

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> 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.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1993

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

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## 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:

<b>“If the individual becomes eligible for such benefits in:</b>	<b>The percentage of the difference under old law to be added is:</b>
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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