

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

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**H. R. 2621**

**AN ACT**

To enforce the public debt limit and to protect the social security trust funds and other Federal trust funds and accounts invested in public debt obligations.

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## AN ACT

To enforce the public debt limit and to protect the social security trust funds and other Federal trust funds and accounts invested in public debt obligations.

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. APPLICABILITY OF PUBLIC DEBT LIMIT TO**  
2 **FEDERAL TRUST FUNDS AND OTHER FED-**  
3 **ERAL ACCOUNTS.**

4 (a) PROTECTION OF FEDERAL FUNDS.—Notwith-  
5 standing any other provision of law—

6 (1) no officer or employee of the United States  
7 may—

8 (A) delay the deposit of any amount into  
9 (or delay the credit of any amount to) any Fed-  
10 eral fund or otherwise vary from the normal  
11 terms, procedures, or timing for making such  
12 deposits or credits, or

13 (B) refrain from the investment in public  
14 debt obligations of amounts in any Federal  
15 fund,

16 if a purpose of such action or inaction is to not in-  
17 crease the amount of outstanding public debt obliga-  
18 tions, and

19 (2) no officer or employee of the United States  
20 may disinvest amounts in any Federal fund which  
21 are invested in public debt obligations if a purpose  
22 of the disinvestment is to reduce the amount of out-  
23 standing public debt obligations.

24 (b) PROTECTION OF BENEFITS AND EXPENDITURES  
25 FOR ADMINISTRATIVE EXPENSES.—

1           (1) IN GENERAL.—Notwithstanding subsection  
2           (a), during any period for which cash benefits or ad-  
3           ministrative expenses would not otherwise be payable  
4           from a covered benefits fund by reason of an inabil-  
5           ity to issue further public debt obligations because  
6           of the applicable public debt limit, public debt obli-  
7           gations held by such covered benefits fund shall be  
8           sold or redeemed only for the purpose of making  
9           payment of such benefits or administrative expenses  
10          and only to the extent cash assets of the covered  
11          benefits fund are not available from month to month  
12          for making payment of such benefits or administra-  
13          tive expenses.

14          (2) ISSUANCE OF CORRESPONDING DEBT.—For  
15          purposes of undertaking the sale or redemption of  
16          public debt obligations held by a covered benefits  
17          fund pursuant to paragraph (1), the Secretary of the  
18          Treasury may issue corresponding public debt obli-  
19          gations to the public, in order to obtain the cash  
20          necessary for payment of benefits or administrative  
21          expenses from such covered benefits fund, notwith-  
22          standing the public debt limit.

23          (3) ADVANCE NOTICE OF SALE OR REDEMP-  
24          TION.—Not less than 3 days prior to the date on  
25          which, by reason of the public debt limit, the Sec-

1       retary of the Treasury expects to undertake a sale  
2       or redemption authorized under paragraph (1), the  
3       Secretary of the Treasury shall report to each House  
4       of the Congress and to the Comptroller General of  
5       the United States regarding the expected sale or re-  
6       demption. Upon receipt of such report, the Comp-  
7       troller General shall review the extent of compliance  
8       with subsection (a) and paragraphs (1) and (2) of  
9       this subsection and shall issue such findings and rec-  
10      ommendations to each House of the Congress as the  
11      Comptroller General considers necessary and appro-  
12      priate.

13      (c) PUBLIC DEBT OBLIGATION.—For purposes of  
14      this section, the term “public debt obligation” means any  
15      obligation subject to the public debt limit established  
16      under section 3101 of title 31, United States Code.

17      (d) FEDERAL FUND.—For purposes of this section,  
18      the term “Federal fund” means any Federal trust fund  
19      or Government account established pursuant to Federal  
20      law to which the Secretary of the Treasury has issued or  
21      is expressly authorized by law directly to issue obligations  
22      under chapter 31 of title 31, United States Code, in re-  
23      spect of public money, money otherwise required to be de-  
24      posited in the Treasury, or amounts appropriated.

1 (e) COVERED BENEFITS FUND.—For purposes of  
2 subsection (b), the term “covered benefits fund” means  
3 any Federal fund from which cash benefits are payable  
4 by law in the form of retirement benefits, separation pay-  
5 ments, life or disability insurance benefits, or dependent’s  
6 or survivor’s benefits, including (but not limited to) the  
7 following:

8 (1) the Federal Old-Age and Survivors Insur-  
9 ance Trust Fund;

10 (2) the Federal Disability Insurance Trust  
11 Fund;

12 (3) the Civil Service Retirement and Disability  
13 Fund;

14 (4) the Government Securities Investment  
15 Fund;

16 (5) the Department of Defense Military Retire-  
17 ment Fund;

18 (6) the Unemployment Trust Fund;

19 (7) each of the railroad retirement funds and  
20 accounts;

21 (8) the Department of Defense Education Ben-  
22 efits Fund and the Post-Vietnam Era Veterans Edu-  
23 cation Fund; and

24 (9) the Black Lung Disability Trust Fund.

1 **SEC. 2. CONFORMING AMENDMENT.**

2 (a) IN GENERAL.—Subsections (j), (k), and (l) of  
3 section 8348 of title 5, United States Code, and sub-  
4 sections (g) and (h) of section 8438 of such title are  
5 hereby repealed.

6 (b) RETENTION OF AUTHORITY TO RESTORE  
7 TRUST FUNDS WITH RESPECT TO ACTIONS TAKEN BE-  
8 FORE DATE OF ENACTMENT.—

9 (1) IN GENERAL.—The repeals made by sub-  
10 section (a) shall not apply to the restoration require-  
11 ments imposed on the Secretary of the Treasury (or  
12 the Executive Director referred to in section  
13 8438(g)(5) of title 5, United States Code) with re-  
14 spect to amounts attributable to actions taken under  
15 subsection (j)(1) or (k) of section 8348, or section  
16 8438(g)(1), of such title before the date of the en-  
17 actment of this Act.

18 (2) RESTORATION REQUIREMENTS.—For purposes  
19 of paragraph (1), the term “restoration require-  
20 ments” means the requirements imposed by—

21 (A) paragraphs (2), (3), and (4) of sub-  
22 section (j), and subsection (l)(1), of section  
23 8348 of such title, and

1                   (B) paragraphs (2), (3), (4), and (5) of sub-  
2                   section (g), and subsection (h)(1), of section  
3                   8438 of such title.

Passed the House of Representatives December 14,  
1995.

Attest:

*Clerk.*