

119TH CONGRESS
1ST SESSION

S. 770

To enhance Social Security benefits and ensure the long-term solvency of
the Social Security program.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 2025

Mr. SANDERS (for himself, Ms. WARREN, Mr. MERKLEY, Mr. WELCH, Mr. PADILLA, Ms. SMITH, Mr. VAN HOLLEN, Mr. MARKEY, Mr. BOOKER, Mrs. GILLIBRAND, and Mr. WHITEHOUSE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To enhance Social Security benefits and ensure the long-term solvency of the Social Security program.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Social Security Expansion Act”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Across-the-board benefit increase.
- Sec. 3. Computation of cost-of-living increases.
- Sec. 4. Increase in minimum benefit for lifetime low earners based on years in the workforce.

Sec. 5. Extended benefit eligibility for children who are full-time students.

Sec. 6. Payroll tax on remuneration up to contribution and benefit base and more than \$250,000.

Sec. 7. Tax on net earnings from self-employment up to contribution and benefit base and more than \$250,000.

Sec. 8. Tax on investment gain.

Sec. 9. Social Security Trust Fund established.

1 SEC. 2. ACROSS-THE-BOARD BENEFIT INCREASE.

2 (a) INCREASE OF FIRST BEND POINT PERCENT-
3 AGE.—Section 215(a)(1)(A)(i) of the Social Security Act
4 (42 U.S.C. 415(a)(1)(A)(i)) is amended by striking “90
5 percent” and inserting “95 percent”.

6 (b) ADJUSTMENT TO BEND POINT AMOUNT.—

7 (1) IN GENERAL.—Section 215(a)(1)(B) of the
8 Social Security Act (42 U.S.C. 415(a)(1)(B)) is
9 amended—

10 (A) by redesignating clause (iii) as clause
11 (iv); and

12 (B) by inserting after clause (ii) the fol-
13 lowing new clause:

14 “(iii) For an individual who is eligible for an
15 old-age or disability insurance benefit (or who dies
16 before becoming eligible for such a benefit) in any
17 calendar year after 2025, the amount determined for
18 the individual under clause (ii) of this subparagraph
19 for purposes of subparagraph (A)(i)(I) shall be in-
20 creased by 18 percent.”.

21 (2) CONFORMING AMENDMENT.—Clause (iv) of
22 section 215(a)(1)(B) of the Social Security Act (42

U.S.C. 415(a)(1)(B)), as redesignated by paragraph (1), is amended by inserting “(after the application of clause (iii), when applicable)” after “clause (ii)”.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on January 1, 2026, and shall apply with respect to monthly insurance benefits payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) for months in calendar years beginning on or after such date.

(2) RECOMPUTATION OF PRIMARY INSURANCE AMOUNTS.—

(A) IN GENERAL.—Notwithstanding section 215(f) of the Social Security Act (42 U.S.C. 415(f)), the Commissioner of Social Security shall recompute primary insurance amounts to the extent necessary to carry out the amendments to this section.

(B) RULE OF APPLICATION.—In recomputing the primary insurance amount of an individual who initially became eligible for old-age or disability insurance benefits before January 1, 2026, the Commissioner of Social Security shall apply the increase described in clause (iii) of section 215(a)(1)(B) of the Social Security

1 Act (as added by subsection (b)(1)(B)) to the
 2 amount determined under clause (ii) of such
 3 section 215(a)(1)(B) for the calendar year in
 4 which the individual initially became eligible for
 5 such benefits.

6 **SEC. 3. COMPUTATION OF COST-OF-LIVING INCREASES.**

7 (a) IN GENERAL.—Section 215(i)(1) of the Social Se-
 8 curity Act (42 U.S.C. 415(i)(1)) is amended by adding
 9 at the end the following new subparagraph:

10 “(H) the term ‘Consumer Price Index’ means
 11 the Consumer Price Index for Elderly Consumers
 12 (CPI-E, as published by the Bureau of Labor Sta-
 13 tistics of the Department of Labor).”.

14 (b) APPLICATION TO PRE-1979 LAW.—

15 (1) IN GENERAL.—Section 215(i)(1) of the So-
 16 cial Security Act as in effect in December 1978, and
 17 as applied in certain cases under the provisions of
 18 such Act as in effect after December 1978, is
 19 amended by adding at the end the following new
 20 subparagraph:

21 “(D) the term ‘Consumer Price Index’ means
 22 the Consumer Price Index for Elderly Consumers
 23 (CPI-E, as published by the Bureau of Labor Sta-
 24 tistics of the Department of Labor).”.

1 (2) CONFORMING CHANGE.—Section 215(i)(4)
2 of the Social Security Act (42 U.S.C. 415(i)(4)) is
3 amended—

4 (A) by striking “and by section 9001” and
5 inserting “, section 9001”; and

6 (B) by inserting “and section 3 of the So-
7 cial Security Expansion Act,” after “1986,”.

8 (c) NO EFFECT ON ADJUSTMENTS UNDER OTHER
9 LAWS.—Section 215(i) of the Social Security Act (42
10 U.S.C. 415(i)) is amended by adding at the end the fol-
11 lowing:

12 “(6) Any provision of law (other than in this title,
13 title VIII, or title XVI) which provides for adjustment of
14 an amount based on a change in benefit amounts resulting
15 from a determination made under this subsection shall be
16 applied and administered without regard to the amend-
17 ments made by section 3 of the Social Security Expansion
18 Act, and, for purposes of making such an adjustment
19 under such a provision, this subsection as in effect on the
20 day before the date of enactment of such Act shall con-
21 tinue to apply.”.

22 (d) PUBLICATION OF CONSUMER PRICE INDEX FOR
23 ELDERLY CONSUMERS.—The Bureau of Labor Statistics
24 of the Department of Labor shall prepare and publish the
25 index authorized by section 191 of the Older Americans

1 Amendments Act of 1987 (29 U.S.C. 2 note) for each cal-
 2 endar month, beginning with July of the calendar year fol-
 3 lowing the calendar year in which this Act is enacted, and
 4 such index shall be known as the “Consumer Price Index
 5 for Elderly Consumers”.

6 (e) EFFECTIVE DATE.—The amendments made by
 7 subsection (a) shall apply to determinations made with re-
 8 spect to cost-of-living computation quarters (as defined in
 9 section 215(i)(1)(B) of the Social Security Act (42 U.S.C.
 10 415(i)(1)(B))) ending on or after September 30 of the sec-
 11 ond calendar year following the calendar year in which this
 12 Act is enacted.

13 **SEC. 4. INCREASE IN MINIMUM BENEFIT FOR LIFETIME**
 14 **LOW EARNERS BASED ON YEARS IN THE**
 15 **WORKFORCE.**

16 (a) IN GENERAL.—Section 215(a)(1) of the Social
 17 Security Act (42 U.S.C. 415(a)(1)) is amended—

18 (1) by redesignating subparagraph (D) as sub-
 19 paragraph (E); and

20 (2) by inserting after subparagraph (C) the fol-
 21 lowing new subparagraph:

22 “(D)(i) Effective with respect to the benefits of indi-
 23 viduals who become eligible for old-age insurance benefits
 24 or disability insurance benefits (or die before becoming so
 25 eligible) after 2025, no primary insurance amount com-

1 puted under subparagraph (A) may be less than the great-
 2 er of—

3 “(I) the minimum monthly amount computed
 4 under subparagraph (C); or

5 “(II) in the case of an individual who has more
 6 than 10 years of work (as defined in clause (iv)(I)),
 7 the alternative minimum amount determined under
 8 clause (ii).

9 “(ii)(I) The alternative minimum amount determined
 10 under this clause is the applicable percentage of $\frac{1}{12}$ of
 11 the annual dollar amount determined under clause (iii) for
 12 the year in which the amount is determined.

13 “(II) For purposes of subclause (I), the applicable
 14 percentage is the percentage specified in connection with
 15 the number of years of work, as set forth in the following
 16 table:

“If the number of years of work is:	The applicable percentage is:
11	6.25 percent
12	12.50 percent
13	18.75 percent
14	25.00 percent
15	31.25 percent
16	37.50 percent
17	43.75 percent
18	50.00 percent
19	56.25 percent
20	62.50 percent
21	68.75 percent
22	75.00 percent
23	81.25 percent
24	87.50 percent
25	93.75 percent
26	100.00 percent
27	106.25 percent

“If the number of years of work is:	The applicable percentage is:
28	112.50 percent
29	118.75 percent
30 or more	125.00 percent.

1 “(iii) The annual dollar amount determined under
2 this clause is—

3 “(I) for calendar year 2026, the poverty guide-
4 line for 2025; and

5 “(II) for any calendar year after 2026, the an-
6 nual dollar amount for 2026 multiplied by the ratio
7 of—

8 “(aa) the national average wage index (as
9 defined in section 209(k)(1)) for the second cal-
10 endar year preceding the calendar year for
11 which the determination is made, to

12 “(bb) the national average wage index (as
13 so defined) for 2024.

14 “(iv) For purposes of this subparagraph—

15 “(I) the term ‘year of work’ means, with re-
16 spect to an individual, a year to which 4 quarters of
17 coverage have been credited based on such individ-
18 ual’s wages and self-employment income; and

19 “(II) the term ‘poverty guideline for 2025’
20 means the annual poverty guideline for 2025 (as up-
21 dated annually in the Federal Register by the De-
22 partment of Health and Human Services under the
23 authority of section 673(2) of the Omnibus Budget

1 Reconciliation Act of 1981) as applicable to a single
 2 individual.”.

3 (b) RECOMPUTATION.—Notwithstanding section
 4 215(f)(1) of the Social Security Act, the Commissioner of
 5 Social Security shall recompute primary insurance
 6 amounts originally computed for months prior to Novem-
 7 ber 2025 to the extent necessary to carry out the amend-
 8 ments made by this section.

9 (c) CONFORMING AMENDMENT.—Section 209(k)(1)
 10 of such Act (42 U.S.C. 409(k)(1)) is amended by inserting
 11 “215(a)(1)(E),” after “215(a)(1)(D),”.

12 **SEC. 5. EXTENDED BENEFIT ELIGIBILITY FOR CHILDREN**
 13 **WHO ARE FULL-TIME STUDENTS.**

14 (a) IN GENERAL.—

15 (1) IN GENERAL.—Section 202(d) of the Social
 16 Security Act (42 U.S.C. 402(d)) is amended—

17 (A) in paragraph (1)—

18 (i) in subparagraph (B)—

19 (I) by striking “or (ii)” and in-
 20 serting “(ii)”; and

21 (II) by inserting “or (iii) was the
 22 child of an individual entitled to dis-
 23 ability insurance benefits or of an in-
 24 dividual who dies a fully or currently
 25 insured individual and was a full-time

1 student at an educational institution
 2 and had not attained the age of 22,”
 3 after “22,”;

4 (ii) in subparagraph (E)—

5 (I) by striking “and (ii)” and in-
 6 serting “(ii)”; and

7 (II) by inserting “and (iii) is not
 8 a full-time student at an educational
 9 institution during any part of such
 10 month (in the case of a child who is
 11 the child of an individual entitled to
 12 disability insurance benefits or of an
 13 individual who dies a fully or cur-
 14 rently insured individual)” before the
 15 comma at the end;

16 (iii) in subparagraph (F), by striking
 17 clauses (i) and (ii) and inserting the fol-
 18 lowing:

19 “(i) in the case of a child who is the child
 20 of an individual entitled to old-age insurance
 21 benefits—

22 “(I) the first month during no part of
 23 which the child is a full-time elementary or
 24 secondary school student, or

1 “(II) the month in which the child at-
2 tains the age of 19, and

3 “(ii) in the case of a child who is the child
4 of an individual entitled to disability insurance
5 benefits or of an individual who dies a fully or
6 currently insured individual—

7 “(I) the first month during no part of
8 which the child is a full-time student at an
9 educational institution, or

10 “(II) the month in which the child at-
11 tains the age of 22,”; and

12 (iv) in subparagraph (G), by striking
13 clauses (ii) and (iii) and inserting the fol-
14 lowing:

15 “(ii) in the case of a child who is the child
16 of an individual entitled to old-age insurance
17 benefits—

18 “(I) the first month during no part of
19 which the child is a full-time elementary or
20 secondary school student, or

21 “(II) the month in which the child at-
22 tains the age of 19, and

23 “(iii) in the case of a child who is the child
24 of an individual entitled to disability insurance

benefits or of an individual who dies a fully or currently insured individual—

“(I) the first month during no part of which the child is a full-time student at an educational institution, or

“(II) the month in which the child attains the age of 22,”;

(B) in paragraph (6)—

(i) in subparagraph (A)—

(I) by striking “or (ii)” and inserting “(ii)”; and

(II) by inserting “or (iii) is the child of an individual entitled to disability insurance benefits or of an individual who dies a fully or currently insured individual and is a full-time student at an educational institution and has not attained the age of 22,” after “22,”; and

(ii) by striking subparagraphs (D)

and (E) and inserting the following:

“(D) the earlier of—

“(i) in the case of a child who is the child of an individual entitled to old-age insurance benefits—

1 “(I) the first month during no part of
 2 which the child is a full-time elementary or
 3 secondary school student; or

4 “(II) the month in which the child at-
 5 tains the age of 19; and

6 “(ii) in the case of a child who is the child
 7 of an individual entitled to disability insurance
 8 benefits or of an individual who dies a fully or
 9 currently insured individual—

10 “(I) the first month during no part of
 11 which the child is a full-time student at an
 12 educational institution; or

13 “(II) the month in which the child at-
 14 tains the age of 22,

15 but only if the child is not under a disability (as
 16 so defined) in such earlier month; or

17 “(E) if the child was under a disability (as so
 18 defined), the termination month (as defined in para-
 19 graph (1)(G)(i)), subject to section 223(e), or (if
 20 later) the earlier of—

21 “(i) in the case of a child who is the child
 22 of an individual entitled to old-age insurance
 23 benefits—

1 “(I) the first month during no part of
 2 which the child is a full-time elementary or
 3 secondary school student; or

4 “(II) the month in which the child at-
 5 tains the age of 19; and

6 “(ii) in the case of a child who is the child
 7 of an individual entitled to disability insurance
 8 benefits or of an individual who dies a fully or
 9 currently insured individual—

10 “(I) the first month during no part of
 11 which the child is a full-time student at an
 12 educational institution; or

13 “(II) the month in which the child at-
 14 tains the age of 22.”; and

15 (C) in paragraph (7), by adding at the end
 16 the following new paragraphs:

17 “(E) The term ‘full-time student at an edu-
 18 cational institution’ means an individual who is in
 19 full-time attendance as a student at an elementary
 20 school (but only in the case of an individual who has
 21 not attained the age of 19) or a secondary school or
 22 an institution described in section 102 of the Higher
 23 Education Act of 1965 (20 U.S.C. 1002), as deter-
 24 mined by the Commissioner of Social Security (in
 25 accordance with regulations prescribed by the Com-

1 missioner) in the light of the standards and prac-
2 tices of the schools and institutions involved, except
3 that no individual shall be considered a ‘full-time
4 student at an educational institution’ if the indi-
5 vidual is paid by his employer while attending a
6 school or institution at the request, or pursuant to
7 a requirement, of his employer. An individual shall
8 not be considered a ‘full-time student at an edu-
9 cational institution’ for the purpose of this section
10 while that individual is confined in a jail, prison, or
11 other penal institution or correctional facility, pursu-
12 ant to the individual’s conviction of an offense (com-
13 mitted after the effective date of this sentence)
14 which constituted a felony under applicable law. An
15 individual who is determined to be a full-time stu-
16 dent at an educational institution shall be deemed to
17 be such a student throughout the month with re-
18 spect to which such determination is made.

19 “(F) Except to the extent provided in such reg-
20 ulations, an individual shall be deemed to be a full-
21 time student at a school or educational institution
22 during any period of nonattendance at a school or
23 institution at which he has been in full-time attend-
24 ance if (i) such period is 4 calendar months or less,
25 and (ii) the individual shows to the satisfaction of

1 the Commissioner of Social Security that the indi-
2 vidual intends to continue to be in full-time attend-
3 ance at a secondary school or institution described
4 in section 102 of the Higher Education Act of 1965
5 (20 U.S.C. 1002) immediately following such period.
6 An individual who does not meet the requirement of
7 clause (ii) with respect to such period of nonattend-
8 ance shall be deemed to have met such requirement
9 (as of the beginning of such period) if he is in full-
10 time attendance at such a school or institution im-
11 mediately following such period.

12 “(G) A child who attains age 22 at a time when
13 the child is a full-time student of an educational in-
14 stitution (as defined in subparagraph (E) and with-
15 out application of subparagraph (F)) but has not (at
16 such time) completed the requirements for, or re-
17 ceived, a diploma or equivalent certificate from a
18 secondary school (as defined in subparagraph (C)(i))
19 or, if such child is a student at an educational insti-
20 tution described in section 102 of the Higher Edu-
21 cation Act of 1965, a diploma, degree, or equivalent
22 degree from such an institution, shall be deemed (for
23 purposes of determining whether the child’s entitle-
24 ment to benefits under this subsection has termi-
25 nated under paragraph (1)(F) and for purposes of

1 determining his initial entitlement to such benefits
 2 under clause (iii) of paragraph (1)(B)) not to have
 3 attained such age until the first day of the first
 4 month following the end of the quarter or semester
 5 in which he is enrolled at such time (or, if the sec-
 6 ondary school or educational institution in which he
 7 is enrolled is not operated on a quarter or semester
 8 system, until the first day of the first month fol-
 9 lowing the completion of the course in which the
 10 child is so enrolled or until the first day of the third
 11 month beginning after such time, whichever first oc-
 12 curs).”.

13 (2) EFFECTIVE DATE.—The amendments made
 14 by this subsection shall apply to child’s insurance
 15 benefits that are payable for months beginning on or
 16 after January 1, 2026.

17 (b) RAILROAD RETIREMENT ACT.—

18 (1) Section 2(d) of the Railroad Retirement Act
 19 of 1974 (45 U.S.C. 232(2)(d)) is amended—

20 (A) in clause (iii) of paragraph (1), by
 21 striking “will be less than nineteen years of age
 22 and a full-time elementary or secondary school
 23 student” and inserting “will be less than 22
 24 years of age and a full-time student at an edu-

1 cational institution (as defined in section
2 202(d)(7)(E) of the Social Security Act)”; and

3 (B) in paragraph (4)—

4 (i) by striking “(defining the terms
5 ‘full-time elementary or secondary school
6 student’ and ‘elementary or secondary
7 school’)”;

8 (ii) by striking “nineteen” and insert-
9 ing “22”;

10 (iii) by striking “full-time elementary
11 or secondary school student” and inserting
12 “full-time student at an educational insti-
13 tution”;

14 (iv) by striking “subparagraph (A) of
15 paragraph (7) of section 202(d) of the So-
16 cial Security Act and without the applica-
17 tion of subparagraph (B)” and inserting
18 “subparagraph (E) of section 202(d)(7) of
19 the Social Security Act, without regard to
20 subparagraph (F) of such section”;

21 (v) by striking “a diploma or equiva-
22 lent certificate from a secondary school (as
23 defined in section 202(d)(7)(c)(i) of the
24 Social Security Act)” and inserting “a di-
25 ploma, degree, or equivalent certificate

1 from a secondary school or educational in-
 2 stitution described in section 202(d)(7)(E)
 3 of the Social Security Act”; and

4 (vi) by striking “elementary or sec-
 5 ondary school in which he is enrolled” and
 6 inserting “school or institution in which
 7 the child is enrolled”.

8 (2) Section 5(c)(7) of the Railroad Retirement
 9 Act of 1974 (45 U.S.C. 235(c)(7)) is amended—

10 (A) by striking “full-time elementary or
 11 secondary school student” and inserting “full-
 12 time student at an educational institution”; and

13 (B) by striking “19” and inserting “22”.

14 (3) The amendments made by this subsection
 15 shall apply to benefits under the Railroad Retire-
 16 ment Act of 1974 that are payable for months be-
 17 ginning on or after January 1, 2026.

18 **SEC. 6. PAYROLL TAX ON REMUNERATION UP TO CON-**
 19 **TRIBUTION AND BENEFIT BASE AND MORE**
 20 **THAN \$250,000.**

21 (a) IN GENERAL.—Paragraph (1) of section 3121(a)
 22 of the Internal Revenue Code of 1986 is amended to read
 23 as follows:

24 “(1) in the case of taxes imposed by sections
 25 3101(a) and 3111(a), for any calendar year in which

1 the contribution and benefit base (as determined
 2 under section 230 of the Social Security Act) is less
 3 than \$250,000, so much of the remuneration (other
 4 than remuneration referred to in the succeeding
 5 paragraphs of this subsection) with respect to em-
 6 ployment that has been paid to an individual by an
 7 employer during the calendar year as exceeds such
 8 contribution and benefit base but does not exceed
 9 \$250,000;”.

10 (b) CONFORMING AMENDMENTS.—

11 (1) SUCCESSOR EMPLOYERS.—Section 3121 of
 12 the Internal Revenue Code of 1986 is amended by
 13 adding at the end the following new subsection:

14 “(aa) SPECIAL RULES FOR SUCCESSOR EMPLOY-
 15 ERS.—For purposes of subsection (a)(1), if an employer
 16 (hereinafter referred to as successor employer) during any
 17 calendar year acquires substantially all the property used
 18 in a trade or business of another employer (hereinafter
 19 referred to as a predecessor), or used in a separate unit
 20 of a trade or business of a predecessor, and immediately
 21 after the acquisition employs in his trade or business an
 22 individual who immediately prior to the acquisition was
 23 employed in the trade or business of such predecessor,
 24 then, for the purpose of determining the amount of remu-
 25 neration paid by the successor employer under such sub-

1 section, any remuneration (other than remuneration re-
 2 ferred to in the paragraphs succeeding paragraph (1) of
 3 subsection (a)) with respect to employment paid (or con-
 4 sidered under this subsection as having been paid) to such
 5 individual by such predecessor during such calendar year
 6 and prior to such acquisition shall be considered as having
 7 been paid by such successor employer.”.

8 (2) APPLICATION TO RAILROAD RETIREMENT
 9 TAXES.—Clause (i) of section 3231(e)(2)(A) of such
 10 Code is amended to read as follows:

11 “(i) IN GENERAL.—For any calendar
 12 year in which the applicable base is less
 13 than \$250,000, the term ‘compensation’
 14 does not include so much of the remunera-
 15 tion paid during any calendar year to an
 16 individual by an employer for services ren-
 17 dered as an employee to such employer as
 18 exceeds the applicable base but does not
 19 exceed \$250,000.”.

20 (c) EFFECTIVE DATE.—The amendments made by
 21 this section shall apply to remuneration paid on or after
 22 January 1 of the first calendar year that begins after the
 23 date of enactment of this Act.

1 **SEC. 7. TAX ON NET EARNINGS FROM SELF-EMPLOYMENT**
2 **UP TO CONTRIBUTION AND BENEFIT BASE**
3 **AND MORE THAN \$250,000.**

4 (a) IN GENERAL.—Paragraph (1) of section 1402(b)
5 of the Internal Revenue Code of 1986 is amended to read
6 as follows:

7 “(1) in the case of the tax imposed by section
8 1401(a) for any taxable year beginning in a calendar
9 year in which the contribution and benefit base (as
10 determined under section 230 of the Social Security
11 Act) is less than \$250,000, the excess (if any) of—

12 “(A) so much of the net earnings from
13 self-employment which is in excess of—

14 “(i) an amount equal to the contribu-
15 tion and benefit base (as determined under
16 section 230 of the Social Security Act)
17 which is effective for the calendar year in
18 which such taxable year begins, minus

19 “(ii) the amount of the wages paid to
20 such individual during such taxable years,
21 over

22 “(B) the sum of—

23 “(i) the excess (if any) of—

24 “(I) the net earning from self-
25 employment reduced by the excess (if

1 any) of subparagraph (A)(i) over sub-
 2 paragraph (A)(ii), over

3 “(II) \$250,000, reduced by such
 4 contribution and benefit base, plus

5 “(ii) the amount of the wages paid to
 6 such individual during such taxable year in
 7 excess of such contribution and benefit
 8 base and not in excess of \$250,000; or”.

9 (b) EFFECTIVE DATE.—The amendments made by
 10 this section shall apply to net earnings from self-employ-
 11 ment derived, and remuneration paid, on or after January
 12 1 of the first calendar year that begins after the date of
 13 enactment of this Act.

14 **SEC. 8. TAX ON INVESTMENT GAIN.**

15 (a) INCREASE IN TAX.—

16 (1) IN GENERAL.—Subsection (a) of section
 17 1411 of the Internal Revenue Code of 1986 is
 18 amended by striking “3.8 percent” each place it ap-
 19 pears and inserting “16.2 percent”.

20 (2) CONFORMING AMENDMENT.—The heading
 21 for chapter 2A of the Internal Revenue Code of
 22 1986 is amended by striking “**UNEARNED IN-**
 23 **COME MEDICARE CONTRIBUTION**” and
 24 inserting “**ADDITIONAL TAX ON UN-**

1 **EARNED INCOME IN LIEU OF SOCIAL**
 2 **SECURITY AND MEDICARE TAXES”.**

3 (b) INCLUSION OF ACTIVE TRADE OR BUSINESS IN-
 4 COME.—

5 (1) IN GENERAL.—Section 1411(c)(1)(A) of the
 6 Internal Revenue Code of 1986 is amended—

7 (A) in clause (i), by striking “, other than
 8 such income which is derived in the ordinary
 9 course of a trade or business not described in
 10 paragraph (2)”,

11 (B) in clause (ii), by striking “described in
 12 paragraph (2)” and inserting “(determined
 13 under rules similar to the rules of paragraphs
 14 (5) and (6) of section 469(c))”, and

15 (C) in clause (iii), by striking “other than
 16 property held in a trade or business not de-
 17 scribed in paragraph (2)”.

18 (2) DENIAL OF DEDUCTION FOR NET OPER-
 19 ATING LOSSES.—Section 1411(c)(1)(B) of such Code
 20 is amended by inserting “(other than the deduction
 21 for net operating losses provided in section 172)”
 22 after “net gain”.

23 (3) CONFORMING AMENDMENTS.—

24 (A) Section 1411(c) of such Code is
 25 amended by striking paragraphs (2), (3), and

1 (4) and by redesignating paragraphs (5) and
 2 (6) as paragraphs (2) and (3), respectively.

3 (B) Section 1411(c)(3) of such Code, as
 4 redesignated by subparagraph (A), is amended
 5 to read as follows:

6 “(3) SPECIAL RULE.—Net investment income
 7 shall not include—

8 “(A) any item taken into account in deter-
 9 mining self-employment income for such taxable
 10 year on which a tax is imposed by section 1401,
 11 or

12 “(B) any item taken into account in deter-
 13 mining wages received with respect to employ-
 14 ment for such taxable year on which a tax is
 15 imposed by section 3101.”.

16 (c) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to taxable years beginning after
 18 the date of enactment of this Act.

19 **SEC. 9. SOCIAL SECURITY TRUST FUND ESTABLISHED.**

20 (a) IN GENERAL.—Section 201(a) of the Social Secu-
 21 rity Act (42 U.S.C. 401(a)) is amended to read as follows:

22 “(a) There is hereby created on the books of the
 23 Treasury of the United States a trust fund to be known
 24 as the ‘Social Security Trust Fund’. The Social Security
 25 Trust Fund shall consist of the securities held by the Sec-

1 retary of the Treasury for the Federal Old-Age and Sur-
 2 vivors Insurance Trust Fund and the Federal Disability
 3 Insurance Trust Fund and the amount standing to the
 4 credit of the Federal Old-Age and Survivors Insurance
 5 Trust Fund and the Federal Disability Insurance Trust
 6 Fund on the books of the Treasury on January 1 of the
 7 first calendar year beginning after the date of the enact-
 8 ment of section 9 of the Social Security Expansion Act,
 9 which securities and amount the Secretary of the Treasury
 10 is authorized and directed to transfer to the Social Secu-
 11 rity Trust Fund, and, in addition, such gifts and bequests
 12 as may be made as provided in subsection (i)(1), and such
 13 amounts as may be appropriated to, or deposited in, the
 14 Social Security Trust Fund as hereinafter provided. There
 15 is hereby appropriated to the Social Security Trust Fund
 16 for the first fiscal year that begins after the date of the
 17 enactment of section 9 of the Social Security Expansion
 18 Act, and for each fiscal year thereafter, out of any moneys
 19 in the Treasury not otherwise appropriated, amounts
 20 equivalent to 100 percent of—

21 “(1) the taxes imposed by chapter 21 (other
 22 than sections 3101(b) and 3111(b)) of the Internal
 23 Revenue Code of 1986 with respect to wages (as de-
 24 fined in section 3121 of such Code) reported to the
 25 Secretary of the Treasury pursuant to subtitle F of

1 the Internal Revenue Code of 1986, as determined
2 by the Secretary of the Treasury by applying the ap-
3 plicable rates of tax under such chapter (other than
4 sections 3101(b) and 3111(b)) to such wages, which
5 wages shall be certified by the Commissioner of So-
6 cial Security on the basis of the records of wages es-
7 tablished and maintained by such Commissioner in
8 accordance with such reports;

9 “(2) the taxes imposed by chapter 2 (other than
10 section 1401(b)) of the Internal Revenue Code of
11 1986 with respect to self-employment income (as de-
12 fined in section 1402 of such Code) reported to the
13 Secretary of the Treasury on tax returns under sub-
14 title F of such Code, as determined by the Secretary
15 of the Treasury by applying the applicable rate of
16 tax under such chapter (other than section 1401(b))
17 to such self-employment income, which self-employ-
18 ment income shall be certified by the Commissioner
19 of Social Security on the basis of the records of self-
20 employment income established and maintained by
21 the Commissioner of Social Security in accordance
22 with such returns; and

23 “(3) 62 percent of the taxes imposed under sec-
24 tion 1411 of the Internal Revenue Code of 1986.

1 The amounts appropriated by paragraphs (1), (2), and (3)
2 shall be transferred from time to time from the general
3 fund in the Treasury to the Social Security Trust Fund,
4 such amounts to be determined on the basis of estimates
5 by the Secretary of the Treasury of the taxes, specified
6 in paragraphs (1), (2), and (3), paid to or deposited into
7 the Treasury; and proper adjustments shall be made in
8 amounts subsequently transferred to the extent prior esti-
9 mates were in excess of or were less than the taxes speci-
10 fied in such paragraphs. All amounts transferred to the
11 Social Security Trust Fund under the preceding sentence
12 shall be invested by the Managing Trustee in the same
13 manner and to the same extent as the other assets of the
14 Trust Fund. Notwithstanding the preceding sentence, in
15 any case in which the Secretary of the Treasury deter-
16 mines that the assets of the Trust Fund would otherwise
17 be inadequate to meet the Trust Fund's obligations for
18 any month, the Secretary of the Treasury shall transfer
19 to the Trust Fund on the first day of such month the
20 total amount which would have been transferred to the
21 Trust Fund under this section as in effect on October 1,
22 1990; and the Trust Fund shall pay interest to the general
23 fund on the amount so transferred on the first day of any
24 month at a rate (calculated on a daily basis, and applied
25 against the difference between the amount so transferred

1 on such first day and the amount which would have been
 2 transferred to the Trust Fund up to that day under the
 3 procedures in effect on January 1, 1983) equal to the rate
 4 earned by the investments of the Trust Fund in the same
 5 month under subsection (d).”.

6 (b) REQUIRED ACTUARIAL ANALYSIS.—Section
 7 201(c) of the Social Security Act is amended by striking
 8 the fourth sentence in the matter following paragraph (5)
 9 and inserting the following: “Such report shall also include
 10 actuarial analysis of the benefit cost with respect to dis-
 11 abled beneficiaries and their auxiliaries, to retired bene-
 12 ficiaries and their auxiliaries, and to survivor bene-
 13 ficiaries.”.

14 (c) BOARD OF TRUSTEES.—

15 (1) BOARD OF TRUSTEES OF SOCIAL SECURITY
 16 TRUST FUND.—Section 201(c) of the Social Security
 17 Act, as amended by subsection (b) of this section, is
 18 further amended in the matter preceding paragraph
 19 (1) by striking “the Federal Old-Age and Survivors
 20 Insurance Trust Fund and the Federal Disability
 21 Insurance Trust Fund (hereinafter in this title
 22 called the ‘Trust Funds’)” and inserting “the Social
 23 Security Trust Fund (in this title referred to as the
 24 ‘Trust Fund’)”.

1 (2) CONTINUITY OF BOARD OF TRUSTEES.—

2 The Board of Trustees of the Social Security Trust
 3 Fund created by the amendment made by subsection
 4 (a) shall be a continuous body with the Board of
 5 Trustees of the Federal Old-Age and Survivors In-
 6 surance Trust Fund and the Federal Disability In-
 7 surance Trust Fund in operation prior to the effec-
 8 tive date of such amendment. Individuals serving as
 9 members of the Board of Trustees of the Federal
 10 Old-Age and Survivors Insurance Trust Fund and
 11 the Federal Disability Insurance Trust Fund as of
 12 the effective date of such amendment shall serve the
 13 remainder of their term as members of the Board of
 14 Trustees of the Social Security Trust Fund.

15 (d) CONFORMING AMENDMENTS RELATED TO SO-
 16 CIAL SECURITY TRUST FUND.—

17 (1) AMENDMENT TO SECTION HEADING.—The
 18 section heading for section 201 of the Social Secu-
 19 rity Act is amended to read as follows: “SOCIAL SE-
 20 CURITY TRUST FUND”.

21 (2) BOARD OF TRUSTEES.—Section 201(c) of
 22 such Act, as amended by subsections (b) and (c)(1),
 23 is further amended—

24 (A) in the matter preceding paragraph (1),
 25 by striking “Board of Trustees of the Trust

1 Funds” and inserting “Board of Trustees of
2 the Trust Fund”;

3 (B) in paragraph (1), by striking “Trust
4 Funds” and inserting “Trust Fund”;

5 (C) in paragraph (2)—

6 (i) by striking “Trust Funds” and in-
7 serting “Trust Fund”; and

8 (ii) by striking “their” and inserting
9 “its”;

10 (D) in paragraph (3), by striking “either
11 of the Trust Funds” and inserting “the Trust
12 Fund”;

13 (E) in paragraph (5)—

14 (i) by striking “managing the Trust
15 Funds” and inserting “managing the
16 Trust Fund”; and

17 (ii) by striking “Trust Funds are”
18 and inserting “Trust Fund is”;

19 (F) in the matter following paragraph (5),
20 by striking “Trust Funds” each place it ap-
21 pears and inserting “Trust Fund”; and

22 (G) in the second sentence in the matter
23 following paragraph (5), by striking “whether
24 the Federal Old-Age and Survivors Insurance
25 Trust Fund and the Federal Disability Insur-

1 ance Trust Fund, individually and collectively,
 2 are” and inserting “whether the Social Security
 3 Trust Fund is”.

4 (3) INVESTMENTS.—Section 201 of such Act is
 5 amended in subsections (d) and (e) by striking
 6 “Trust Funds” each place it appears and inserting
 7 “Trust Fund”.

8 (4) CREDITING OF INTEREST AND PROCEEDS
 9 TO TRUST FUNDS.—Section 201(f) of such Act is
 10 amended—

11 (A) by striking “the Federal Old-Age and
 12 Survivors Insurance Trust Fund and the Fed-
 13 eral Disability Insurance Trust Fund shall be
 14 credited to and form a part of the Federal Old-
 15 Age and Survivors Insurance Trust Fund and
 16 the Disability Insurance Trust Fund, respec-
 17 tively” and inserting “the Social Security Trust
 18 Fund shall be credited to and form a part of
 19 the Social Security Trust Fund”;

20 (B) by striking “either of the Trust
 21 Funds” and inserting “the Trust Fund”; and

22 (C) by striking “such Trust Fund” and in-
 23 serting “the Trust Fund”.

24 (5) ADMINISTRATIVE COSTS.—Section 201(g) of
 25 such Act is amended—

1 (A) in paragraph (1)—

2 (i) in subparagraph (A), by striking
 3 “Of the amounts authorized to be made
 4 available out of the Federal Old-Age and
 5 Survivors Insurance Trust Fund and the
 6 Federal Disability Insurance Trust Fund
 7 under the preceding sentence” and all that
 8 follows through “(Public Law 103–296).”;
 9 and

10 (ii) in subparagraph (B)(i)—

11 (I) by striking subclauses (II)
 12 and (III) and inserting the following:

13 “(II) the portion of such costs which
 14 should have been borne by the Social Security
 15 Trust Fund,”; and

16 (II) by redesignating subclauses
 17 (IV) and (V) as subclauses (III) and
 18 (IV);

19 (B) in paragraph (2)—

20 (i) by striking “Trust Funds” and in-
 21 serting “Trust Fund”; and

22 (ii) by striking the last sentence; and

23 (C) in paragraph (4), by striking “Trust
 24 Funds” each place it appears and inserting
 25 “Trust Fund”.

1 (6) BENEFIT PAYMENTS.—Section 201(h) of
2 such Act is amended to read as follows:

3 “(h) All benefit payments required to be made under
4 this title shall be made only from the Social Security Trust
5 Fund.”.

6 (7) GIFTS.—Section 201(i) of such Act is
7 amended—

8 (A) in paragraph (1), by striking “the
9 Federal Old-Age and Survivors Insurance Trust
10 Fund, the Federal Disability Insurance Trust
11 Fund” and inserting “the Social Security Trust
12 Fund”; and

13 (B) in paragraph (2)(B), by striking “the
14 Federal Old-Age and Survivors Insurance Trust
15 Fund” and inserting “the Social Security Trust
16 Fund”.

17 (8) TRAVEL EXPENSES.—Section 201(j) of such
18 Act is amended by striking “the Federal Old-Age
19 and Survivors Insurance Trust Fund, or the Federal
20 Disability Insurance Trust Fund (as determined ap-
21 propriate by the Commissioner of Social Security)”
22 and inserting “the Social Security Trust Fund”.

23 (9) DEMONSTRATION PROJECTS.—Section
24 201(k) of such Act is amended by striking “the Fed-
25 eral Disability Insurance Trust Fund and the Fed-

1 eral Old-Age and Survivors Insurance Trust Fund,
 2 as determined appropriate by the Commissioner of
 3 Social Security” and inserting “the Social Security
 4 Trust Fund”.

5 (10) BENEFIT CHECKS.—Section 201(m) of
 6 such Act is amended—

7 (A) in paragraph (2), by striking “each of
 8 the Trust Funds” and inserting “the Social Se-
 9 curity Trust Fund”;

10 (B) in paragraph (3), by striking “one of
 11 the Trust Funds” and inserting “the Trust
 12 Fund”; and

13 (C) by striking “such Trust Fund” each
 14 place it appears and inserting “the Trust
 15 Fund”.

16 (11) CONFORMING REPEALS.—

17 (A) IN GENERAL.—Section 201 of such
 18 Act is amended by striking subsections (b), (l),
 19 and (n).

20 (B) REDESIGNATIONS.—Section 201 of
 21 such Act is further amended—

22 (i) by redesignating subsections (c)
 23 through (j) as subsections (b) through (i),
 24 respectively;

- 1 (ii) by redesignating subsection (k) as
 2 subsection (j); and
 3 (iii) by redesignating subsection (m)
 4 as subsection (k).

5 (C) REFERENCES TO REDESIGNATED SEC-
 6 TIONS.—

- 7 (i) Section 201(a) of such Act, as
 8 amended by subsection (a) of this section,
 9 is further amended—

- 10 (I) by striking “subsection
 11 (i)(1)” and inserting “subsection
 12 (h)(1)”; and

- 13 (II) by striking “subsection (d)”
 14 and inserting “subsection (c)”.

- 15 (ii) Section 1131(b)(1) of such Act is
 16 amended by striking “section 201(g)(1)”
 17 and inserting “section 201(f)(1)”.

18 (e) OTHER CONFORMING AMENDMENTS TO SOCIAL
 19 SECURITY ACT.—

- 20 (1) TITLE II.—Title II of the Social Security
 21 Act (42 U.S.C. 401 et seq.) is amended—

- 22 (A) in section 202(x)(3)(B)(iii), by striking
 23 “the Federal Old-Age and Survivors Insurance
 24 Trust Fund and the Federal Disability Insur-

1 ance Trust Fund, as appropriate,” and insert-
2 ing “the Social Security Trust Fund”;

3 (B) in section 206(d)(5), by striking “the
4 Federal Old-Age and Survivors Insurance Trust
5 Fund and the Federal Disability Insurance
6 Trust Fund, as appropriate” and inserting “the
7 Social Security Trust Fund”;

8 (C) in section 206(e)(3)(B), by striking
9 “the Federal Old-Age and Survivors Insurance
10 Trust Fund and the Federal Disability Insur-
11 ance Trust Fund” and inserting “the Social Se-
12 curity Trust Fund”;

13 (D) in section 208(b)(5)(A), by striking
14 “the Federal Old-Age and Survivors Insurance
15 Trust Fund and the Federal Disability Insur-
16 ance Trust Fund, as appropriate” and inserting
17 “the Social Security Trust Fund”;

18 (E) in section 215(i)(1)(F)—

19 (i) in clause (i)—

20 (I) by striking “the combined
21 balance in the Federal Old-Age and
22 Survivors Insurance Trust Fund and
23 the Federal Disability Insurance
24 Trust Fund” and inserting “the bal-

1 ance in the Social Security Trust
2 Fund”; and

3 (II) by striking “and reduced by
4 the outstanding amount of any loan
5 (including interest thereon) thereto-
6 fore made to either such Fund from
7 the Federal Hospital Insurance Trust
8 Fund under section 201(l)”; and
9 (ii) in clause (ii)—

10 (I) by striking “the Federal Old-
11 Age and Survivors Insurance Trust
12 Fund and the Federal Disability In-
13 surance Trust Fund” and inserting
14 “the Social Security Trust Fund”;
15 and

16 (II) by striking “(other than pay-
17 ments” and all that follows through
18 “from that Account”;

19 (F) in section 217(g)(2), by inserting after
20 the first sentence the following: “For purposes
21 of any such revision of the amount determined
22 under paragraph (1) that occurs in a year that
23 begins after the year in which the Social Secu-
24 rity Expansion Act is enacted, any reference in
25 such paragraph to the Federal Old-Age and

Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund shall be deemed to be a reference to the Social Security Trust Fund.”;

(G) in section 221(e)—

(i) by striking “Trust Funds” each place it appears and inserting “Trust Fund”; and

(ii) by striking the last sentence;

(H) in section 221(f), by striking “Trust Funds” and inserting “Trust Fund”;

(I) in section 222(d)—

(i) in the section heading, by striking “TRUST FUNDS” and inserting “TRUST FUND”;

(ii) in paragraph (1), by striking “to the end that savings will accrue to the Trust Funds as a result of rehabilitating such individuals, there are authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund” and inserting “to the end that savings will accrue to the Trust Fund as a result of rehabilitating such individuals, there are au-

1 thorized to be transferred from the Social
2 Security Trust Fund”; and

3 (iii) by amending paragraph (4) to
4 read as follows:

5 “(4) The Commissioner of Social Security shall deter-
6 mine according to such methods and procedures as the
7 Commissioner may deem appropriate the total amount to
8 be reimbursed for the cost of services under this sub-
9 section.”;

10 (J) in section 228(g)—

11 (i) in the section heading, by striking
12 “FEDERAL OLD-AGE AND SURVIVORS IN-
13 SURANCE TRUST FUND” and inserting
14 “SOCIAL SECURITY TRUST FUND”; and

15 (ii) in the matter preceding paragraph
16 (1), by striking “Federal Old-Age and Sur-
17 vivors Insurance Trust Fund” and insert-
18 ing “Social Security Trust Fund”;

19 (K) in section 231(c), by striking “Trust
20 Funds” each place it appears and inserting
21 “Trust Fund”; and

22 (L) in section 234(a)(1), by striking
23 “Trust Funds” and inserting “Trust Fund”.

24 (2) TITLE VII.—Title VII of the Social Security
25 Act (42 U.S.C. 901 et seq.) is amended—

1 (A) in section 703(j), by striking “Federal
 2 Disability Insurance Trust Fund, the Federal
 3 Old-Age and Survivors Insurance Trust Fund,”
 4 and inserting “Social Security Trust Fund”;

5 (B) in section 708(c), by striking “the
 6 ‘OASDI trust fund ratio’ under section 201(l),”
 7 after “computing”;

8 (C) in section 709—

9 (i) in subsection (a), by striking “Fed-
 10 eral Old-Age and Survivors Insurance
 11 Trust Fund and the Federal Disability In-
 12 surance Trust Fund” and inserting “Social
 13 Security Trust Fund”; and

14 (ii) in subsection (b)—

15 (I) in paragraph (1), by striking
 16 “section 201(l) or”; and

17 (II) in paragraph (2), by striking
 18 “Federal Old-Age and Survivors In-
 19 surance Trust Fund and the Federal
 20 Disability Insurance Trust Fund” and
 21 inserting “Social Security Trust
 22 Fund”; and

23 (D) in section 710—

24 (i) in subsection (a), by striking “Fed-
 25 eral Old-Age and Survivors Insurance

Trust Fund and the Federal Disability Insurance Trust Fund” and inserting “Social Security Trust Fund”; and

(ii) in subsection (b)—

(I) by striking “any Trust Fund specified in subsection (a)” and inserting “the Social Security Trust Fund”; and

(II) by striking “payments from any such Trust Fund” and inserting “payments from the Social Security Trust Fund”.

(3) TITLE XI.—Title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended—

(A) in section 1106(b), by striking “the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund” and inserting “the Social Security Trust Fund”;

(B) in section 1129(e)(2)(A), by striking “the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as determined appropriate by the Secretary” and inserting “the Social Security Trust Fund”;

(C) in sections 1131(b)(2) and 1140(c)(2),
by striking “the Federal Old-Age and Survivors
Insurance Trust Fund” and inserting “the So-
cial Security Trust Fund”;

(D) in section 1145(c)—

(i) by striking paragraphs (1) and (2)
and inserting the following:

“(1) the Social Security Trust Fund;” and

(ii) by redesignating paragraphs (3)
and (4) as paragraphs (2) and (3), respec-
tively; and

(E) in section 1148(j)(1)(A)—

(i) in the first sentence, by striking
“the Federal Old-Age and Survivors Insur-
ance Trust Fund and the Federal Dis-
ability Insurance Trust Fund” and insert-
ing “the Social Security Trust Fund”; and

(ii) by striking the second sentence.

(4) TITLE XVIII.—Title XVIII of the Social Se-
curity Act (42 U.S.C. 1395) is amended—

(A) in section 1817(g), by striking “Fed-
eral Old-Age and Survivors Insurance Trust
Fund and from the Federal Disability Insur-
ance Trust Fund” and inserting “Social Secu-
rity Trust Fund”;

1 (B) in section 1840(a)(2), by striking
 2 “Federal Old-Age and Survivors Insurance
 3 Trust Fund or the Federal Disability Insurance
 4 Trust Fund” and inserting “Social Security
 5 Trust Fund”; and

6 (C) in section 1841(f), by striking “Fed-
 7 eral Old-Age and Survivors Insurance Trust
 8 Fund and from the Federal Disability Insur-
 9 ance Trust Fund” and inserting “Social Secu-
 10 rity Trust Fund”.

11 (f) CONFORMING AMENDMENTS OUTSIDE OF SOCIAL
 12 SECURITY ACT.—

13 (1) BUDGET.—

14 (A) OFF-BUDGET EXEMPTION.—Section
 15 405(a) of the Congressional Budget Act of
 16 1974 (2 U.S.C. 655(a)) is amended by striking
 17 “Federal Old-Age and Survivors Insurance and
 18 Federal Disability Insurance Trust Funds” and
 19 inserting “Social Security Trust Fund”.

20 (B) SEQUESTRATION EXEMPTION.—Sec-
 21 tion 255(g)(1)(A) of the Balanced Budget and
 22 Emergency Deficit Control Act of 1985 (2
 23 U.S.C. 905(g)(1)(A)) is amended by striking
 24 “Payments to Social Security Trust Funds”

1 and inserting “Payments to the Social Security
2 Trust Fund”.

3 (2) TAX.—

4 (A) TAXABLE WAGES.—Section 3121(l)(4)
5 of the Internal Revenue Code of 1986 is
6 amended by striking “Federal Old-Age and
7 Survivors Insurance Trust Fund and the Fed-
8 eral Disability Insurance Trust Fund” and in-
9 serting “Social Security Trust Fund”.

10 (B) OVERPAYMENTS.—

11 (i) Section 6402(d)(3)(C) of the Inter-
12 nal Revenue Code of 1986 is amended by
13 striking “Federal Old-Age and Survivors
14 Insurance Trust Fund or the Federal Dis-
15 ability Insurance Trust Fund, whichever is
16 certified to the Secretary as appropriate by
17 the Commissioner of Social Security” and
18 inserting “Social Security Trust Fund”.

19 (ii) Subsection (f)(2)(B) of section
20 3720A of title 31, United States Code, is
21 amended by striking “Federal Old-Age and
22 Survivors Insurance Trust Fund or the
23 Federal Disability Insurance Trust Fund,
24 whichever is certified to the Secretary of
25 the Treasury as appropriate by the Com-

1 missioner of Social Security” and inserting
2 “Social Security Trust Fund”.

3 (3) FALSE CLAIMS PENALTIES.—Subsection
4 (g)(2) of section 3806 of title 31, United States
5 Code, is amended—

6 (A) in subparagraph (B)—

7 (i) by striking “Secretary of Health
8 and Human Services” and inserting “Com-
9 missioner of Social Security”; and

10 (ii) by striking “Federal Old-Age and
11 Survivors Insurance Trust Fund” and in-
12 serting “Social Security Trust Fund”; and

13 (B) in subparagraph (C)—

14 (i) by striking “Secretary of Health
15 and Human Services” and inserting “Com-
16 missioner of Social Security”; and

17 (ii) by striking “Federal Disability In-
18 surance Trust Fund” and inserting “Social
19 Security Trust Fund”.

20 (4) RAILROAD RETIREMENT BOARD.—Section 7
21 of the Railroad Retirement Act of 1974 (45 U.S.C.
22 231f) is amended—

23 (A) in subsection (b)(2), by striking “Fed-
24 eral Old-Age and Survivors Insurance Trust
25 Fund and the Federal Disability Insurance

1 Trust Fund” and inserting “Social Security
2 Trust Fund”;

3 (B) in subsection (c)(2)—

4 (i) by striking “Secretary of Health,
5 Education, and Welfare” each time it ap-
6 pears and inserting “Commissioner of So-
7 cial Security”; and

8 (ii) by striking “Federal Old-Age and
9 Survivors Insurance Trust Fund, the Fed-
10 eral Disability Insurance Trust Fund,”
11 each time it appears and inserting “Social
12 Security Trust Fund”; and

13 (C) in subsection (c)(4), by striking “Fed-
14 eral Old-Age and Survivors Insurance Trust
15 Fund, the Federal Disability Insurance Trust
16 Fund,” and inserting “Social Security Trust
17 Fund”.

18 (g) RULE OF CONSTRUCTION.—Effective beginning
19 on January 1 of the first calendar year beginning after
20 the date of the enactment of this section, any reference
21 in law to the “Federal Old-Age and Survivors Insurance
22 Trust Fund” or the “Federal Disability Insurance Trust
23 Fund” is deemed to be a reference to the Social Security
24 Trust Fund.

1 (h) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on January 1 of the first cal-
3 endar year beginning after the date of the enactment of
4 this section.

○