

Committee	Chamber	Activity	Date
Ways and Means Committee	House	Referred to	Aug 3, 2004

Subjects & Policy Tags

Policy Area:

Social Welfare

Related Bills

No related bills are listed.

Summary (as of Jul 22, 2004)

Individual Social Security Investment Program Act of 2004 - Amends title II (Old Age, Survivors, and Disability Insurance) (OASDI) of the Social Security Act to add a new part B (Individual Social Security Investment Program) to change Social Security into a system of individual accounts where workers born on or after January 1, 1950, who have elected to participate in the new part B program have ownership of and control over the investment of their retirement funds in various investment vehicles: (1) Tier I Investment Fund; (2) Tier II Investment Fund; and (3) Tier III Investment Accounts.

Allows participating workers choosing the individual account option to have 100 percent of their redirected Social Security contribution for the calendar year (6.2 percent of the sum of the total wages paid to, and self-employment income derived by, the participant) deposited into the Tier I Investment Fund. Provides for transfer of any amount held in the Tier I Investment Fund into the Tier II Investment Fund, and for an individual's first election of a Tier III investment account once the total balance of the Tier II account exceeds the minimum deposit balance of \$10,000.

Directs the Executive Director to establish and maintain a part B totalization account for each participant.

Provides that workers choosing the individual account under the Tier II option with a variety of investment options, with the initial default option set at 60 percent stocks, and 40 percent bonds.

Provides for retirement distributions, including purchase of annuities.

Provides that workers who choose the individual account option shall receive a recognition bond, redeemable upon reaching retirement age, based on the accrued value of their lifetime to date benefits.

Establishes in the executive branch of the Government an Individual Unvestment Board to administer the program established under this Act.

Amends the Internal Revenue Code to exempt from income taxation any fund created, account established, or annuity under part B of title II of the Social Security Act, unless subject to taxes on unrelated business income of charitable organizations. Excludes from the gross income of a distributee or payee: (1) any fund or account distribution or any annuity payment; or (2) the value of a recognition bond issued to a participant, or the proceeds from its sale or redemption.

Amends SSA title II to provide that, except with respect to determination of disability insurance benefits, a participant shall not be credited with wages or self-employment income under part B of SSA title II.

Provides for the maintenance of adequate balances in the Social Security trust funds.

Actions Timeline

- **Aug 3, 2004:** Referred to the Subcommittee on Social Security.
- **Jul 22, 2004:** Introduced in House
- **Jul 22, 2004:** Introduced in House
- **Jul 22, 2004:** Referred to the House Committee on Ways and Means.