

109TH CONGRESS
1ST SESSION

S. 1730

To establish the Trust Fund Administration to invest in non-Federal Government debt instrument index funds all Federal trust fund revenues transferred to the Federal Government upon the issuance of special rate Treasury obligations to such trust funds, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 20, 2005

Mr. VOINOVICH (for himself and Mr. CONRAD) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To establish the Trust Fund Administration to invest in non-Federal Government debt instrument index funds all Federal trust fund revenues transferred to the Federal Government upon the issuance of special rate Treasury obligations to such trust funds, and for other purposes.

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 “Truth in Budgeting
5 Act of 2005”.

1 **SEC. 2. TRUST FUND ADMINISTRATION.**

2 (a) ESTABLISHMENT.—The Secretary of the Treas-
3 ury shall establish in the Department of the Treasury an
4 office to be known as the “Trust Fund Administration”.

5 (b) FUNCTIONS.—The Trust Fund Administration—

6 (1) shall receive all revenues derived from the
7 sale and issuance of any special rate Treasury obli-
8 gation to any Federal trust fund,

9 (2) shall invest such revenues in non-Federal
10 Government debt instrument index funds or in an
11 index fund established by the Trust Fund Adminis-
12 tration which reflects the rate of return in the over-
13 all non-Federal Government debt instrument mar-
14 ket,

15 (3) shall not invest such revenues in any stocks
16 or other forms of equity ownership or in any debt
17 instrument issued by a foreign government or by a
18 corporation registered in a foreign nation,

19 (4) except as provided in paragraph (5), shall
20 maintain such investments and resulting earnings
21 for the sole purpose of redeeming any outstanding
22 special rate Treasury obligations,

23 (5) to the extent such investments and resulting
24 earnings are not needed to redeem such Treasury
25 obligations, shall transfer the excess amount to meet
26 the unfunded current withdrawal obligations (if any)

1 of the Trust Funds described in section 201(c) of
2 the Social Security Act, and

3 (6) shall provide to Congress an annual report
4 on—

5 (A) revenues received, investments, current
6 assets, Treasury obligations redeemed, and
7 amounts transferred under paragraph (5), and

8 (B) the internal accounting and adminis-
9 trative control systems of the Trust Fund Ad-
10 ministration.

11 (c) DIRECTOR; DEPUTY DIRECTOR.—

12 (1) DIRECTOR.—The Trust Fund Administra-
13 tion shall be under the supervision of a director ap-
14 pointed by the President as a noncareer appointee
15 (as defined in section 3132(a)(7) of title 5, United
16 States Code).

17 (2) DEPUTY DIRECTOR.—The director of the
18 Trust Fund Administration shall be assisted by a
19 deputy director appointed by the Secretary of the
20 Treasury as a career appointee (as defined in section
21 3132(a)(4) of such title).

22 (d) ANNUAL REVIEW.—The General Accountability
23 Office shall review the operations of the Trust Fund Ad-
24 ministration on an annual basis and certify to Congress

1 that the investments of the Trust Fund Administration
2 are—

3 (1) in compliance with guidelines established by
4 the Securities and Exchange Commission,

5 (2) free of political influence, and

6 (3) designed to maintain the security of the in-
7 vestment pool while maximizing investment return.

○