Keep Retirement Plan Information Accessible

Background Information

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EXECUTIVE ORDERS

Executive Order on Strengthening Retirement Security in America

ECONOMY & JOBS

Issued on: **August 31, 2018**

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Policy. It shall be the policy of the Federal Government to expand access to workplace retirement plans for American workers. According to the Bureau of Labor Statistics, 23 percent of all private-sector, full-time workers lack access to a workplace retirement plan. That percentage increases to 34 percent when part-time workers are taken into account. Small businesses are less likely to offer retirement benefits. In 2017, approximately 89 percent of workers at private-sector establishments with 500 or more workers were offered a retirement plan compared to only 53 percent for workers at private-sector establishments with fewer than 100 workers. Enhancing workplace retirement plan coverage is critical to ensuring that American workers will be financially prepared to retire.

Regulatory burdens and complexity can be costly and discourage employers, especially small businesses, from offering workplace retirement plans to their employees. Businesses are sensitive to the overall expense of setting up such plans. A recent survey by the Pew Charitable Trusts found that 71 percent of small- and medium-sized businesses that do not offer retirement plans were deterred from doing so by high costs; 37 percent cited high costs as their main reason for not offering such a plan. Federal agencies should revise or eliminate rules and regulations that impose unnecessary costs and burdens on businesses, especially small businesses, and that hinder formation of workplace retirement plans.

Expanding access to multiple employer plans (MEPs), under which employees of different private-sector employers may participate in a single retirement plan, is an efficient way to reduce administrative costs of retirement plan establishment and maintenance and would encourage more plan formation and broader availability of workplace retirement plans, especially among small employers.

Similarly, reducing the number and complexity of employee benefit plan notices and disclosures currently required would ease regulatory burdens. The costs and potential liabilities for employers and plan fiduciaries of complying with existing disclosure requirements may discourage plan formation or maintenance. Improving the effectiveness of required notices and disclosures and reducing their cost to employers promote retirement security by expanding access to workplace retirement plans.

Outdated distribution mandates may also reduce plan effectiveness by forcing retirees to make excessively large withdrawals from their accounts — potentially leaving them with insufficient savings in their later years.

In light of the foregoing it shall, therefore, be the policy of the Federal Government to address these problems and promote retirement security for America's workers.

Sec. 2. Improving Retirement Security. (a) Expanding access to Multiple Employer Plans and Other Retirement Plan Options.

(i) The Secretary of Labor shall examine policies that would:

(1) clarify and expand the circumstances under which United States employers, especially small and mid-sized businesses, may sponsor or adopt a MEP as a workplace retirement option for their employees, subject to appropriate safeguards; and

(2) increase retirement security for part-time workers, sole proprietors, working owners, and other entrepreneurial workers with non-traditional employer-employee relationships by expanding their access to workplace retirement plans, including MEPs.

(ii) Within 180 days of the date of this order, the Secretary of Labor shall consider, consistent with applicable law and the policy set forth in section 1 of this order, whether to issue a notice of proposed rulemaking, other guidance, or both, that would clarify when a group or association of employers or other appropriate business or organization could be an "employer" within the meaning of section 3(5) of the Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C. 1002(5).

(b) Qualification Requirements for Multiple Employer Plans. Within 180 days of the date of this order, the Secretary of the Treasury shall consider proposing amendments to regulations or other guidance, consistent with applicable law and the policy set forth in section 1 of this order, regarding the circumstances under which a MEP may satisfy the tax qualification requirements set forth in the Internal Revenue Code of 1986, including the consequences if one or more employers that sponsored or adopted the plan fails to take one or more actions necessary to meet those requirements. The Secretary of the Treasury shall consult with the Secretary of Labor in advance of issuing any such proposed guidance, and the Secretary of Labor shall take steps to facilitate the implementation of any guidance, as appropriate and consistent with applicable law.

(c) Improving the Effectiveness of and Reducing the Cost of Furnishing Required Notices and Disclosures. Within 1 year of the date of this order, the Secretary of Labor shall, in consultation with the Secretary of the Treasury, complete a review of actions that could be taken through regulation or guidance, or both, to make retirement plan disclosures required under ERISA and the Internal Revenue Code of 1986 more understandable and useful for participants and beneficiaries, while also reducing the costs and burdens they impose on employers and other plan fiduciaries responsible for their production and distribution. This review shall include an exploration of the potential for broader use of electronic delivery as a way to improve the effectiveness of disclosures and to reduce their associated costs and burdens. If the Secretary of Labor finds that action should be taken, the Secretary shall, in consultation with the Secretary of the Treasury, consider proposing appropriate regulations or guidance, consistent with applicable law and the policy set forth in section 1 of this order.

(d) Updating Life Expectancy and Distribution Period Tables for Purposes of Required Minimum Distribution Rules. Within 180 days of the date of this order, the Secretary of the Treasury shall, consistent with applicable law and the policy set forth in section 1 of this order, examine the life expectancy and distribution period tables in the regulations on required minimum distributions from retirement plans (67 *Fed. Reg*. 18988) and determine whether they should be updated to reflect current mortality data and whether such updates should be made annually or on another periodic basis.

Sec. 3. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP

THE WHITE HOUSE,
August 31, 2018.

FACTTANK
NEWS IN THE NUMBERS

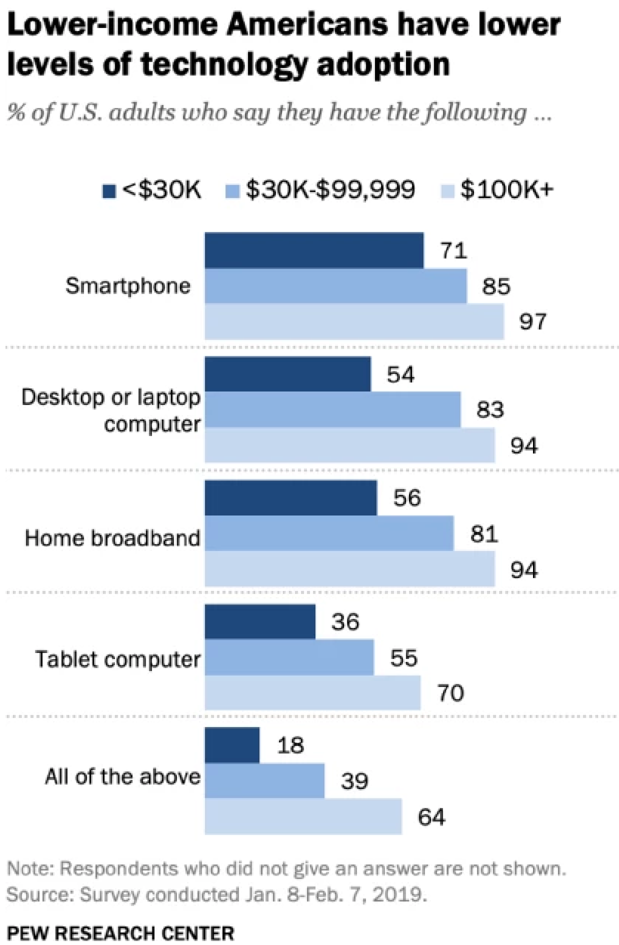
MAY 7, 2019

Digital divide persists even as lower-income Americans make gains in tech adoption

BY MONICA ANDERSON AND MADHUMITHA KUMAR

This is one in a series of posts about how different demographic groups in the U.S. have fared in the digital age.

Thirty years after the debut of the World Wide Web, internet use, broadband adoption and smartphone ownership have grown rapidly for all Americans – including those who are less well-off financially. But even as many aspects of the digital divide have narrowed over time, the digital lives of lower- and higher-income Americans remain markedly different.

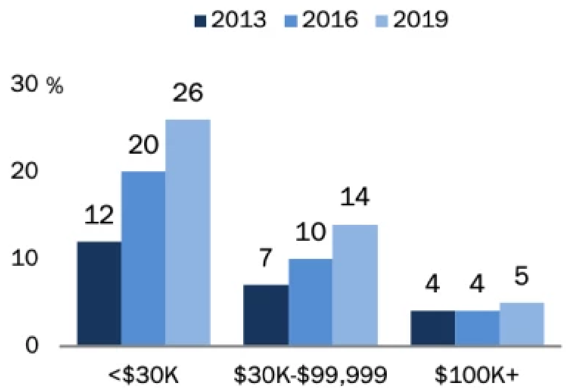


Roughly three-in-ten adults with household incomes below $30,000 a year (29%) don't own a smartphone. More than four-in-ten don't have home broadband services (44%) or a traditional computer (46%). And a majority of lower-income Americans are not tablet owners. By comparison, each of these technologies is nearly ubiquitous among adults in households earning $100,000 or more a year.

Higher-income Americans are also more likely to have multiple devices that enable them to go online. Roughly two-thirds of adults living in high-earning households (64%) have home broadband services, a smartphone, a desktop or laptop computer *and* a tablet, compared with 18% of those living in lower-income households.

The share of lower-income Americans who rely on their smartphone for going online has roughly doubled since 2013

% of U.S. adults who say they have smartphone, but no broadband at home, by annual household income



Note: Respondents who did not give an answer are not shown.
Source: Survey conducted Jan. 8-Feb. 7, 2019. Trend data from previous Pew Research Center surveys.

PEW RESEARCH CENTER

With fewer options for online access at their disposal, many lower-income Americans are relying more on smartphones. As of early 2019, 26% of adults living in households earning less than $30,000 a year are "smartphone-dependent" internet users – meaning they own a smartphone but do not have broadband internet at home. This represents a substantial increase from 12% in 2013. In contrast, only 5% of those living in households earning $100,000 or more fall into this category in 2019.

This reliance on smartphones also means that the less affluent are more likely to use them for tasks traditionally reserved for larger screens. For example, lower-income smartphone owners were especially likely to use their mobile device when seeking out and applying for jobs, according to a 2015 Pew Research Center report.

The disparity in online access is also apparent in what has been called the "homework gap" – the gap between school-age children who have access to high-speed internet at home and those who don't. In 2015, 35% of lower-income households with school-age children did not have a broadband internet connection at home, according to a Pew Research Center analysis of U.S. Census Bureau data.

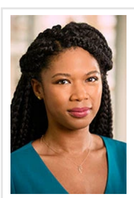
The digital divide has been a central topic in tech circles for decades with researchers, advocates and policymakers examining this issue. Federal Communications Commission Chairman Ajit Pai reiterated his commitment to bringing high-speed internet services to lower-income communities, though there are partisan differences in views of how this should be carried out.

Note: See full topline results and methodology here. This is an update of a post originally published March 22, 2017.

Read the other posts in this series:

- Disabled Americans are less likely to use technology
- Digital gap between rural and nonrural America persists
- Smartphones help blacks, Hispanics bridge some – but not all – digital gaps with whites

Topics: Emerging Technology Impacts, Technology Adoption, Socioeconomic Class, Digital Divide, Income Inequality, Income



Monica Anderson *is a senior researcher focusing on internet and technology at Pew Research Center.*

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Madhumitha Kumar *is an intern at Pew Research Center.*

POSTS | BIO | EMAIL

FACT SHEET

JUNE 12, 2019

Internet/Broadband Fact Sheet

MORE FACT SHEETS: SOCIAL MEDIA | MOBILE TECHNOLOGY

Internet use over time

Who uses the internet

Home broadband use over time

Who has home broadband

Smartphone dependency over time

Who is smartphone dependent

Find out more

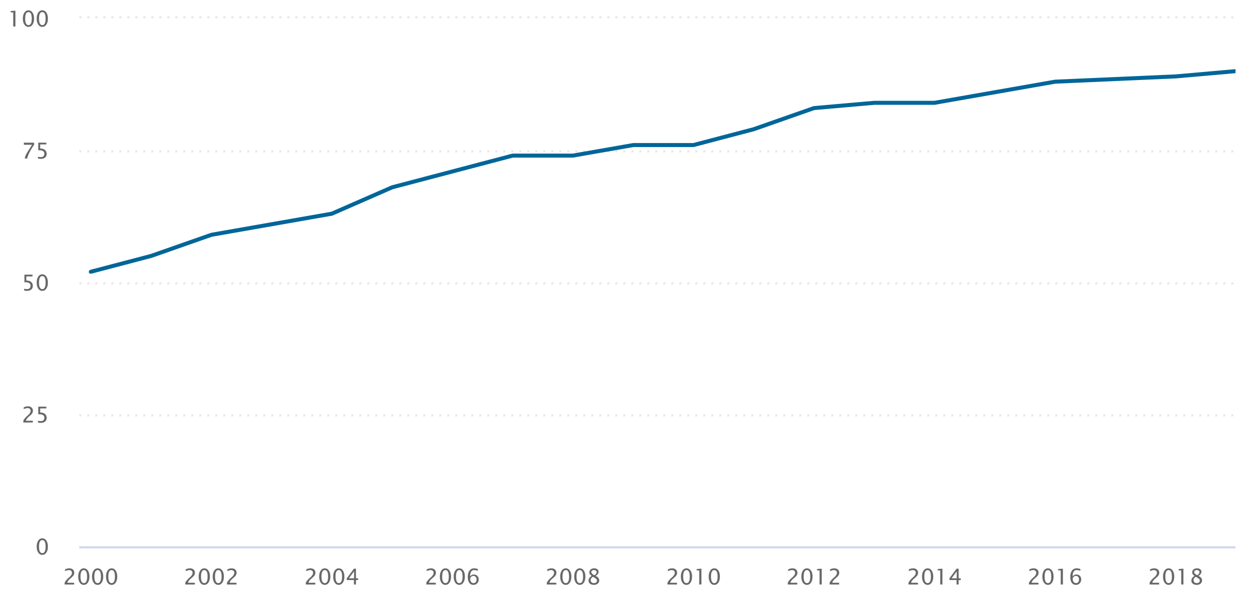
esents a fundamental shift in how Americans connect with one another, gather information and -to-day lives. For more than 15 years, Pew Research Center has documented its growth and e United States. Explore the patterns of internet and home broadband adoption below.

Internet use over time

rch Center began systematically tracking Americans' internet usage in early 2000, about half of all dy online. Today, nine-in-ten American adults use the internet.

Chart | Data | Share | Embed

% of U.S. adults who use the internet



Source: Surveys conducted 2000-2019. Data for each year based on a pooled analysis of all surveys conducted during that year.

PEW RESEARCH CENTER

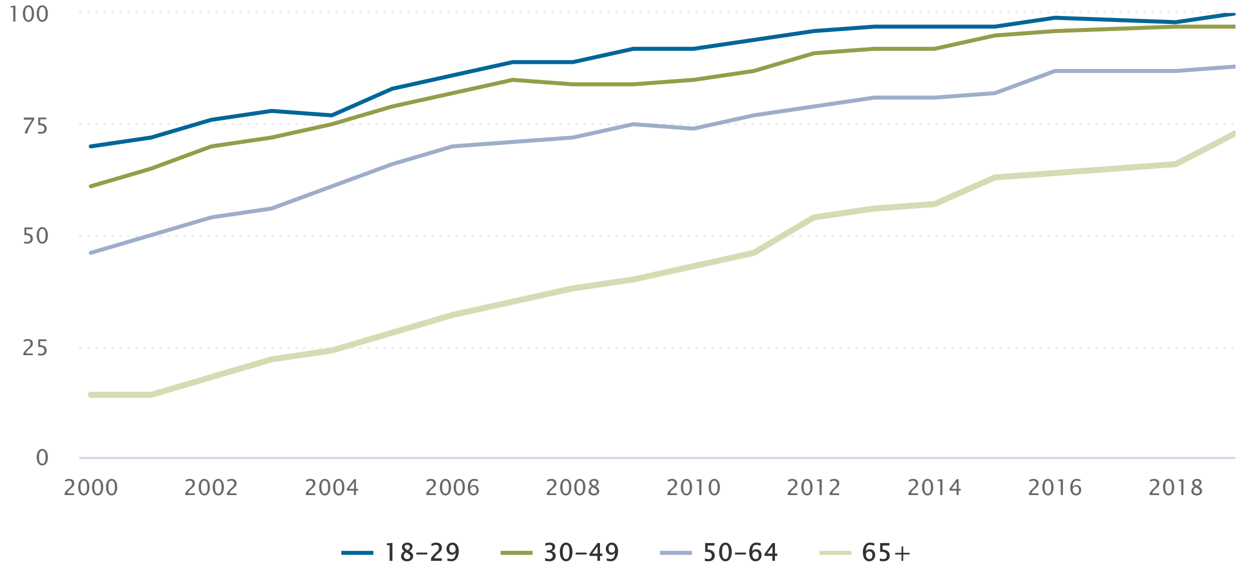
Who uses the internet

For some demographic groups – such as young adults, college graduates and those from high-income households – internet usage is near ubiquitous. Even so, adoption gaps remain based on factors such as age, income, education and community type.

Age Race Gender Income Education Community

Chart Data Share Embed

% of U.S. adults who use the internet, by age



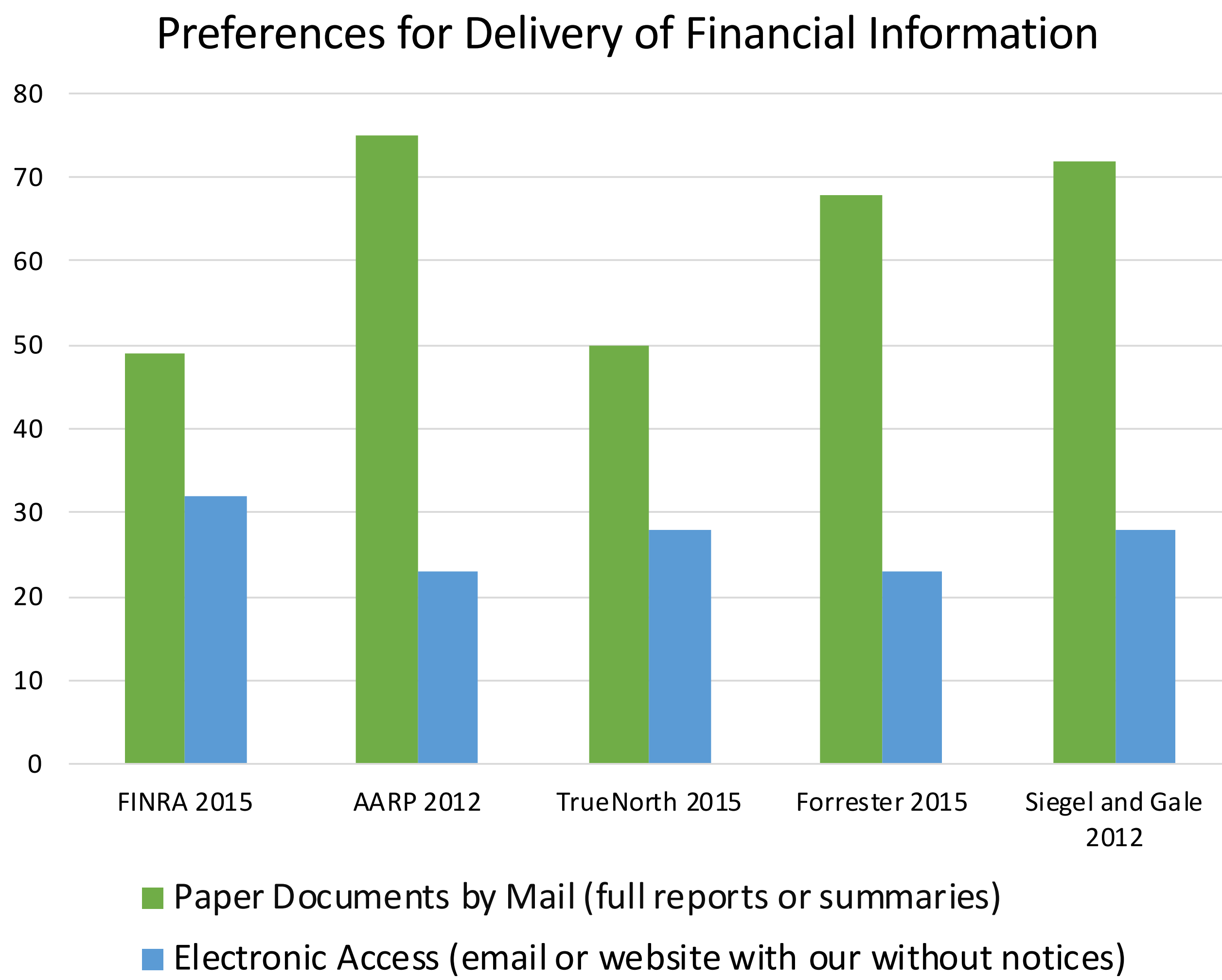
Source: Surveys conducted 2000-2019. Data for each year based on a pooled analysis of all surveys conducted during that year.

PEW RESEARCH CENTER

Home broadband use over time

The proportion of American adults with high-speed broadband service at home increased rapidly between 2000 and 2010. In recent years, however, broadband adoption growth has been much more sporadic. Today, roughly three-quarters of American adults have broadband internet service at home.

Chart | Data | Share | Embed



Sources:

1. FINRA Investor Education Foundation, Investors in the United States 2016, Financial Industry Regulatory Authority, Inc. (Dec. 2016).
2. Paper by Choice: People of All Ages Prefer to Receive Retirement Plan Information on Paper, Social Science Research Solutions (SSRS) on behalf of AARP (Nov. 2012).
3. Annual Report and Semi-Annual Report Notification Study: Understanding the impact of providing investors with mutual fund and ETF report notifications, True North Market Insights (June 2015).
4. How Might the Proposed Rule on Accessing Annual and Semiannual Mutual Fund Reports Affect Investor Behavior, Forrester Consulting on Behalf of Broadridge Financial Solutions, Inc. (2015).
5. Investor Testing of Mutual Fund Shareholder Reports, Siegel & Gale Report to the SEC (2011; Revised: 2012).

New Social Security Administration Inspector General Report Shows Current Policy on Printed Statements Not Effectively Serving Citizens

Former Rep. Sam Johnson (R-Tex.), then Chairman of the Ways and Means Subcommittee on Social Security, and Rep. Vern Buchanan (R-Fla.) asked the Social Security Administration Office of Inspector General (OIG) in June of 2018 to review how SSA mails Social Security Statements and who receives them.

While the report is a factual recitation of the requirement for mailing social security statements and the statistics behind the mailed and online versions, it reveals important facts which lead us to believe that the Social Security Administration's current policy is not effectively serving citizens and could, in fact, be unlawful.

Below are key points from the OIG report:

- Section 1143 of the Social Security Act requires that SSA send Statements to individuals who are age 25 and older, who are not receiving Social Security benefits based on their own earnings records, and for whom the Agency can obtain current addresses.
- In FY 2010, the beginning of the measurement period, SSA mailed 155 million statements. This would appear to be a reasonable baseline for the number of statements going to the full population of required recipients.
- As of publication of the report, there were only 38.8 million registered users of the online portal, "My Social Security."
- In FY 2018 SSA mailed 14.6 million statements – which go to wage earners who are 60 or older, who are not yet retired.
- Clearly, in terms of providing this required information to recipients, the system is falling very short in its outreach. Moreover, the percentage of the online My Social Security users who are actually accessing their information declined more than 50 percent from FY 2012 to FY 2018 (from 96% to 43%).
- The change in distribution policy from mailed to electronic delivery is not providing anything close to meaningful access. The print and mailing costs from FY 2010 to FY 2018 went from $65 million to $7.6 million. The cost savings are considerable but the effectiveness of communicating the information is in no way comparable. The report notes the arguments that SSA makes to show it is in compliance with section 1143, but based on the numbers, it does not appear the results are consistent with the stated requirement of the section.
- If you combine the 14.6 million mailings to Americans over 60 with the 43% of the 38.8 million registered users of the online My Social Security portal now accessing their accounts, you now have a total of only 31,284,000 American wage earners who have seen their Social Security Statement in the past year. Given that this is the single most important financial planning tool that most Americans will ever see, the Social Security Administration is clearly failing in its efforts to communicate with Americans about this critical program.

OIG Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

Congressional Response Report

Issuance of Social Security Statements

A-03-18-50724 | February 2019

February 14, 2019

The Honorable Tom Reed
Ranking Member, Subcommittee on Social Security
Committee on Ways and Means
House of Representatives
Washington, DC 20515

Dear Mr. Reed:

In a June 12, 2018 letter, Sam Johnson, former Chairman, and Representative Vern Buchanan asked that we review how the Social Security Administration (SSA) mails Social Security Statements and who receives them.

My office is committed to combating fraud, waste, and abuse in SSA's operations and programs. The report highlights various facts pertaining to the issues raised in their letter. To ensure SSA is aware of the information provided to your office, we are forwarding a copy of this report to the Agency.

If you have any questions concerning this matter, please call me or have your staff contact Walter Bayer, Congressional and Intragovernmental Liaison, at (202) 358-6319.

Sincerely,

Gail S. Ennis

Gail S. Ennis
Inspector General

Enclosure

cc:
Commissioner of Social Security

February 14, 2019

The Honorable Vern Buchanan
House of Representatives
Washington, DC 20515

Dear Mr. Buchanan:

In a June 12, 2018 letter, you and Sam Johnson, former Chairman, Subcommittee on Social Security, Committee on Ways and Means, asked that we review how the Social Security Administration (SSA) mails Social Security Statements and who receives them.

My office is committed to combating fraud, waste, and abuse in SSA's operations and programs. Thank you for bringing your concerns to the attention of the Office of the Inspector General. The report highlights various facts pertaining to the issues raised in your letter. To ensure SSA is aware of the information provided to your office, we are forwarding a copy of this report to the Agency.

If you have any questions concerning this matter, please call me or have your staff contact Walter Bayer, Congressional and Intragovernmental Liaison, at (202) 358-6319.

Sincerely,

Gail S. Ennis

Gail S. Ennis
Inspector General

Enclosure

cc:
Commissioner of Social Security

Issuance of Social Security Statements
A-03-18-50724

SOCIAL SECURITY ADMINISTRATION
OIG

February 2019 **Office of Audit Report Summary**

Objective

To answer congressional questions about the Social Security Administration's (SSA) issuance of Social Security Statements.

Background

SSA provides *Social Security Statements* (Statement) to individuals who worked under the Social Security program. The Statement includes information about the individual's reported earnings and future Social Security benefits for the individual and his/her family. Section 1143 of the *Social Security Act* requires that SSA send Statements to individuals who are age 25 and older, who are not receiving Social Security benefits based on their own earnings records, and for whom the Agency can obtain current addresses. SSA mails the Statement about 3 months before the individual's birthday.

In May 2012, SSA implemented *my* Social Security, an online account where registered users can access their Statements online at any time. As of Fiscal Year (FY) 2018, there were about 38.8 million registered users of *my* Social Security. Because registered users can access their Statements anytime via *my* Social Security, SSA excludes them from receiving automatic Statements.

Results of Review

In FYs 2010 to 2018, SSA mailed approximately 381 million paper Statements (both automatic and on request). The Agency mailed about 252 million paper Statements in FYs 2010 to 2013 primarily to individuals who were age 25 and older and not receiving Social Security benefits. Between FYs 2014 and 2018, citing budgetary issues, the Agency reduced the number of paper Statements by modifying the age groups to whom SSA mailed Statements. This resulted in the Agency mailing only about 129 million paper Statements during this time period.

Moreover, the number of individuals who accessed their Statements online via *my* Social Security increased every year, ranging from 1.9 million in FY 2012 to 16.8 million in FY 2018. However, the percentage of registered *my* Social Security users who accessed their Statements online declined annually from 96 percent in FY 2012 to 43 percent in FY 2018.

The costs for printing and mailing paper Statements decreased from FY 2010 to 2018 because the Agency changed the age groups to whom it mailed paper Statements. In FY 2010, SSA spent about $65 million to print and mail approximately 155 million Statements, and, in FY 2018, the Agency spent about $7.6 million to print and mail about 14.6 million Statements.

Finally, the contract awarded to print and mail paper Statements allowed the Agency to vary the number of Statements mailed annually. The 5-year contract, scheduled to expire in August 2019, estimated the Agency would order 45 million Statements annually. However, it allowed for a 25-percent increase or decrease in Statements to allow flexibility if SSA decided to modify the age groups to whom it mailed Statements and avoid re-soliciting the contract.

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Abbreviations

Form SSA-7004-SM-OP1	*Request for an Earnings and Benefit Estimate Statement*
Form SSA-7005-SM-SI	*Social Security Statement*
FY	Fiscal Year
OIG	Office of the Inspector General
SSA	Social Security Administration
Statement	Social Security Statement
U.S.C.	United States Code

OBJECTIVE

Our objective was to answer congressional questions about the Social Security Administration's (SSA) Social Security Statements.

BACKGROUND

Section 1143 of the *Social Security Act*,[1] as amended, requires that SSA provide a *Social Security Statement* (Statement)[2] annually, without request, to all individuals age 25 and older who are not receiving Social Security benefits based on their own earning records and for whom SSA can determine current mailing addresses.[3] The purpose of the Statement is threefold: inform individuals about their Social Security benefits, help individuals plan for their financial futures, and ensure individuals' earnings records are accurate.[4] The Statement provides each worker

- an estimate of the monthly retirement benefit the worker would receive at full retirement age, age 70, and age 62;
- an estimate of the amount of monthly disability benefit the worker could receive should he/she become disabled;
- an estimate of the monthly benefit the worker's family could receive should the worker die;
- a year-by-year display of the worker's earnings that have been reported to Social Security; and
- a total of the Social Security taxes paid by the worker and his/her employer(s) over the worker's career.[5]

[1] *Social Security Act*, 42. U.S.C § 1320b-13.

[2] *Social Security Statement*, (Form SSA-7005-SM-SI).

[3] SSA obtains addresses for automatic Statements from the Internal Revenue Service's taxpayer Individual Master File and revenue agencies in Puerto Rico and the Virgin Islands for individuals living in those locations who have not filed Federal tax returns.

[4] *Social Security Statement* (Form SSA-7005-SM-SI).

[5] See Appendix A for an example of the Statement. In 2006, SSA also began sending automatic Statements to individuals who had only non-covered earnings. The Statement highlights information about the Windfall Elimination Provision and Government Person Offset, which reduce benefits for individuals or their dependents whose work histories include jobs for which they were entitled to pensions and were not subject to Social Security payroll taxes.

Since August 1988, SSA has provided statements of recorded earnings and estimates of Social Security benefits to Social Security numberholders upon request.[6] In Fiscal Year (FY) 1995, SSA started issuing automatic Statements to eligible individuals age 60 and older and continued these mailings until FY 1999. In FY 2000, SSA expanded the program to all individuals age 25 and older and began mailing the annual automatic Statements to eligible individuals about 3 months before their birthdays. The automatic Statement does not affect a worker's right to request a Statement at any time. SSA provides the information on Statements to a commercial contractor which prints and mails automatic Statements.[7] The on-request Statements are printed and mailed by SSA's print-mail facility.

In May 2012, SSA implemented *my* Social Security, an online account where registered users can access important information and SSA services at any time. To establish a *my* Social Security account, an individual must be at least age 18 and have a valid email address, Social Security number, and U.S. mailing address. As of FY 2018, there were about 38.8 million registered *my* Social Security users. Because registered users can access their Statements anytime via *my* Social Security, SSA excludes them from receiving automatic Statements by mail even if they never accessed the Statement online. When *my* Social Security was implemented in May 2012, customers were given an option to receive paper Statements. However, this delivery preference was eliminated in September 2012. Therefore, anyone who signed up after September 2012 does not receive paper Statements.

On June 12, 2018, Sam Johnson, former Chairman, and Vern Buchanan, former Member, Subcommittee on Social Security, requested that we review how SSA mails Statements and who receives them, see Appendix B. Specifically, they requested we determine the following.

1. Between FYs 2014 and 2018, how many Statements were mailed and what were the costs each fiscal year?
2. Since resuming mailings in September 2014, when has SSA stopped or changed who receives a mailed Statement? Please provide the rationale for the changes and include over what periods they occurred, who was affected, and how SSA communicated them.
3. Did people, who were due to receive a Statement during that time, receive one when mailings resumed or were they skipped?
4. What is the current printing contract's period of performance and how does the contract address changes or stoppages? What is SSA's plan for a new contract?

[6] These Statements were mailed as a result of individuals completing a paper *Request for an Earnings and Benefit Estimate Statement*, (Form SSA-7004-SM-OP1) or a similar form through SSA's Website.

[7] The contractor employees are subject to suitability background checks.

RESULTS OF REVIEW

In FYs 2010 to 2018, SSA mailed approximately 381 million paper Statements (both automatic and on request). The Agency mailed about 252 million paper Statements in FYs 2010 to 2013 primarily to individuals who were age 25 and older and not receiving Social Security benefits. Between FYs 2014 and 2018, citing budgetary issues, the Agency reduced the number of paper Statements by modifying the age groups to whom it mailed the Statements. This reduction resulted in the Agency mailing only about 129 million paper Statements.

Moreover, the number of individuals who accessed their Statements via *my* Social Security increased from 1.9 million in FY 2012 to 16.8 million in FY 2018. However, the percentage of registered *my* Social Security users who accessed their Statements online declined from 96 percent in FY 2012 to 43 percent in FY 2018.

The costs of printing and mailing paper Statements decreased from FY 2010 to FY 2018 because SSA changed the age groups to whom it mailed paper Statements and Statements were available online. In FYs 2010 to 2018, SSA spent about $174 million to mail 381 million paper Statements. In FY 2010, it cost about $65 million to mail approximately 155 million Statements, and, in FY 2018, it cost $7.6 million to mail about 14.6 million Statements.

Finally, the contract SSA awarded to print and mail the paper Statements allows the number of Statements mailed annually to fluctuate. The 5-year contract, which is scheduled to expire in August 2019, estimates 45 million Statements will be mailed annually. However, it allows for a 25-percent increase or decrease in Statements to allow flexibility if SSA modifies the age groups to whom it mails Statements and avoid re-soliciting the contract.

Issuance of Paper Social Security Statements

As shown in Table 1, from FYs 2010 to 2018, SSA printed and mailed approximately 381 million paper Statements to individuals to inform them about their lifetime earnings and future benefits. During these 9 years, the Agency mailed about 379 million automatic Statements to individuals. Additionally, it mailed approximately 2 million Statements to individuals upon request.

Table 1: The Volume of Social Security Statements Mailed

Fiscal Year	Number of Statements Mailed		
	Automatic[1]	On-request[2]	Total
2010	154,707,312	392,250	155,099,562
2011	74,427,249	268,060	74,695,309
2012	21,728,005	15,406	21,743,411
2013	-	7,608	7,608
2014	3,868,569	74,293	3,942,862
2015	49,577,044	515,026	50,092,070
2016	46,728,830	384,746	47,113,576
2017	13,285,401	115,617	13,401,018
2018	14,428,893	139,239	14,568,132
Total	**378,751,303**	**1,912,245**	**380,663,548**

Note 1: Mailed to individuals based on the Agency's criteria.

Note 2: Mailed when individuals completed a Form SSA-7004-SM-OP1 or a similar form through SSA's Website.

FYs 2010 to 2013

In FY 2010, the Agency mailed about 155 million automatic Statements to individuals age 25 and older, not receiving Social Security benefits, and for whom SSA could determine mailing addresses. This was the last year SSA mailed Statements in accordance with Section 1143 of the *Social Security Act.* SSA suspended automatically mailing Statements in FY 2011 but mailed about 75 million Statements to individuals during the first half of the FY. In March 2011, the Commissioner of SSA notified Congress that, to conserve funds, the Agency was suspending mailing Statements.[8] During that year, the Agency received about $1 billion less in funding than it requested in the President's budget. In FY 2012, citing budgetary issues, SSA continued curtailing mailing automatic Statements, mailing about 22 million Statements. From February to August 2012, the Agency mailed Statements to individuals age 60 and older, and, from July to September 2012, it mailed Statements to individuals age 25 and older. In May 2012, SSA began providing online access to Statements when it implemented *my* Social Security. SSA ceased mailing automatic Statements in FY 2013, again citing budgetary issues.

[8] *Department of Labor, Health and Human Services, Education, and Related Agencies Appropriations for Fiscal Year 2012*: *Hearing on Senate Bill S1599 Before the Subcommittee of the Committee on Appropriations*, 112th Congress p. 11 (2011).

FYs 2014 to 2018

In March 2014, SSA notified Congress that it would resume mailing automatic Statements to individuals in September 2014.[9] SSA mailed about 3.9 million automatic Statements to individuals who attained ages 25, 30, 35, 40, 45, 50, 55, and 60 by December 2014;[10] were not receiving Social Security benefits; and did not have *my* Social Security accounts. According to SSA, it stopped mailing Statements in accordance with section 1143 of the *Social Security Act* to effectively use its resources to preserve the most critical commitments to public service. Further, the Agency stated that mailing Statements to individuals using 5-year increments would ensure everyone would receive an automatic Statement at least once every 5 years or more often if a person requests one. In September 2014, the Agency notified the public about the change.[11] SSA did not mail Statements retroactively to those individuals who met the revised criteria before September 2014. In FYs 2015 and 2016, SSA continued mailing automatic Statements to individuals in 5-year increments, mailing approximately 49.6 million in FY 2015 and 46.7 million in FY 2016. Issuing Statements based on 5-year increments resulted in SSA mailing about one-third of the Statements it mailed in FY 2010.

In the first quarter of FY 2017, SSA continued mailing Statements to individuals based on 5-year increments, but, in January 2017, the Agency revised the criteria to mail automatic Statements to individuals age 60 and older, not receiving Social Security benefits, and who do not have a *my* Social Security account. SSA decided to mail automatic Statements to individuals for whom the information was most essential, namely those who were near retirement. The change in criteria resulted in SSA mailing automatic Statements to about 13 million individuals in FY 2017. Again, the Agency indicated that budgetary considerations were the main reasons for the reduction and believed it was complying with section 1143 of the *Social Security Act* because it

- considered the number of statements that would be mailed when constructing the budget,
- made Statements available to anyone via *my* Social Security,
- sent a reminder email to *my* Social Security account holders to check their online Statements,
- mailed paper Statements to individuals who requested them, and
- determined printing and mailing Statements to everyone required by the statute would impede other essential work due to budgetary limitations.

[9] SSA, *Plan to Increase the Number of Individuals Annually Receiving Social Security Statements, Report to Congress*, p. 4 (March 2014).

[10] SSA mailed the Statements 3 months before the individuals' birthdays.

[11] SSA, Agency Resumes Mailing Social Security Statements, ssa.gov (September 16, 2014).

SSA first notified the public about the reduction in automatically mailing Statements in a January 2017 blog post.[12] SSA continued mailing automatic Statements to individuals age 60 and older in FY 2018, which resulted in approximately 13.8 million Statements being mailed.

Issuance of Online Social Security Statements

The number of individuals who accessed their online Statements increased from about 1.9 million in FY 2012 to 16.8 million in FY 2018, see Table 2. The *my* Social Security portal allows registered users to access their Statements any time at their own convenience. Furthermore, making Statements accessible online benefits SSA because it reduces traffic to field offices, calls to the Agency, and costs to print and mail automatic Statements.

When SSA implemented *my* Social Security in FY 2012, about 1.9 (96 percent) of the 2 million registered users had accessed their online Statements. At that time, online Statements was the only service offered via *my* Social Security, but additional services were added over time, such as requesting replacement Social Security cards, changing addresses, and obtaining benefit verification letters. In FY 2018, about 16.8 (43 percent) of the 38.8 million registered users accessed their online Statements. Although the number of registered users who accessed their Statements online had increased annually, the percent of registered users who accessed their Statements had declined from 96 percent in FY 2012 to 43 percent in FY 2018. There could be several contributing factors, such as individuals accessing other services via *my* Social Security.

Table 2: Online Statements via *my* Social Security

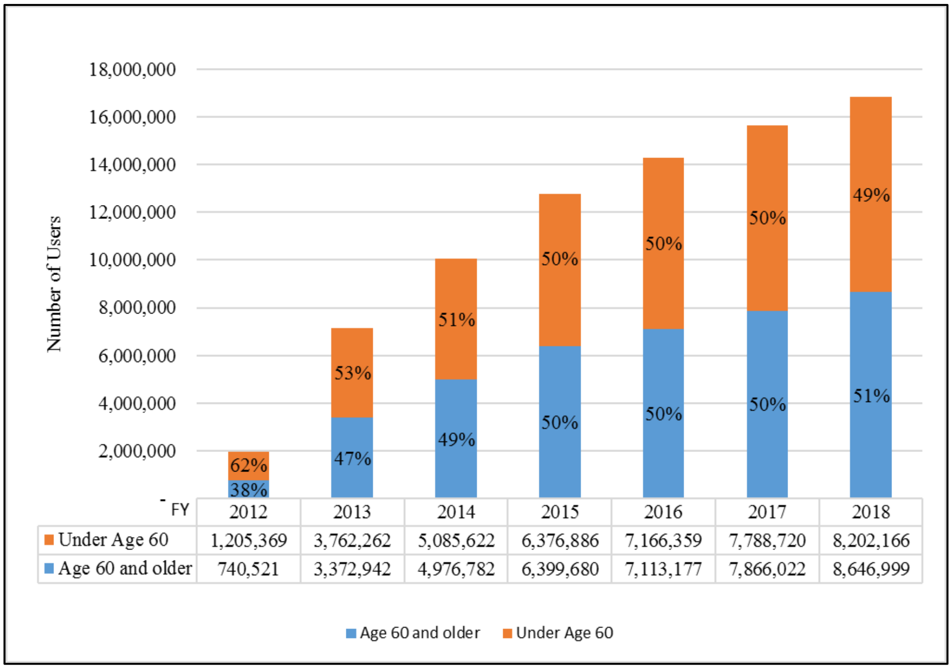
FY	Total Registered Users	Users Who Access Online Statement	Percent of Users Who Access Online Statement
2012	2,023,011	1,945,890	96
2013	8,352,201	7,135,204	85
2014	14,490,379	10,062,404	69
2015	21,139,321	12,776,556	60
2016	26,941,287	14,279,536	53
2017	32,655,922	15,654,742	48
2018	38,812,938	16,849,165	43

As shown in Figure 1, in FY 2012, 38 percent of the individuals who accessed their Statements online were age 60 and older. This number increased to between 47 and 51 percent in FYs 2013 to 2018. This is the age group SSA targeted with mailing automatic Statements. Further, stopping automatic Statement mailings to individuals under age 60 did not result in a significant

[12] SSA, *Finding Value—and my Social Security—in light of Budget Cuts,* ssa.gov (January 9, 2017).

increase in online Statement access for this group. During FYs 2013 to 2018, their level of access remained relatively constant from 53 percent in FY 2013 to 49 percent in FY 2018.

Figure 1: Age Demographics of Registered Users Who Access Online Statements



Cost of Issuing Social Security Statements

As shown in Table 3, in FYs 2010 to 2013, SSA spent about $107 million to print and mail automatic and on-request Statements to approximately 252 million individuals. Specifically, about $12.9 million related to printing, and $94.3 million related to postage. It cost SSA, on average, $0.43 to print and mail one Statement during this period. In FY 2010, the last time SSA mailed Statements in accordance with section 1143 of the *Social Security Act*, it cost about $65 million to print and mail approximately 155 million Statements. The cost decreased in FYs 2011 to 2013, when SSA suspended mailing the automatic Statements, from about $32 million to $3,500, respectively.

Table 3: Costs of Social Security Statements FYs 2010 to 2013

FY	Volume	Printing	Postage	Total	Cost Per Statement
2010	155,099,562	$7,057,223	$57,541,938	$64,599,161	
2011	74,695,309	$4,227,479	$28,309,522	$32,537,001	
2012	21,743,411	$1,565,761	$8,458,187	$10,023,948	
2013	7,608	$289	$3,196	$3,485	
Total	**251,545,890**	**$12,850,752**	**$94,312,843**	**$107,163,595**	**$0.43**

In FYs 2014 to 2018, the cost of mailing Statements decreased significantly because the Agency changed its criteria for mailing automatic Statements and online Statements were available. During the 5-year period, SSA spent about $66.7 million to print and mail approximately 129 million Statements to individuals, see Table 4. About $11.2 million related to printing and $55.5 million related to postage. It cost SSA, on average, $.52 to print and mail one Statement during this period. The annual costs ranged from about $2 million in FY 2014, the year SSA resumed mailing automatic Statements, to approximately $26 million in FY 2015, when SSA mailed automatic Statements to individuals in 5-year increments. In FY 2018, the year SSA mailed automatic Statements to individuals age 60 and older who were not registered for *my* Social Security, the costs decreased to about $7.6 million.

Table 4: Costs of Social Security Statements FYs 2014 to 2018

FY	Volume	Printing	Postage	Total	Cost Per Statement
2014	3,942,862	$332,124	$1,715,733	$2,047,857	
2015	50,092,070	$4,206,031	$21,865,166	$26,071,197	
2016	47,113,576	3,989,118	20,033,608	$24,022,726	
2017	13,401,018	$1,280,333	$5,670,538	$6,950,871	
2018	14,568,132	$1,408,446	$6,172,971	$7,581,417	
Total	**129,117,658**	**$11,216,052**	**$55,458,016**	**$66,674,068**	**$0.52**

Printing Contract for Social Security Statements

SSA's printing contract commenced on September 1, 2014 for an initial period ended August 31, 2015 plus up to four optional 12-month extension periods. The Agency exercised all option years bringing the contract end date to August 31, 2019. SSA worked with the Government Publishing Office to procure a "requirements" contract that allows SSA to adjust the volume of Statements it would produce according to its needs. The requirements clause of the contract stated that "The quantities of items specified herein are estimates only, and are not purchased hereby." Further, it stated, "Except as may be otherwise provided in this contract, if the Government's requirements for the items set forth herein do not result in orders in the amounts or quantities described as 'estimated,' it shall not constitute the basis for an equitable price adjustment under this contract."

The contract showed an estimated 45 million Statements would be ordered, annually, but allowed SSA to increase or decrease by up to 25 percent of the total number of Statements ordered each year. Regarding the variation between estimated volumes, the Agency stated the contract specifications were developed to ensure SSA would not need to re-solicit a new contract if it added other age groups to the Statements production, a process that could take approximately 9 to 12 months to complete. As of January 2019, SSA staff indicated it was working with the Government Publishing Office to solicit the new contract for printing and mailing Statements.

CONCLUSIONS

In FYs 2010 to 2018, SSA mailed approximately 381 million paper Statements to individuals to inform them about their lifetime earnings and future Social Security benefits. Section 1143 of the *Social Security Act* requires that SSA send automatic Statements to individuals age 25 and older who are not receiving Social Security benefits. However, over the years, SSA has modified the age groups to whom it sends Statements. In FYs 2014 to 2018, the Agency mailed workers about 129 million paper Statements. Between FYs 2014 and 2016, SSA mailed automatic Statements to individuals who attained ages 25, 30, 35, 40, 45, 50, 55, and 60 and older; were not receiving Social Security benefits; and did not have *my* Social Security accounts. In FYs 2017 and 2018, SSA decided to send Statements to individuals age 60 and older for whom the information was most essential as they were close to retirement.

Moreover, the costs for mailing the paper Statements decreased from FYs 2010 to 2018 because SSA changed the age groups to whom the Agency mailed Statements. In FY 2010, the Agency spent about $65 million to print and mail approximately 155 million Statements, and, in FY 2018, it spent about $7.6 million to print and mail approximately 14.6 million Statements. Finally, the contract awarded to mail paper Statements allowed SSA to adjust the number of Statements mailed annually. The contract showed that SSA would order an estimated 45 million Statements annually but allowed the Agency to increase or decrease the order by up to 25 percent to allow flexibility in case SSA decided to modify the age groups to whom it would mail Statements and to avoid re-soliciting the contract.

AGENCY COMMENTS

SSA had no comments on the report; see Appendix D.

Rona Lawson
Assistant Inspector General for Audit

Recommendation of the Investor as Purchaser Subcommittee Regarding Promotion of Electronic Delivery and Development of a Summary Disclosure Document for Delivery of Investment Company Shareholder Reports

Background

- As a large majority of investors have gained access to the Internet and become comfortable using it for a variety of purposes, including researching investments, mutual fund companies and other securities firms have sought to reduce disclosure delivery costs by speeding the transition to electronic delivery of mutual fund disclosure documents.[1]
- Investor advocates have also noted the potential for electronic delivery to enhance the quality and timeliness of disclosures, including by promoting greater use of layered disclosures,[2] but only if the transition to electronic delivery occurs in a way that maximizes the likelihood that investors will see and read those disclosures.
- While investor acceptance of electronic delivery has grown in recent years, nearly half of investors (49%) still prefer to receive paper disclosures through the mail, compared with only 33% who prefer to receive disclosures electronically, either through email (27%) or accessing them online (6%), according to recent survey data from the FINRA Investor Education Foundation.[3]
- In May 2015, the Commission proposed Rule 30e-3 to allow mutual fund companies to default investors to electronic delivery of annual shareholder reports based on negative consent.[4] While the proposal enjoyed strong support from the fund industry, who noted its potential to reduce costs, it met with significant resistance from investor advocates, who maintained that an approach that relies on website disclosure and negative consent would reduce the likelihood that investors would see and read the disclosure documents.
- During discussions of the issue, including at a meeting of the IAC, both fund industry representatives and investor advocates voiced strong support for a layered approach to disclosure for annual shareholder reports, modeled on the summary prospectus rule, in which investors would receive a brief summary of key information from the annual report in a disclosure notifying them of the full report's availability.
- It has been suggested that allowing funds to satisfy their delivery obligations through delivery of a summary document could produce many of the cost savings associated with the SEC's 30e-3 proposal without presenting the same concerns that disclosure effectiveness would be compromised.

[1] Electronic delivery of disclosure has been permitted under guidance adopted by the Securities and Exchange Commission (SEC) in the mid-1990s, subject to notice, access, and delivery requirements. See, e.g., SEC Release NO. 33-7233; 34-36345; IC-21399, https://www.sec.gov/rules/concept/33-7233.txt.
[2] See, e.g., Roper, Barbara, "Can the Internet Transform Disclosures for the Better?" Consumer Federation of America, January 2014 http://bit.ly/1CwEbJS
[3] FINRA Investor Education Foundation, "Investors in the United States 2016," December 2016, available at http://bit.ly/2hMrppX.
[4] To date, the SEC has not approved the rule proposal.

Recommendation

The Investor Advisory Committee recommends that the Commission continue to explore methods to encourage a transition to electronic delivery that respect investor preferences and that increase, rather than reduce, the likelihood that investors will see and read important disclosure documents. In the meantime, the IAC recommends that the Commission explore development of a summary disclosure document for annual shareholder reports that incorporates key information from the report along with prominent notice regarding how to obtain a copy of the full report. The summary document should be designed to be delivered either by mail or by email, depending on the investors' delivery preferences. It should also incorporate a layered disclosure approach, including the ability of those getting the document electronically to click through to more detailed disclosure on a particular topic.The Committee recommends that the Commission seek public comment on the appropriate content and format of such a disclosure document, as well as on the advisability of the suggested approach more generally. The Committee further recommends that the Commission engage in investor testing of the proposed disclosure, or encourage testing by industry members, to ensure that the proposed approach delivers the expected benefits of reducing costs for funds and distributors without sacrificing disclosure quality.

Discussion

In May of 2015, the Commission proposed a broad package of new rules and amendments to existing rules with a goal of modernizing Investment Company reporting.[5] Included in the package was a proposed new rule 30e-3 under the Investment Company Act, which would permit mutual fund companies to satisfy their delivery requirements for periodic shareholder reports by making the reports accessible on a website and meeting certain other conditions. To satisfy the rule, the fund's report to shareholders would have to be publicly accessible, free of charge, at a specified website address. The rule would permit funds to default investors to electronic delivery based on negative consent where the investor had received written notice, at least 60 days prior to the time the company planned to begin relying on the rule, notifying the shareholder of the fund's intent to make future shareholder reports available on the fund's website until the shareholder revokes consent. In addition, fund companies would be required under the proposed rule to provide separate notice to shareholders each time a report is posted, alerting shareholders to the availability of the report online and providing them with information on how to obtain a paper copy if they want one.

The proposal received strong support from the fund industry. The Investment Company Institute wrote, for example, to express its enthusiastic support for adoption of rule 30e-3.[6] "Not only would the proposed rule satisfy investor preferences, it has the potential to save fund shareholders an estimated $140 million per year on a net basis in the first three years of adoption," ICI wrote. ICI urged the Commission to extend the implied consent delivery approach to prospectuses and suggested other changes to eliminate certain aspects of the notice

[5] SEC File No. S7-08-15, Investment Company Reporting Modernization, May 20, 2015 http://bit.ly/1Pp1qwt
[6] August 11, 2015 letter from ICI General Counsel David W. Blass to SEC Secretary Brent J. Fields, regarding Investment Company Reporting Modernization and Amendments to Form ADV and Investment Adviser Act Rules, File Nos. S7-08-15 and S7-09-15 http://bit.ly/2vbAy1o

requirements, including, for example, the requirement to provide shareholders with a pre-addressed, postage paid reply form to use if they preferred to receive the reports in paper. Similarly, the Independent Directors Council wrote to express its view "that proposed rule 30e-3 would deliver significant benefits to fund shareholders, without impeding investor protection concerns."[7] The letter states that, "The benefits of online delivery of shareholder reports are straightforward and significant. The potential cost savings for funds and, ultimately, their shareholders is unequivocally the primary benefit."

The proposal was strongly opposed by certain investor advocates, who objected in particular to the rule's reliance on negative consent to default investors to electronic delivery via website posting of the reports. Consumer Action and National Consumers League, for example, wrote in opposition to the proposal, stating that "the true cost of Rule 30e-3 is decreased transparency and investor access to information."[8] These consumer groups noted that, while consumers want to have access to information online, research suggests a majority of consumers prefer to receive important disclosure documents in paper. They noted that investors who prefer electronic delivery already have that option, and the rule "only increases the work investors [who prefer paper delivery] must exercise to preserve their choice." Consumer Federation of America also wrote in opposition to the rule, stating that the Commission had failed to make the case that the rule was "either needed or warranted."[9] CFA wrote that, "we simply have not yet reached the point in this country where a sufficient percentage of investors prefer to receive disclosures electronically to justify a default to electronic delivery. While we feel certain that day will eventually arrive, a premature move to electronic delivery based on implied consent ensures that fewer investors will receive and review the important disclosures these documents are intended to provide."

The Investor Advisory Committee had a panel presentation and discussed the issue at its July 2016 meeting.[10] While supporting views were also expressed, a number of IAC members voiced opposition to the proposal's reliance on negative consent to change the delivery default and suggested that potential savings to shareholders were insufficient to justify the proposed change. Over the course of the discussion, however, a number of participants expressed support for a layered approach to disclosure, using a summary document modeled loosely on the mutual fund summary prospectus.

Ultimately, the Commission approved the broader package of Investment Company reporting reforms in October of 2016 without including proposed rule 30e-3.

[7] May 10, 2016 letter from IDC Managing Director Amy B.R. Lancellotta to SEC Secretary Brent J. Fields, regarding Supplemental Comments on Investment Company Reporting Modernization; File No. S7-08-15 http://bit.ly/2uypzvv

[8] April 12, 2016 letter from Consumer Action Director of National Priorities Linda Sherry and National Consumers League Executive Director Sally Greenberg to SEC Secretary Brent J. Fields, regarding Investment Company Reporting Modernization Proposed Rule; Release Nos. 33-9776; 34-75002; IC-31610; File No. S7-08-15; S7-16-15 http://bit.ly/2vFQk67

[9] July 29,2015 letter from CFA Director of Investor Protection Barbara Roper to SEC Secretary Brent J. Fields, regarding Investment Company Reporting Modernization, File No. S7-08-15 http://bit.ly/2vGd463

[10] July 14, 2016 meeting of the SEC Investor Advisory Committee webcast http://bit.ly/2vGetJS

Since that time, the Investor as Purchaser Subcommittee has explored development of a summary document along the lines discussed by the IAC. As conceived by the Subcommittee, the document would include prominent notice of the availability of the full report and information on how to obtain it, along with key highlights from the report itself. For example, the document might include information on fund costs, performance and fund holdings. The IAC believes an approach along these lines has the potential to deliver cost savings to industry without unduly compromising disclosure effectiveness. We therefore recommend that the Commission further explore this approach through investor testing, either through field tests or other means. Based on the findings of that investor testing, the Commission should consider further rulemaking, with an opportunity for public comment on the proposed approach as well as the details of the content and format for the proposed enhanced notice document.

The IAC further believes that the Commission should continue to explore alternative approaches to encourage the transition to electronic delivery. In doing so, it should seek to ensure that investor preference regarding delivery methods is respected, including by continuing to distinguish between investors' preferences with regard to research, where a large majority prefer accessing information on the Internet, and delivery of disclosures, where a plurality appears to continue to prefer receiving paper documents through the mail. In addition, the Commission should encourage development of approaches to electronic delivery that promote, rather than reduce, the likelihood that investors will see and read the disclosures. And it should engage in testing to help determine, to the extent possible, that its proposed approach has the intended effect.

SEC RULE 30E-3: PAPERLESS MUTUAL FUND REPORTING PROPOSAL WOULD IMPEDE READERSHIP & FINANCIAL LITERACY

Shareholder Reports, Investor Awareness & the Problem of Implied Consent

The U.S. Securities and Exchange Commission (SEC) proposed Rule 30e-3 to eliminate the current default requirement for mutual funds to transmit important information to investors in paper form might seem innocuous, but hard-copy shareholder reports are **a critical and widely read resource for investors.**

Evidence and experience show that arbitrarily providing shareholder reports online, as Rule 30e-3 would do, **will decrease both access and readership**.

Shareholder reports are critical and widely-read sources of information, especially if delivered in paper form.

- A 2015 survey of 1,000 mutual fund investors found that **92 percent of investors who receive shareholder reports by mail indicated viewing them**.[i]
- A recent SEC study indicates that baseline **awareness of mutual fund reports ranges from 86-91 percent**.[ii]
- **More than 70 percent of** one group of investors responding to an SEC-commissioned survey said they prefer to **read annual reports in hard copy format**; only **10 percent prefer online-only**.[iii]

Ample evidence shows that investors are more likely to read paper-based shareholder reports – and they prefer them as the default.

- Mutual fund investors who say they would be **likely to look at fund reports under current delivery methods** (with paper as the default and electronic as an option) outnumber those who would be likely to look at fund reports under the proposed method **by a factor of 3 to 1**.[iv]
- Research indicates that Rule 30e-3 would **reduce readership of shareholder reports by more than 80 percent**. The projected negative impact will be on individuals who hold an estimated 115 million or more fund positions (the number of positions for which a mailed report would otherwise be sent) in FY2018.[v]
- **Mutual fund shareholders ages 65 and older** reported a preference for the current delivery method over the proposed rule **by a factor of 4 to 1**.[vi] In addition, a 2012 AARP survey similarly found a **strong preference for paper, even among members with email addresses**.[vii]

The SEC has tried the same scenario before with proxy materials, and readership and participation declined considerably.

- The SEC in 2005 adopted a "notice and access model" permitting issuers to post proxy materials online and provide shareholders with a notice of the Internet availability. Previously, hardcopy was sent by default unless investors indicated a preference for electronic delivery.[viii] This process was used by the SEC as the model for Rule 30e-3.
- Prior to the notice and access model, surveys by AARP, NYSE and Broadridge found that over 85 percent of respondents looked at proxy information at least some of the time. Following implementation of the notice and access model**, less than one-half of 1 percent of those who received notification by mail visited the URL** and chose to view the disclosure information.[ix]
- **Companies found decreases in investor participation** of over 30 percent for large investors, and over 60 percent for smaller investors.[x]
- Proxy voting by the retail investors who are affected by the **rules decreased by approximately 75 percent**.[xi]
- Three years after the e-delivery rule, more than two million investors who initially enrolled in e-delivery subsequently rescinded their consent. In exit surveys, **more than half indicated their decision was due to a preference for hard-copy**.[xii]

Rule 30e-3's policy of implied consent is well-known to decrease consumer participation, and the SEC has been warned before.

- Columbia University Business School professor Eric J. Johnson, cautioned against the e-proxy delivery rule, noting: "Every decision has a default or a choice that is made when we take no action … **Evidence is that the choice of "no action default" can substantially change the behavior of customers**…Such a system could **decrease use of information and participation** … Given that danger, the SEC might well want to proceed with caution…Since the effect of opting-in is **likely to impact whether or not an individual looks at information**."[xiii]

[i] *Annual Report and Semi-Annual Report Notification Study: Understanding the impact of providing investors with mutual fund and ETF report notifications*, True North Market Insights (June, 2015).
[ii] *Investor Testing of Mutual Fund Shareholder Reports*, Siegel & Gale Report to the SEC (2011; Revised, 2012).
[iii] *Investor Testing of Mutual Fund Shareholder Reports*, Siegel & Gale Report to the SEC (2011; Revised, 2012).
[iv] *How Might the Proposed Rule on Accessing Annual and Semiannual Mutual Fund Reports Affect Investor Behavior*, Forrester Consulting on behalf of Broadridge Financial Solutions, Inc. (2015).
[v] *August 2015 Comments on Proposed Rule 30e-3, Investment Company Reporting Modernization, File Number S7-08-15*, Broadridge Financial Solutions, Inc
[vi] *How Might the Proposed Rule on Accessing Annual and Semiannual Mutual Fund Reports Affect Investor Behavior*, Forrester Consulting on behalf of Broadridge Financial Solutions, Inc. (2015).
[vii] *Letter to Sen. Susan Collins*, AARP (May 30, 2016).
[viii] *Securities Offering Reform*, SEC Release No. 33-8591 (July 19, 2005).
[ix] SEC Commissioner Luis A. Aguilar, *Ensuring the Proxy Process Works for Shareholders* (Feb. 19, 2015). Available: https://www.sec.gov/news/statement/021915-psclaa.html
[x] Fabio Saccone, *E-Proxy Reform, Activism, and the Decline in Retail Shareholder Voting*, The Conference Board (Dec. 2010). Referenced: https://www.sec.gov/news/statement/021915-psclaa
[xi] *Comments to the SEC re: Enhanced Disclosure and New Prospectus Delivery Option for Registered Open-End Management Companies*, Broadridge Financial Solutions (February 28, 2008).
[xii] *Comments to the SEC re: Enhanced Disclosure and New Prospectus Delivery Option for Registered Open-End Management Companies*, Broadridge Financial Solutions (February 28, 2008).
[xiii] Eric J. Johnson, *Defaults and Deciding to Use Information, A White Paper Reviewing the Role of Defaults in Decision Making: Implications for Investor Participation in the Proposed Notice and Access Scenario*, Columbia Business School (2006).