

§ 272 **SEC. 272. RESTORATION OF TRUST FUND INVESTMENTS.**

§ 272(a) **(a) RESTORATION OF SOCIAL SECURITY TRUST FUNDS AND CERTAIN OTHER FUNDS. —**

§ 272(a)(1) **(1) REISSUANCE OF OBLIGATIONS. — The Secretary of the Treasury shall immediately reissue to each fund listed in paragraph (3) obligations under chapter 31 of title 31, United States Code, which are identical, with respect to interest rate and maturity, to public debt obligations held by such fund which —**

§ 272(a)(1)(A) **(A) were redeemed during the period beginning with September 1, 1985, and ending with September 29, 1985, and**

§ 272(a)(1)(B) **(B) as determined by such Secretary on the basis of standard investment procedures for such fund in effect on September 1, 1985, would not have been redeemed if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985.**

Such obligations shall be substituted for obligations which are held by such fund on the date of the enactment of this joint resolution in a manner which will ensure that, after such substitution, the holdings of such fund will replicate to the maximum extent practicable the holdings which would have been held by such fund on such date if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985.

§ 272(a)(2) **(2) APPROPRIATION TO FUNDS OF INTEREST LOST**

ON OR AFTER SEPTEMBER 1, 1985. — The Secretary of the Treasury shall pay on the normal interest payment date to each fund listed in paragraph (3), from amounts in the general fund of the Treasury not otherwise appropriated, an amount determined by such Secretary to be equal to the excess of —

§ 272(a)(2)(A)

(A) the net amount of interest which would have been earned by such fund, during the period beginning with September 1, 1985, and ending with the date of the enactment of this joint resolution, if all noninvestments, redemptions, and disinvestments with respect to such fund which —

272(a)(2)(A)(i)

(i) occurred during such period, and

272(a)(2)(A)(ii)

(ii) would not have occurred if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985, had not occurred, over

272(a)(2)(B)

(B) the net amount of interest actually earned by such fund during such period.

272(a)(3)

(3) FUNDS AFFECTED. — The funds referred to in paragraphs (1) and (2) are the following:

272(a)(3)(A)

(A) the Federal Old-Age and Survivors Insurance Trust Fund,

272(a)(3)(B)

(B) the Federal Disability Insurance Trust Fund,

272(a)(3)(C)

(C) the Federal Hospital Insurance Trust Fund,

§ 272(a)(3)(D)

(D) the Federal Supplementary Medical Insurance Trust Fund,

§ 272(a)(3)(E)

(E) the Railroad Retirement Account,

§ 272(a)(3)(F)

(F) the Civil Service Retirement and Disability Fund, and

§ 272(a)(3)(G)

(G) all other funds (other than the funds referred to in subsection (b) or (c)) listed in Table III of the Monthly Statement of the Public Debt issued by the Department of the Treasury for November 30, 1985.

§ 272(b)

(b) RESTORATION OF DEPARTMENT OF DEFENSE MILITARY RETIREMENT FUND. —

§ 272(b)(1)

(1) ISSUANCE OF OBLIGATIONS. — The Secretary of the Treasury shall immediately issue to the Department of Defense Military Retirement Fund obligations under chapter 31 of title 31, United States Code, which such Secretary, in consultation with the Secretary of Defense, determines would have been issued to such fund on October 1, 1985, if H.J. Res. 372 (99th Congress, 1st Session), as deemed passed by the House of Representatives on August 1, 1985, had been enacted into law on August 1, 1985. Such obligations shall be market-based special obligations issued at prices, including accrued interest, prevailing for such obligations on October 1, 1985. Such obligations shall be substituted for all obligations which were purchased by such fund during the period beginning with October 1, 1985, and ending with November 14, 1985, with amounts which were transferred to such fund on October 1, 1985.

§ 272(b)(2)

(2) APPROPRIATION TO FUND OF INTEREST LOST ON OR AFTER OCTOBER 1, 1985. —

§ 272(b)(2)(A)

(A) IN GENERAL. — The Secretary of the Treasury shall immediately pay to the Department of Defense Military Retirement Fund, from amounts in the general fund of the Treasury not otherwise appropriated, an amount determined by such Secretary, in consultation with the Secretary of Defense, to be equal to the excess of —

§ 272(b)(2)(A)(i)

(i) the interest which would have been earned by such fund during the period beginning with October 1, 1985, and ending with November 14, 1985, if the obligations issued pursuant to paragraph (1) had been issued on October 1, 1985, over

§ 272(b)(2)(A)(ii)

(ii) the amount of interest actually collected by such fund during such period on obligations purchased by such fund with amounts which were transferred to such fund on October 1, 1985.

§ 272(b)(2)(B)

(B) INVESTMENT OF INTEREST RECEIPTS. — The Secretary of the Treasury shall immediately invest the amount paid to the Department of Defense Military Retirement Fund pursuant to subparagraph (A) in obligations designated by the Secretary of Defense. Such obligations shall be market-based special obligations issued with an issue date of November 15, 1985, and at prices, including accrued interest, prevailing for such obligations on November 15, 1985.

§ 272(c)

(c) APPROPRIATION TO CERTAIN FUNDS WITH RESPECT TO UNINVESTED BALANCES AFTER DECEMBER 6, 1985. —

§ 272(c)(1)

(1) IN GENERAL. — The Secretary of the Treasury shall immediately pay, from amounts in the general fund

not otherwise appropriated, to each fund which is listed in Table III of the Monthly Statement of the Public Debt issued by the Department of the Treasury for November 30, 1985, and which invests in market-based special obligations under chapter 31 of title 31, United States Code, an amount equal to the interest which would have been earned by such fund during the period beginning with December 7, 1985, and ending with the date of the enactment of this joint resolution, if the daily balance in such fund which the Secretary of the Treasury was requested to invest during such period but was unable to invest, because of the expiration of the temporary debt limit, had been invested each day during such period, overnight, in obligations under such chapter 31 earning interest at a rate determined by the Secretary of the Treasury in accordance with the standard practice of the Department of the Treasury.

§ 272(c)(2)

(2) EXPIRATION OF TEMPORARY DEBT LIMIT DEFINED. — For purposes of paragraph (1), the term "expiration of the temporary debt limit" means the expiration of the period described in section 1 of the Act entitled "An Act to temporarily increase the limit on the public debt and to restore the investments of the Social Security Trust Funds and other trust funds", approved November 14, 1985 (Public Law 99-155).

§ 272(d)

(d) ADDITIONAL APPROPRIATION TO OASDI TRUST FUNDS OF INTEREST LOST FROM ACTIONS TAKEN IN SEPTEMBER AND OCTOBER 1984. —

§ 272(d)(1)

(1) IN GENERAL. — On December 31, 1985, the Secretary of the Treasury shall pay to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, from amounts in the general fund of the Treasury not otherwise appropriated, amounts determined under this subsection.

- § 272(d)(2) **(2) AMOUNT PAID TO EACH TRUST FUND. —** The amount paid to each such Trust Fund pursuant to paragraph (1) shall be an amount determined jointly by the Secretary of the Treasury and the Secretary of Health and Human Services to be sufficient to fully compensate such Trust Fund for interest losses arising from the premature redemption, during the period beginning with September 1, 1984, and ending with October 31, 1984, of securities maturing during the period beginning with calendar year 1987 and ending with calendar year 1991.
- § 272(d)(3) **(3) LIMITATION. —** The total amount paid from the general fund of the Treasury pursuant to paragraph (1) shall not exceed \$550,000,000.
- § 272(d)(4) **(4) ADJUSTMENTS. —**
- § 272(d)(4)(A) **(A) DETERMINATION OF SHORTFALLS AND EXCESSES IN PAYMENTS TO TRUST FUNDS. —** As soon as practicable after May 31, 1986, the Secretary of the Treasury and the Secretary of Health and Human Services shall jointly determine any shortfall or excess in the amount paid to each Trust Fund pursuant to paragraph (1) caused by —
- § 272(d)(4)(A)(i) (i) the difference between actual interest rates and interest rates assumed for purposes of paragraph (1), and
- § 272(d)(4)(A)(ii) (ii) the difference between the actual amount of securities redeemed in January 1986 for purposes of compliance with section 201(l)(3)(B) of the Social Security Act and the amount of securities assumed for purposes of paragraph (1) to be redeemed in such month for purposes of compliance with such section.

§ 272(d)(4)(B)

(B) PAYMENT OF SHORTFALLS AND EXCESSES.
— On June 30, 1986, the Secretary of the Treasury shall —

§ 272(d)(4)(B)(i)

(i) in the case of a shortfall in the amount paid to either Trust Fund determined pursuant to subparagraph (A), pay to such Trust Fund, from amounts in the general fund of the Treasury not otherwise appropriated, the amount of such shortfall, or

§ 272(d)(4)(B)(ii)

(ii) in the case of an excess in the amount paid to either Trust Fund determined pursuant to subparagraph (A), pay to the general fund of the Treasury, from such Trust Fund, the amount of such excess (but not to exceed the amount paid to such Trust Fund pursuant to paragraph (1)).