

103^D CONGRESS
1ST SESSION

H. R. 1447

To amend title II of the Social Security Act to provide for an improved benefit computation formula for workers who attain age 65 in or after 1982 and to whom applies the 15-year period of transition to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 (and related beneficiaries) and to provide prospectively for increases in their benefits accordingly.

IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1993

Mr. CLEMENT introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To amend title II of the Social Security Act to provide for an improved benefit computation formula for workers who attain age 65 in or after 1982 and to whom applies the 15-year period of transition to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 (and related beneficiaries) and to provide prospectively for increases in their benefits accordingly.

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 Notch
5 Act of 1993”.

1 **SEC. 2. NEW GUARANTEED MINIMUM PRIMARY INSURANCE**
2 **AMOUNT WHERE ELIGIBILITY ARISES DUR-**
3 **ING TRANSITIONAL PERIOD.**

4 Section 215(a) of the Social Security Act (42 U.S.C.
5 415(a)) is amended—

6 (1) in paragraph (4)(B), by inserting “(with or
7 without the application of paragraph (8))” after
8 “would be made”; and

9 (2) by adding at the end the following:

10 “(8)(A) In the case of an individual described in
11 paragraph (4)(B) (subject to subparagraph (F) of this
12 paragraph), the amount of the individual’s primary insur-
13 ance amount as computed or recomputed under paragraph
14 (1) shall be deemed equal to the sum of—

15 “(i) such amount, and

16 “(ii) the applicable transitional increase amount
17 (if any).

18 “(B) For purposes of subparagraph (A)(ii), the term
19 ‘applicable transitional increase amount’ means, in the
20 case of any individual, the product derived by multiply-
21 ing—

22 “(i) the difference under old law, by

23 “(ii) the applicable percentage of the difference
24 under old law to be added under subparagraph (A),
25 as determined, in relation to the year in which the

1 individual becomes eligible for old-age insurance ben-
 2 efits, by the following table:

“If the individual becomes eligible for such benefits in:	The percentage of the difference under old law to be added is:
1979	70 percent
1980	45 percent
1981	40 percent
1982	35 percent
1983	35 percent
1984	35 percent
1985	30 percent
1986	30 percent
1987	25 percent
1988	25 percent
1989	20 percent
1990	20 percent
1991	15 percent
1992	15 percent
1993	10 percent

3 “(C) For purposes of subparagraph (B), the term
 4 ‘difference under old law’ means, in the case of any indi-
 5 vidual, the excess of—

6 “(i) the applicable old law primary insurance
 7 amount, over

8 “(ii) the amount which would be such individ-
 9 ual’s primary insurance amount if computed or re-
 10 computed under this section without regard to this
 11 paragraph and paragraphs (4), (5), and (6).

12 “(D) For purposes of subparagraph (C)(i), the term
 13 ‘applicable old law primary insurance amount’ means, in
 14 the case of any individual, the amount which would be
 15 such individual’s primary insurance amount if it were—

1 “(i) computed or recomputed (pursuant to
2 paragraph (4)(B)(i)) under section 215(a) as in ef-
3 fect in December 1978, or

4 “(ii) computed or recomputed (pursuant to
5 paragraph (4)(B)(ii)) as provided by subsection (d),
6 (as applicable) and modified as provided by subparagraph
7 (E).

8 “(E) In determining the amount which would be an
9 individual’s primary insurance amount as provided in sub-
10 paragraph (D)—

11 “(i) subsection (b)(4) shall not apply;

12 “(ii) section 215(b) as in effect in December
13 1978 shall apply, except that section 215(b)(2)(C)
14 (as then in effect) shall be deemed to provide that
15 an individual’s ‘computation base years’ may include
16 only calendar years in the period after 1950 (or
17 1936 if applicable) and ending with the calendar
18 year in which such individual attains age 61, plus
19 the 3 calendar years after such period for which the
20 total of such individual’s wages and self-employment
21 income is the largest; and

22 “(iii) subdivision (I) in the last sentence of
23 paragraph (4) shall be applied as though the words
24 ‘without regard to any increases in that table’ in

1 such subdivision read ‘including any increases in
2 that table’.

3 “(F) This paragraph shall apply in the case of any
4 individual only if such application results in a primary in-
5 surance amount for such individual that is greater than
6 it would be if computed or recomputed under paragraph
7 (4)(B) without regard to this paragraph.”.

8 **SEC. 3. EFFECTIVE DATE AND RELATED RULES.**

9 (a) APPLICABILITY OF AMENDMENTS.—

10 (1) IN GENERAL.—Except as provided in para-
11 graph (2), the amendments made by this Act shall
12 be effective as though they had been included or re-
13 flected in section 201 of the Social Security Amend-
14 ments of 1977.

15 (2) PROSPECTIVE APPLICABILITY.—No monthly
16 benefit or primary insurance amount under title II
17 of the Social Security Act shall be increased by rea-
18 son of such amendments for any month before the
19 month in which this Act is enacted.

20 (b) RECOMPUTATION TO REFLECT BENEFIT IN-
21 CREASES.—In any case in which an individual is entitled
22 to monthly insurance benefits under title II of the Social
23 Security Act for the month before the month in which this
24 Act is enacted, if such benefits are based on a primary
25 insurance amount computed—

1 (1) under section 215 of such Act as in effect
2 (by reason of the Social Security Amendments of
3 1977) after December 1978, or

4 (2) under section 215 of such Act as in effect
5 prior to January 1979 by reason of subsection
6 (a)(4)(B) of such section (as amended by the Social
7 Security Amendments of 1977),
8 the Secretary of Health and Human Services (notwith-
9 standing section 215(f)(1) of the Social Security Act) shall
10 recompute such primary insurance amount so as to take
11 into account the amendments made by this Act.

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