



TIME TO RESCUE UNITED STATES' TRUSTS ACT

A BIPARTISAN, BICAMERAL PLAN TO RESCUE OUR FEDERAL TRUST FUNDS.

OVERVIEW

Some of the nation's most important federal programs are financed through dedicated revenue sources and managed through trust funds. A number of the largest trust funds are heading towards insolvency—made worse by the COVID-19 pandemic. In September 2020, the Congressional Budget Office (CBO) found that four of the major trust funds will exhaust their reserves within the next 11 years. The bipartisan, bicameral TRUST Act would provide a vehicle to address the key structural issues behind the debt and allow Congress to put our major federal programs on a stronger footing.

Highway Trust Fund	→	1 YEAR (2022)
Medicare's Hospital Insurance (HI) Trust Fund	→	5 YEARS (2026)
Combined Social Security Old-Age and Survivors Insurance Trust Fund and Social Security Disability Insurance Trust Fund	→	11 YEARS (2032)

SOURCE: GAO

HOW IT WOULD WORK:

- Identify the government's major, endangered trust funds.
 - This would include the Highway Trust Fund, Medicare Part A, and both Social Security trust funds (pensions and disability).
- For each endangered trust fund, the bill would create a "Rescue Committee."
- Congressional leaders would appoint 12 members to serve on each "Rescue Committee"—one per trust fund—with the mandate to draft legislation that extends long-term solvency and otherwise improves each trust fund program.
 - Requires at least two members of each party to report legislation out of the Rescue Committee, ensuring bipartisan support.
- Committees would have a window of 180 days, although recommendations may be put forward at any point prior to that deadline if there is sufficient bipartisan support.
- If a Rescue Committee reports a qualifying bill, it would receive expedited consideration in both chambers.
- While 60 votes would be required to invoke cloture prior to final passage in the Senate, only a simple majority would be needed for the motion to proceed, which would be privileged.

SPONSORS

Senate: Romney (R-UT), Manchin (D-WV), Young (R-IN), Sinema (D-AZ), Capito (R-WV), King (I-ME), Portman (R-OH), Warner (D-VA), Cornyn (R-TX), Rounds (R-SD), Cramer (R-ND), Lummis (R-WY)

House: Gallagher (R-WI), Case (D-HI), Peters (D-CA), Arrington (R-TX), Bourdeaux (D-GA)



SUPPORT FOR THE TRUST ACT

"More than a decade after the Fiscal Commission we co-chaired released common-sense, comprehensive recommendations to fix the debt and to secure our major entitlement programs, those programs still remain in serious financial jeopardy. The Social Security, Medicare, and Highway Trust Funds are all predicted to be insolvent in the next 11 years, triggering deep, across-the-board cuts in benefits. The COVID-19 pandemic has sped the timeline to insolvency and makes solutions even more urgent. While most people in Washington would prefer to burrow – or leave! – their heads in the sand, the TRUST Act would create a truly bipartisan process to save these important programs. We know from personal experience that when Democrats, Republicans, and Independents work together in good faith, they can identify real and lasting solutions: the Fiscal Commission recommendations were supported by 11 of 18 commissioners. We earnestly thank Senators Romney and Manchin, Representatives Gallagher and Case, and other co-sponsors for taking the lead on this important and vital effort. Time is running out to enact critical and thoughtful reforms to appropriately fund our infrastructure and return solvency to Social Security and Medicare."

- ALAN SIMPSON AND ERSKINE BOWLES,
CO-CHAIRS OF THE NATIONAL COMMISSION ON FISCAL RESPONSIBILITY AND REFORM

"Senator Romney and these cosponsors deserve immense credit for developing a plan to fix the federal government's most important trust fund programs, which are headed toward insolvency due to years of neglect. We just can't wait any longer to fix a problem that leaves all who depend on these programs dangerously vulnerable. The TRUST Act is a sensible, bipartisan and balanced approach that would bring together lawmakers to develop fixes, without pre-baking any of the outcomes. We have known for decades that we must shore up the finances of these critical systems, and the current crisis is a reminder of how being prepared is a must in responsible governing. The TRUST Act would provide much-needed fiscal leadership."

- MAYA MACGUINEAS,
PRESIDENT OF THE COMMITTEE FOR A RESPONSIBLE FEDERAL BUDGET

"The Senate expressed bipartisan support for the TRUST Act in its recent budget resolution. It's good to see momentum behind this and other proposals that would help ensure we don't lose sight of the serious fiscal challenges that lay ahead."

- MICHELE STOCKWELL,
EXECUTIVE DIRECTOR OF BPC ACTION

"This proposal could prompt bipartisan action on key trust fund depletion dates that threaten indiscriminate across-the-board cuts to vital programs within the next 15 years. It is, in effect, a responsible call to repeal and replace the irresponsible 'do nothing plan.' Democrats and Republicans may have very different ideas about how to address the shortfalls in these trust funds, but neither party should want to be responsible for the damaging and disruptive consequences of inaction. Time is running out to enact reforms. The Trust Act is a credible way to get the process started and The Concord Coalition applauds its bipartisan, bicameral leaders."

- ROBERT L. BIXBY,
EXECUTIVE DIRECTOR OF THE CONCORD COALITION