

107TH CONGRESS  
2D SESSION

# H. R. 5252

To protect the Social Security trust funds by ensuring that the Government repays its debts to the trust funds.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 26, 2002

Mr. WAXMAN (for himself, Mr. MATSUI, and Mr. RANGEL) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To protect the Social Security trust funds by ensuring that the Government repays its debts to the trust funds.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Social Security Preser-  
5       vation Act of 2002”.

6       **SEC. 2. FINDINGS AND PURPOSES.**

7       (a) FINDINGS.—The Congress finds that—

8               (1) the Federal budget has moved from surplus  
9       to deficit, causing social security trust funds fi-

1       nanced by payroll taxes to be used to fund the def-  
2       icit;

3           (2) as a result of the return to deficit, the  
4       Treasury may have to borrow nearly \$2 trillion from  
5       the social security trust funds to use for other Gov-  
6       ernment expenditures over the next 10 years;

7           (3) statements by the Secretary of the Treasury  
8       that the trust funds have “no assets” and the social  
9       security program is a “pyramid game” and by con-  
10      gressional leaders that the trust funds are “empty”,  
11      a “total fraud”, and consist of “worthless IOUs”  
12      cast doubt on whether social security beneficiaries  
13      can rely upon the Treasury to pay its debts to the  
14      social security trust funds; and

15          (4) the Treasury’s failure to pay its debts to  
16      the social security trust funds would result in cuts  
17      in social security benefits payments to American  
18      families as early as 2017.

19      (b) PURPOSES.—The purposes of this Act are:

20          (1) to repudiate statements made by Govern-  
21      ment leaders that the social security program has  
22      “no assets”;

23          (2) to require an annual Congressional vote af-  
24      firming the Government’s commitment to honoring  
25      its debts to the social security trust funds;

1           (3) to require the President to explain how the  
2       Treasury will repay loans from the social security  
3       trust funds and how legislation signed by the Presi-  
4       dent affects repayment;

5           (4) to require an annual affirmation by the Sec-  
6       retary of the Treasury of the Government’s commit-  
7       ment to honoring its debts to the social security  
8       trust funds; and

9           (5) to provide Americans who have paid social  
10      security taxes with the right to bring an action in  
11      court to force the Secretary of the Treasury to  
12      honor the Government’s debts to the social security  
13      trust funds.

14   **SEC. 3. REPUDIATION.**

15      To dispel any public confusion, the Congress hereby  
16   repudiates—

17           (1) the statements of the Secretary of the  
18      Treasury, Paul O’Neill, that the social security pro-  
19      gram is a “pyramid game” and that the social secu-  
20      rity trust funds have “no assets”; and

21           (2) the statements of congressional leaders that  
22      the social security trust funds are “empty”, a “total  
23      fraud”, “a mere accounting device”, and consist of  
24      “worthless IOUs”.

1 **SEC. 4. ANNUAL CONGRESSIONAL AFFIRMATION.**

2 No amounts borrowed from the social security trust  
3 funds may be used by the Treasury to pay for other Gov-  
4 ernment expenditures in a fiscal year, unless, during the  
5 9-month period immediately preceding the start of that  
6 fiscal year, the Congress has enacted legislation explicitly  
7 affirming that the Treasury will repay these funds.

8 **SEC. 5. ANNUAL REPORT BY THE PRESIDENT.**

9 (a) PURPOSE.—The purpose of the amendment made  
10 by subsection (b) is to require the President to report an-  
11 nually to Congress on plans for repaying the funds the  
12 Treasury has borrowed from the social security trust  
13 funds.

14 (b) AMENDMENT.—Section 1105(a) of title 31,  
15 United States Code, is amended by adding at the end the  
16 following new paragraph:

17 “(35) the total amount the Treasury has bor-  
18 rowed from the social security trust funds, an expla-  
19 nation of the plans for repaying the amount bor-  
20 rowed from the social security trust funds, and an  
21 explanation of the impact any legislation the Presi-  
22 dent signed into law in the preceding year will have  
23 on the plans for repaying the social security trust  
24 funds.”.

1 **SEC. 6. COMMITMENT BY THE SECRETARY OF THE TREAS-**  
2 **URY TO HONOR THE GOVERNMENT'S DEBT**  
3 **TO THE SOCIAL SECURITY TRUST FUNDS.**

4 Whenever the Board of Trustees of the social security  
5 trust funds submits its annual report to Congress pursu-  
6 ant to section 201(c) of the Social Security Act on the  
7 status of such trust funds during the preceding fiscal year  
8 and the expected operation and status during the ensuing  
9 5 fiscal years, the Secretary of the Treasury shall submit  
10 a statement to Congress containing an affirmation that  
11 the Treasury will honor the securities in such trust funds.

12 **SEC. 7. REQUIREMENT THAT THE GOVERNMENT REPAY**  
13 **THE SOCIAL SECURITY TRUST FUNDS.**

14 Section 201(d) of the Social Security Act (42 U.S.C.  
15 401(d)) is amended by inserting after the sixth sentence  
16 the following new sentence: "Any individual who is cred-  
17 ited with wages or self-employment income under this title  
18 may bring an action in an appropriate Federal district  
19 court to enjoin any act or practice by the Secretary of  
20 the Treasury by which the Secretary contests an obligation  
21 issued for purchase by either Trust Fund under this sub-  
22 section or which constitutes a failure to provide for re-  
23 demption of the obligation in accordance with the terms  
24 of such obligation or to otherwise honor the full faith and  
25 credit of the United States supporting such obligation.".

1 **SEC. 8. GENERAL PROVISIONS.**

2 (a) DEFINITIONS.—As used in this Act—

3 (1) SOCIAL SECURITY TRUST FUNDS.—The  
4 term “social security trust funds” refers to the Fed-  
5 eral Old-Age and Survivors Insurance Trust Fund  
6 and the Federal Disability Insurance Trust Fund.

7 (2) OTHER GOVERNMENT EXPENDITURES.—  
8 The term “other Government expenditures” means  
9 all Government expenditures other than expenditures  
10 for the old-age, survivors, and disability insurance  
11 program under title II of the Social Security Act.  
12 Such term does not include amounts expended to  
13 pay down the Government debt.

14 (b) INTERPRETATION.—For purposes of this Act,  
15 amounts borrowed from the social security trust funds  
16 shall be considered to be used for other Government ex-  
17 penditures if there is a deficit in the non-Social Security  
18 budget.

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