

107TH CONGRESS
1ST SESSION

H. R. 1204

To encourage Members of Congress and the executive branch to be honest with the public about true on-budget circumstances, to exclude the Social Security trust funds and the Medicare hospital insurance trust fund from the annual Federal budget baseline, to prohibit Social Security and Medicare hospital insurance trust funds surpluses to be used as offsets for tax cuts or spending increases, and to exclude the Social Security trust funds and the Medicare hospital insurance trust fund from official budget surplus/deficit pronouncements.

IN THE HOUSE OF REPRESENTATIVES

MARCH 22, 2001

Mr. SMITH of Washington introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committee on Ways and Means, 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

A BILL

To encourage Members of Congress and the executive branch to be honest with the public about true on-budget circumstances, to exclude the Social Security trust funds and the Medicare hospital insurance trust fund from the annual Federal budget baseline, to prohibit Social Security and Medicare hospital insurance trust funds surpluses to be used as offsets for tax cuts or spending increases, and to exclude the Social Security trust funds and the Medicare hospital insurance trust fund from official budget surplus/deficit pronouncements.

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 “Honesty in Budgeting
5 Act”.

6 **SEC. 2. SENSE OF HOUSE TO ENCOURAGE HONESTY FOR**
7 **MEMBERS OF CONGRESS AND EXECUTIVE**
8 **BRANCH OFFICIALS.**

9 It is the sense of the House of Representatives that
10 Members of Congress, executive branch officials, and their
11 respective representatives should use on-budget numbers
12 when making public statements regarding the Federal
13 budget.

14 **SEC. 3. OFF-BUDGET STATUS OF OASDI AND HI TRUST**
15 **FUNDS.**

16 Notwithstanding any other provision of law, the re-
17 ceipts and disbursements of the Federal Old-Age and Sur-
18 vivors Insurance Trust Fund, the Federal Disability In-
19 surance Trust Fund, and the Federal Hospital Insurance
20 Trust Fund shall not be counted as new budget authority,
21 outlays, receipts, or deficit or surplus for purposes of—

- 22 (1) the budget of the United States Govern-
23 ment as submitted by the President,
24 (2) the congressional budget, or

1 (3) the Balanced Budget and Emergency Def-
2 icit Control Act of 1985.

3 **SEC. 4. REMOVING SOCIAL SECURITY AND MEDICARE**
4 **FROM BUDGET SURPLUS/DEFICIT PRO-**
5 **NOUNCEMENTS.**

6 (a) REMOVING SOCIAL SECURITY AND MEDICARE
7 FROM BUDGET SURPLUS/DEFICIT PRONOUNCEMENTS.—
8 Title III of the Congressional Budget Act of 1974 is
9 amended by adding at the end the following section:

10 “REMOVING SOCIAL SECURITY AND MEDICARE FROM
11 BUDGET SURPLUS/DEFICIT PRONOUNCEMENTS

12 “SEC. 316. (a) SURPLUS OR DEFICIT TOTALS.—Any
13 official statement issued by the Office of Management and
14 Budget or by the Congressional Budget Office of surplus
15 or deficit totals of the budget of the United States Govern-
16 ment as submitted by the President or of the surplus or
17 deficit totals of the congressional budget, and any descrip-
18 tion of, or reference to, such totals in any official publica-
19 tion or material issued by either of such Offices, shall ex-
20 clude the receipts and disbursements totals of the old-age
21 survivors, and disability insurance program under title 2
22 of the Social Security Act and of the Federal Hospital In-
23 surance Trust Fund under part A of title 18 of such Act.
24 The Office of Management and Budget and the Congres-
25 sional Budget Office shall issue separate reports on the

1 outlays and revenues of the Social Security trust funds
2 and of the Federal Hospital Insurance Trust Fund.

3 “(b) PRESENTATION OF BUDGETARY AGGRE-
4 GATES.—For purposes of chapter 11 of title 31, United
5 States Code, or this Act, tables and other displays of
6 budgetary aggregates for the United States Government
7 of the Director of the Office of Management and Budget
8 or the Director of the Congressional Budget Office shall
9 not include receipts or disbursements referred to in sub-
10 section (a).”.

11 (b) CONFORMING AMENDMENT.—The table of con-
12 tents set forth in section 1(b) of the Congressional Budget
13 and Impoundment Control Act of 1974 is amended by
14 adding after the item relating to section 315 the following
15 new item:

“Sec. 316. Removing Social Security and Medicare from budget surplus/deficit
pronouncements.”.

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