

Federal Retirement Investment Board Act (FRIBA)

A Bipartisan Solution to Sustain Social Security Without Raising Taxes or Cutting Benefits

Executive Summary

As a 23-year-old, I'm required to pay into Social Security every paycheck--but unless something changes, I'm unlikely to receive the full benefits I'm promised. I'm not alone. Millions of younger Americans are being asked to support a system that is mathematically unsustainable and politically neglected.

I don't want to dismantle Social Security. I want to protect it--for current retirees, and for my own generation. That's why I've developed a reform plan that:

- Requires no benefit cuts
- Requires no tax increases for the middle class
- Makes Social Security permanently solvent using proven financial tools

The Core of the Plan: Smarter, Independent Investment

Instead of putting all Social Security funds into government IOUs (Treasuries), we create a Federal Retirement Investment Board (FRIB)--an independent public institution modeled after the Federal Reserve and inspired by Norway's pension system.

This board will:

- Invest a portion of the trust fund in safe, diversified assets (e.g., AAA-rated corporate bonds)
- Be independent of Congress and free from lobbying

- Publicly report all decisions, votes, and results
- Use strict rules-based investing--no speculation or stock picking

Phase 1: Immediate Solvency Fix (Adds 7-10 Years)

By boosting investment returns from ~2% to ~4%, we can extend Social Security's solvency into the 2040s without cutting benefits or raising taxes.

Phase 2: Permanent Fix (Builds a Public Endowment Fund)

We gradually create a self-sustaining public investment pool, just like Canada and Norway have done. This fund supplements payroll taxes with investment income forever.

We also:

- Apply the Social Security tax to income above \$400,000
- Slowly raise the retirement age for Gen Z and younger
- Slightly reduce inflation increases for retirees making over \$100K/year

Why This Matters for Young People

- We pay into Social Security now--but we don't believe it'll be there for us later
- This plan gives us a reason to believe again
- It protects retirees without sacrificing our future
- It uses smart, ethical investing--not ideology or fear--to stabilize the system

Conclusion

This isn't privatization. It's professionalization.

It's not about ideology. It's about intergenerational fairness.

If you're a policymaker, journalist, or fellow citizen who believes in a future where Social Security still works, I'd love to talk. This plan is real. It's ready. And it's built by someone who has the most at stake: my generation.

Full Legislative Proposal

Section I: Purpose

To establish the Federal Retirement Investment Board (FRIB)--an independent, nonpartisan public body empowered to prudently manage and diversify the Social Security Trust Fund's investments--enhancing long-term solvency while maintaining benefit guarantees and public trust.

Section II: Objectives

- Preserve full Social Security benefits beyond 2034
- Avoid increases in payroll taxes or raising retirement age
- Strengthen public confidence in the solvency of the Social Security system
- Insulate trust fund management from political interference, lobbying, or private capture
- Align with best practices of sovereign wealth and public pension funds (e.g., Norway, Canada, Thrift Savings Plan)

Section III: Governance Structure

Federal Retirement Investment Board (FRIB)

Board Composition (7 Voting Members)

- 3 members nominated from Democratic leadership lists
- 3 members nominated from Republican leadership lists
- 1 independent member jointly nominated by:
 - Chair of the Federal Reserve Board
 - Director of the Congressional Budget Office
- Confirmed by a two-thirds vote of the U.S. Senate

Term Limits and Independence

- 14-year non-renewable, staggered terms
- Members may only be removed for cause (e.g., gross misconduct or ethics violations)

Qualifications and Integrity Requirements

- Minimum 15 years of experience in finance, economics, public trust fund management, or actuarial science
- Lifetime lobbying ban: Any individual who has ever registered as a federal, state, or corporate lobbyist shall be permanently ineligible to serve
- Mandatory financial disclosures and recusals for any potential conflict of interest
- Appointees must not have held partisan political office within 5 years of nomination

(Continued in attached document)

Section IV: Investment Mandate and Guidelines

Eligible Asset Classes

- U.S. Treasuries (no limit)
- AAA-rated U.S. corporate bonds (up to 30%)
- Sovereign foreign bonds rated AA or higher (up to 10%)
- Broad equity index funds (e.g., S&P 500, Russell 3000) - capped at 20%, phased in over 10 years

Prohibited Investments

- Individual stocks, sector funds, or thematically targeted investments
- Private equity, real estate, hedge funds, derivatives, or illiquid assets
- ESG-targeted funds unless explicitly authorized by Congress

Risk Management

- Quarterly rebalancing and liquidity reviews
- Annual stress tests and forward-looking solvency projections

Section V: Transparency & Oversight

- Full quarterly public disclosures of all holdings, allocations, and performance
- Independent annual audits by the Government Accountability Office (GAO)
- Real-time board meeting summaries and voting records
- Mandatory public comment period for any material changes to strategy

Section VI: Implementation Timeline

- Within 3 years: FRIB assumes investment authority over 25% of the Social Security Trust Fund
- Within 10 years: Authority expands to 40%, contingent on performance and liquidity needs

- U.S. Treasury remains responsible for servicing existing special-issue bonds
- Social Security benefits, eligibility, and payroll tax structure remain unchanged

Section VII: Constitutional Safeguards

- FRIB independence codified by statute; modifications to board structure or authority require a two-thirds vote in both chambers
- Funds remain 100% public and pooled--no personal accounts or private fund managers
- All changes to investment allocation limits must pass an independent risk review and receive majority board approval

Section VIII: Comparative Institutional Models

- Norwegian Government Pension Fund Global - global diversification + public transparency
- Federal Reserve - long-term, bipartisan governance and financial stability
- Thrift Savings Plan (TSP) - low-cost, transparent management of public retirement assets

Section IX: Fiscal Impact & Public Value

- Projected 30-year improvement in fund value: \$1.5 to \$3 trillion
- Delays Trust Fund depletion by 7-10 years
- Helps preserve full benefits without requiring tax increases or raising the retirement age
- Protects long-term solvency without privatization, political risk, or reliance on short-term congressional fixes

Conclusion

The Federal Retirement Investment Board Act is a bipartisan, ethical, and practical solution to one of America's most pressing long-term fiscal challenges. It modernizes Social Security investment management without compromising the system's values--and without burdening workers or seniors.

It is not privatization. It is professionalization.

Stage Two: Permanent Solvency Plan for Social Security

A Sustainable, Non-Disruptive Expansion of the Federal Retirement Investment Board Model

Purpose

To build on the initial FRIB framework by establishing a permanent, compounding investment fund that supplements payroll tax income, gradually closes the structural deficit, and guarantees Social Security solvency for future generations--without benefit cuts, personal accounts, or broad tax increases.

Strategy Summary

Reform Element	Purpose
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Continue FRIB's asset diversification	Raise long-term return on trust fund assets
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Create a permanent investment pool	Generate stable, annual investment income
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Cap annual withdrawals	Prevent overspending, protect the principal
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Contribute modest new funds	Build long-term wealth like Norway/Canada
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Fine-tune with targeted tax tweaks	Ensure intergenerational fairness
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Step 1: Convert FRIB Into a Perpetual Public Trust Fund

Ongoing Contributions

- Mandate a minimum annual contribution equal to 1-2% of total taxable payroll
- May come from payroll tax surpluses, small general revenue transfers, or automatic stabilizers
- Funds are invested under existing FRIB rules

Growth Objective

- Target long-term average real return of 4-5% annually
- Returns remain untaxed and compound inside the fund

Step 2: Cap Annual Withdrawals

- Set a strict maximum payout rate of 4% per year based on a 5-year rolling average of fund value
- Principal may not be drawn down without a national emergency declaration and 2/3 congressional vote
- Investment earnings are transferred monthly to the Social Security Trust Fund, supplementing payroll tax revenues

Step 3: Revenue & Demographic Adjustments (Gradual and Targeted)

To fully close the funding gap over 75 years, implement three low-pain adjustments:

1. Apply Payroll Tax to High Earners

- Eliminate the cap on taxable wages above \$400,000
- Gradually phase in the new cap over 5 years
- Revenue flows into both the traditional Trust Fund and FRIB

2. Index Retirement Age to Longevity (Starting with Gen Z)

- Maintain age 67 for those born before 1997
- After 2025, index retirement age to life expectancy increases, capped at age 69
- Ensures fairness between generations while protecting near-retirees

3. Adjust COLAs for High-Income Retirees

- Maintain full CPI-W adjustments for retirees under \$100K/year
- Use chained CPI for those earning above that threshold
- Saves long-term costs while shielding the middle class

Step 4: Lock in Permanent Solvency Targets

- Set national Social Security solvency benchmarks to be published annually by the Chief Actuary
- Require automatic fiscal course correction (via contribution or withdrawal adjustments) if 75-year solvency horizon drops below 90%
- Trigger public hearings in Congress within 6 months if solvency drops below 80%

Benefits of This Permanent Model

Financial:

- Closes the long-term Social Security deficit using a hybrid pay-and-invest model
- Generates stable investment income without privatization
- Prevents benefit cuts, avoids major tax increases

Political:

- Easier to pass when paired with the FRIB's existing framework

- Allows both parties to claim wins: no tax hike (right), no benefit cut (left)

Social:

- Restores intergenerational equity and public trust
- Shows that government can manage public wealth competently and ethically

Conclusion

This Stage Two plan transforms Social Security into a permanently solvent, investment-backed program--without disrupting its public nature or fairness. Paired with FRIB's independence, this creates a 21st-century Social Security system: stable, equitable, and insulated from political chaos.