

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 116

To amend the Congressional Budget Act of 1974 to preserve all budget surpluses until legislation is enacted significantly extending the solvency of the Social Security and Medicare trust funds.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 2005

Mr. HOLT introduced the following bill; which was referred to the Committee on Rules, 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 amend the Congressional Budget Act of 1974 to preserve all budget surpluses until legislation is enacted significantly extending the solvency of the Social Security and Medicare 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 of 2005”.

1 **SEC. 2. PURPOSE.**

2 It is the purpose of this Act to put social security  
3 and Medicare solvency first, by prohibiting the use of so-  
4 cial security surpluses, Medicare surpluses, and any other  
5 government surpluses for any purpose other than paying  
6 down publicly held debt, until legislation is enacted signifi-  
7 cantly extending the solvency of the social security and  
8 Medicare trust funds.

9 **SEC. 3. SURPLUSES RESERVED UNTIL SOCIAL SECURITY**  
10 **AND MEDICARE SOLVENCY LEGISLATION IS**  
11 **ENACTED.**

12 (a) IN GENERAL.—Section 312 of the Congressional  
13 Budget Act of 1974 is amended by adding at the end the  
14 following new subsection:

15 “(g) SURPLUSES RESERVED UNTIL SOCIAL SECUR-  
16 RITY AND MEDICARE SOLVENCY LEGISLATION IS EN-  
17 ACTED.—

18 “(1) IN GENERAL.—Until there is both a social  
19 security solvency certification and a Medicare sol-  
20 vency certification, it shall not be in order in the  
21 House of Representatives or the Senate to con-  
22 sider—

23 “(A) any concurrent resolution on the  
24 budget, or conference report thereon or amend-  
25 ment thereto, that would use any portion of the  
26 baseline budget surpluses, or

1           “(B) any bill, joint resolution, amendment,  
2 motion, or conference report if—

3                   “(i) the enactment of that bill or reso-  
4 lution as reported,

5                   “(ii) the adoption and enactment of  
6 that amendment, or

7                   “(iii) the enactment of that bill or res-  
8 olution in the form recommended in that  
9 conference report,

10 would use any portion of the baseline budget  
11 surpluses.

12 “(2) BASELINE BUDGET SURPLUSES.—

13           “(A) IN GENERAL.—For purposes of this  
14 subsection, the term ‘baseline budget surplus’  
15 means the sum of the on- and off-budget sur-  
16 pluses contained in the most recent baseline  
17 budget projections made by the Congressional  
18 Budget Office at the beginning of the annual  
19 budget cycle and no later than the month of  
20 March.

21           “(B) BASELINE BUDGET PROJECTION.—  
22 For purposes of subparagraph (A), the term  
23 ‘baseline budget projection’ means the projec-  
24 tion described in section 257 of the Balanced  
25 Budget and Emergency Deficit Control Act of

1           1985 of current year levels of outlays, receipts,  
2           and the surplus or deficit into the budget year  
3           and future years; except that outlays for pro-  
4           grams subject to discretionary appropriations  
5           shall be projected at the lesser of any applicable  
6           statutory discretionary limits or the baseline  
7           level otherwise defined in such section 257. For  
8           purposes of this subsection, the baseline budget  
9           projection shall include both on-budget and off-  
10          budget outlays and receipts.

11           “(3) USE OF PORTION OF THE BASELINE  
12          BUDGET SURPLUSES.—For purposes of this sub-  
13          section, a portion of the baseline budget surpluses is  
14          used if, relative to the baseline budget projection—

15                   “(A) in the case of legislation affecting  
16                   revenues, any net reduction in revenues in the  
17                   current year or the budget year, or over the 5-  
18                   or 10-year estimating periods beginning with  
19                   the budget year, is not offset by reductions in  
20                   direct spending,

21                   “(B) in the case of legislation affecting di-  
22                   rect spending, any net increase in direct spend-  
23                   ing in the current year or the budget year, or  
24                   over such 5- or 10-year periods, is not offset by  
25                   increases in revenues, and

1           “(C) in the case of an appropriations bill,  
2           there is a net increase in discretionary outlays  
3           in the current year or the budget year when the  
4           discretionary outlays from such bill are added  
5           to the discretionary outlays from all previously  
6           enacted appropriations bills.

7           “(4) SOCIAL SECURITY SOLVENCY CERTIFI-  
8           CATION.—For purposes of this subsection, the term  
9           ‘social security solvency certification’ means a cer-  
10          tification by the Board of Trustees of the Social Se-  
11          curity Trust Funds that the Federal Old-Age and  
12          Survivors Insurance Trust Fund and the Federal  
13          Disability Insurance Trust Fund are, taken to-  
14          gether, in actuarial balance for the 75-year period  
15          utilized in the most recent annual report of such  
16          Board of Trustees pursuant to section 201(c)(2) of  
17          the Social Security Act (42 U.S.C. 401(c)(2)).

18          “(5) MEDICARE SOLVENCY CERTIFICATION.—  
19          For purposes of this subsection, the term ‘Medicare  
20          solvency certification’ means a certification by the  
21          Board of Trustees of the Federal Hospital Insurance  
22          Trust Fund that such Trust Fund is in actuarial  
23          balance for the 30-year period utilized in the most  
24          recent annual report of such Board of Trustees pur-

1 suant to section 1817(b) of the Social Security  
2 Act.”.

3 (b) SUPER MAJORITY REQUIREMENT.—(1) Section  
4 904(c)(1) of the Congressional Budget Act of 1974 is  
5 amended by inserting “312(g),” after “310(d)(2),”.

6 (2) Section 904(d)(2) of the Congressional Budget  
7 Act of 1974 is amended by inserting “312(g),” after  
8 “310(d)(2),”.

9 **SEC. 4. EFFECTIVE DATE.**

10 This Act shall take effect upon the date of its enact-  
11 ment and the amendments made by it shall apply only to  
12 fiscal year 2006 and subsequent fiscal years.

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