

109TH CONGRESS
2D SESSION

H. R. 4965

To amend title II of the Social Security Act to provide that a duty of the Board of Trustees of the Social Security Trust funds is to hold them in trust for the beneficiaries and to ensure that the assets of such trust funds are not diverted, and to authorize investment of such trust funds in securities that are not limited to obligations of the United States or obligations guaranteed as to principal and interest by the United States.

IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 2006

Mr. GOHMERT introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend title II of the Social Security Act to provide that a duty of the Board of Trustees of the Social Security Trust funds is to hold them in trust for the beneficiaries and to ensure that the assets of such trust funds are not diverted, and to authorize investment of such trust funds in securities that are not limited to obligations of the United States or obligations guaranteed as to principal and interest by the United States.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Social Security Trust
3 Funds Investment Act of 2006”.

4 **SEC. 2. MANAGMENT AND INVESTMENT OF SOCIAL SECU-**
5 **RITY TRUST FUNDS.**

6 (a) DUTY OF THE BOARD OF TRUSTEES.—Section
7 201(c)(1) of the Social Security Act (42 U.S.C. 401(c)(1))
8 is amended to read as follows:

9 “(1) Hold the Trust Funds in trust for the ben-
10 efit of beneficiaries under this title and ensure that
11 the assets of the Trust Funds are not diverted;”.

12 (b) AUTHORITY TO INVEST ASSETS OF THE TRUST
13 FUNDS.—Section 201(d) of such Act (42 U.S.C. 401(d))
14 is amended—

15 (1) by striking the second sentence and insert-
16 ing the following: “Such investments may be made
17 in interest-bearing obligations of the United States,
18 in obligations guaranteed as to both principal and
19 interest by the United States, or in such other secu-
20 rities as the Board of Trustees may consider pru-
21 dent investments.”;

22 (2) in the third sentence, by inserting “or other
23 securities” after “obligations”; and

24 (3) by striking the last sentence and adding the
25 following new sentence: “In making investments
26 under this subsection, the Board of Trustees shall

1 exercise the judgment and care under the cir-
2 cumstances then prevailing that persons of ordinary
3 prudence, discretion, and intelligence exercise in the
4 management of their own affairs, not in regard to
5 speculation, but in regard to the permanent disposi-
6 tion of their funds, considering the probable income
7 therefrom as well as the probable safety of their cap-
8 ital.”.

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