

105TH CONGRESS
1ST SESSION

H. R. 2099

To provide that cost-of-living adjustments to payments made under Federal law and to Federal tax benefits shall be determined using a new price index.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 1997

Mr. SMITH of Michigan introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Education and the Workforce, National Security, Government Reform and Oversight, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide that cost-of-living adjustments to payments made under Federal law and to Federal tax benefits shall be determined using a new price index.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. COST-OF-LIVING ADJUSTMENTS TO PAYMENTS**
2 **MADE UNDER FEDERAL LAW AND FEDERAL**
3 **TAX BENEFITS DETERMINED USING PRICE**
4 **INDEX.**

5 (a) IN GENERAL.—Notwithstanding any other provi-
6 sion of law, the Consumer Price Index for Government
7 Use (CPI–G) established by subsection (c) shall be used
8 to determine the amount of any cost-of-living or similar
9 adjustment—

10 (1) under the Internal Revenue Code of 1986,
11 and

12 (2) to any payment referred to in subsection
13 (b)) made under Federal law which is otherwise sub-
14 ject to such an adjustment using a price index which
15 includes prices of tobacco products or distilled spirits
16 (or both).

17 (b) PAYMENTS AFFECTED.—The payments referred
18 to in this subsection are:

19 (1) Benefits payable under the Social Security
20 Act.

21 (2) Retirement benefits payable to former em-
22 ployees of the United States or to former members
23 of the Armed Forces of the United States.

24 (3) Payments on account of the death or dis-
25 ability of any employee or former employee of the
26 United States.

1 (4) Tier 1 railroad retirement benefits.

2 (c) PUBLICATION OF NEW INDEX.—

3 (1) IN GENERAL.—Not later than August 1,
4 1998, the Bureau of Labor Statistics shall publish
5 a Consumer Price Index for Government Use (CPI–
6 G).

7 (2) INDEX.—The Consumer Price Index for
8 Government Use (CPI–G) shall be based on the
9 Consumer Price Index for All Urban Consumers, ex-
10 cept that it shall exclude prices for tobacco products
11 and distilled spirits.

12 (d) TRANSITION TO NEW INDEX.—If, in determining
13 an amount for any period, an adjustment takes into ac-
14 count periods before October 1, 1998, and periods after
15 September 30, 1998—

16 (1) the Consumer Price Index for Government
17 Use shall be treated as being used for all periods,
18 and

19 (2) the amount being adjusted shall be treated
20 as being the amount which, had such Index been
21 used for all prior periods, would result in the
22 amount in effect for the immediately preceding pe-
23 riod.

1 (e) EFFECTIVE DATE.—The section shall apply to
2 adjustments after September 30, 1997.

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