

110TH CONGRESS
1ST SESSION

H. R. 4338

To establish a procedure to safeguard the surpluses of the social security
and medicare hospital insurance trust funds.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2007

Mr. WALBERG (for himself, Mrs. DRAKE, and Mrs. JONES of Ohio) introduced
the following bill; which was referred to the Committee on the Budget,
and in addition to the Committee on Rules, for a period to be subse-
quently determined by the Speaker, in each case for consideration of such
provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a procedure to safeguard the surpluses of the
social security and medicare hospital insurance 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 and
5 Medicare Lock-Box Act”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

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

(2) social security and medicare surpluses should be reserved for strengthening and preserving the social security trust funds; and

(3) preserving social security and medicare surpluses would restore confidence in the long-term financial integrity of social security and medicare.

(b) PURPOSE.—It is the purpose of this Act to prevent the social security and medicare hospital insurance trust funds from being used for any purpose other than providing retirement and health security.

14 SEC. 3. PROTECTION OF SOCIAL SECURITY AND MEDICARE
15 SURPLUSES.

(a) PROTECTION OF SOCIAL SECURITY AND MEDICAL CARE SURPLUSES.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

20 “LOCK-BOX FOR SOCIAL SECURITY AND HOSPITAL
21 INSURANCE SURPLUSES

22 “SEC. 316. (a) LOCK-BOX FOR SOCIAL SECURITY
23 AND HOSPITAL INSURANCE SURPLUSES.—

24 “(1) CONCURRENT RESOLUTIONS ON THE
25 BUDGET.—

1 “(A) IN GENERAL.—It shall not be in
2 order in the House of Representatives or the
3 Senate to consider any concurrent resolution on
4 the budget, or an amendment thereto or con-
5 ference report thereon, that would set forth a
6 surplus for any fiscal year that is less than the
7 surplus of the Federal Hospital Insurance
8 Trust Fund for that fiscal year.

9 “(B) EXCEPTION.—(i) Subparagraph (A)
10 shall not apply to the extent that a violation of
11 such subparagraph would result from an as-
12 sumption in the resolution, amendment, or con-
13 ference report, as applicable, of an increase in
14 outlays or a decrease in revenue relative to the
15 baseline underlying that resolution for social se-
16 curity reform legislation or medicare reform leg-
17 islation for any such fiscal year.

18 “(ii) If a concurrent resolution on the
19 budget, or an amendment thereto or conference
20 report thereon, would be in violation of sub-
21 paragraph (A) because of an assumption of an
22 increase in outlays or a decrease in revenue re-
23 lative to the baseline underlying that resolution
24 for social security reform legislation or medi-
25 care reform legislation for any such fiscal year,

1 then that resolution shall include a statement
2 identifying any such increase in outlays or de-
3 crease in revenue.

4 “(2) SPENDING AND TAX LEGISLATION.—

5 “(A) IN GENERAL.—It shall not be in
6 order in the House of Representatives or the
7 Senate to consider any bill, joint resolution,
8 amendment, motion, or conference report if—

9 “(i) the enactment of that bill or reso-
10 lution, as reported;

11 “(ii) the adoption and enactment of
12 that amendment; or

13 “(iii) the enactment of that bill or res-
14 olution in the form recommended in that
15 conference report,

16 would cause the surplus for any fiscal year cov-
17 ered by the most recently agreed to concurrent
18 resolution on the budget to be less than the sur-
19 plus of the Federal Hospital Insurance Trust
20 Fund for that fiscal year.

21 “(B) EXCEPTION.—Subparagraph (A)
22 shall not apply to social security reform legisla-
23 tion or medicare reform legislation.

24 “(b) ENFORCEMENT.—

1 “(1) BUDGETARY LEVELS WITH RESPECT TO
2 CONCURRENT RESOLUTIONS ON THE BUDGET.—For
3 purposes of enforcing any point of order under sub-
4 section (a)(1), the surplus for any fiscal year shall
5 be—

6 “(A) the levels set forth in the later of the
7 concurrent resolution on the budget, as re-
8 ported, or in the conference report on the con-
9 current resolution on the budget; and

10 “(B) adjusted to the maximum extent al-
11 lowable under all procedures that allow budg-
12 etary aggregates to be adjusted for legislation
13 that would cause a decrease in the surplus for
14 any fiscal year covered by the concurrent reso-
15 lution on the budget (other than procedures de-
16 scribed in paragraph (2)(A)(ii)).

17 “(2) CURRENT LEVELS WITH RESPECT TO
18 SPENDING AND TAX LEGISLATION.—

19 “(A) IN GENERAL.—For purposes of en-
20 forcing subsection (a)(2), the current levels of
21 the surplus for any fiscal year shall be—

22 “(i) calculated using the following as-
23 sumptions—

24 “(I) direct spending and revenue
25 levels at the baseline levels underlying

1 the most recently agreed to concur-
2 rent resolution on the budget; and

3 “(II) for the budget year, discre-
4 tionary spending levels at current law
5 levels and, for outyears, discretionary
6 spending levels at the baseline levels
7 underlying the most recently agreed to
8 concurrent resolution on the budget;
9 and

10 “(ii) adjusted for changes in the sur-
11 plus levels set forth in the most recently
12 agreed to concurrent resolution on the
13 budget pursuant to procedures in such res-
14 olution that authorize adjustments in
15 budgetary aggregates for updated economic
16 and technical assumptions in the mid-ses-
17 sion report of the Director of the Congres-
18 sional Budget Office.

19 Such revisions shall be included in the first cur-
20 rent level report on the congressional budget
21 submitted for publication in the Congressional
22 Record after the release of such mid-session re-
23 port.

24 “(B) BUDGETARY TREATMENT.—Outlays
25 (or receipts) for any fiscal year resulting from

1 social security or medicare reform legislation in
2 excess of the amount of outlays (or less than
3 the amount of receipts) for that fiscal year set
4 forth in the most recently agreed to concurrent
5 resolution on the budget or the section 302(a)
6 allocation for such legislation, as applicable,
7 shall not be taken into account for purposes of
8 enforcing any point of order under subsection
9 (a)(2).

10 “(3) DISCLOSURE OF HI SURPLUS.—For pur-
11 poses of enforcing any point of order under sub-
12 section (a), the surplus of the Federal Hospital In-
13 surance Trust Fund for a fiscal year shall be the
14 levels set forth in the later of the report accom-
15 panying the concurrent resolution on the budget (or,
16 in the absence of such a report, placed in the Con-
17 gressional Record prior to the consideration of such
18 resolution) or in the joint explanatory statement of
19 managers accompanying such resolution.

20 “(c) ADDITIONAL CONTENT OF REPORTS ACCOM-
21 PANYING BUDGET RESOLUTIONS AND OF JOINT EXPLAN-
22 ATORY STATEMENTS.—The report accompanying any con-
23 current resolution on the budget and the joint explanatory
24 statement accompanying the conference report on each
25 such resolution shall include the levels of the surplus in

1 the budget for each fiscal year set forth in such resolution
2 and of the surplus or deficit in the Federal Hospital Insur-
3 ance Trust Fund, calculated using the assumptions set
4 forth in subsection (b)(2)(A).

5 “(d) DEFINITIONS.—As used in this section:

6 “(1) The term ‘medicare reform legislation’
7 means a bill or a joint resolution to save Medicare
8 that includes a provision stating the following: ‘For
9 purposes of section 316(a) of the Congressional
10 Budget Act of 1974, this Act constitutes medicare
11 reform legislation.’.

12 “(2) The term ‘social security reform legisla-
13 tion’ means a bill or a joint resolution to save social
14 security that includes a provision stating the fol-
15 lowing: ‘For purposes of section 316(a) of the Con-
16 gressional Budget Act of 1974, this Act constitutes
17 social security reform legislation.’.

18 “(e) WAIVER AND APPEAL.—Subsection (a) may be
19 waived or suspended in the Senate only by an affirmative
20 vote of three-fifths of the Members, duly chosen and
21 sworn. An affirmative vote of three-fifths of the Members
22 of the Senate, duly chosen and sworn, shall be required
23 in the Senate to sustain an appeal of the ruling of the
24 Chair on a point of order raised under this section.

1 “(f) EFFECTIVE DATE.—This section shall cease to
2 have any force or effect upon the enactment of social secu-
3 rity reform legislation and medicare reform legislation.”.

4 (b) CONFORMING AMENDMENT.—The item relating
5 to section 316 in the table of contents set forth in section
6 1(b) of the Congressional Budget and Impoundment Con-
7 trol Act of 1974 is amended to read as follows:

“Sec. 316. Lock-box for social security and hospital insurance surpluses.”.

8 **SEC. 4. PRESIDENTS’ BUDGET.**

9 (a) PROTECTION OF SOCIAL SECURITY AND MEDI-
10 CARE SURPLUSES.—If the budget of the Government sub-
11 mitted by the President under section 1105(a) of title 31,
12 United States Code, recommends an on-budget surplus for
13 any fiscal year that is less than the surplus of the Federal
14 Hospital Insurance Trust Fund for that fiscal year, then
15 it shall include a detailed proposal for social security re-
16 form legislation or medicare reform legislation.

17 (b) EFFECTIVE DATE.—Subsection (a) shall cease to
18 have any force or effect upon the enactment of social secu-
19 rity reform legislation and medicare reform legislation as
20 defined by section 316(d) of the Congressional Budget Act
21 of 1974.

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