

109TH CONGRESS
2D SESSION

S. 4091

To provide authority for restoration of the Social Security Trust Funds from the effects of a clerical error, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 6, 2006

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

A BILL

To provide authority for restoration of the Social Security Trust Funds from the effects of a clerical error, 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 “Social Security Trust
5 Funds Restoration Act of 2006”.

6 **SEC. 2. DEFINITIONS.**

7 For purposes of this Act—

8 (1) **CLERICAL ERROR.**—The term “clerical
9 error” means the bookkeeping errors at the Social
10 Security Administration that resulted in the over-

1 payment of amounts transferred from the Trust
2 Funds to the general fund of the Treasury during
3 the period commencing with 1999 and ending with
4 2005 as transfers, under the voluntary withholding
5 program authorized by section 3402(p) of the Inter-
6 nal Revenue Code of 1986, of anticipated taxes on
7 benefit payments under title II of the Social Security
8 Act.

9 (2) SECRETARY.—The term “Secretary” means
10 the Secretary of the Treasury.

11 (3) TRUST FUNDS.—The term “Trust Funds”
12 means the Federal Old-Age and Survivors Insurance
13 Trust Fund and the Federal Disability Insurance
14 Trust Fund.

15 **SEC. 3. RESTORATION OF TRUST FUNDS.**

16 (a) APPROPRIATION.—There is hereby appropriated
17 to each of the Trust Funds, out of any money in the
18 Treasury not otherwise appropriated, an amount deter-
19 mined by the Secretary, in consultation with the Commis-
20 sioner of Social Security, to be equal, to the extent prac-
21 ticable in the judgment of the Secretary, to the difference
22 between—

23 (1) the sum of—

24 (A) the amounts that the Secretary deter-
25 mines, in consultation with the Commissioner of

1 Social Security, were overpaid from such Trust
2 Fund to the general fund of the Treasury by
3 reason of the clerical error, and

4 (B) the amount that the Secretary deter-
5 mines, in consultation with the Commissioner of
6 Social Security, to be equal, to the extent prac-
7 ticable in the judgment of the Secretary, to the
8 interest income that would have been payable to
9 such Trust Fund pursuant to section 201(d) of
10 the Social Security Act on obligations issued
11 under chapter 31 of title 31, United States
12 Code, that was not paid by reason of the cler-
13 ical error, and

14 (2) the sum of—

15 (A) the amounts that are refunded to such
16 Trust Fund as overpayments by reason of the
17 clerical error to the extent not limited by peri-
18 ods of limitation under applicable provisions of
19 the Internal Revenue Code of 1986, and

20 (B) the interest that is paid to such Trust
21 Fund on the overpayments resulting from the
22 clerical error to the extent allowed under appli-
23 cable provisions of such Code.

24 (b) INVESTMENT.—The Secretary shall invest the
25 amounts appropriated to each of the Trust Funds under

1 subsection (a) in accordance with the currently applicable
2 investment policy for such Trust Fund.

3 **SEC. 4. TIMING.**

4 (a) ACTIONS BY THE SECRETARY.—The Secretary
5 shall take such actions as are necessary to accomplish the
6 restoration described in section 3 not later than 120 days
7 after the date of the enactment of this Act.

8 (b) ACTION BY THE COMMISSIONER.—The Commis-
9 sioner of Social Security shall cooperate with the Secretary
10 to the extent necessary to enable the Secretary to meet
11 the requirements of subsection (a).

12 **SEC. 5. CONGRESSIONAL NOTIFICATION.**

13 Not later than 30 days after the Secretary takes the
14 last action necessary to accomplish the restoration de-
15 scribed in section 3, the Secretary shall notify each House
16 of the Congress in writing of the actions so taken.

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