

103^D CONGRESS
1ST SESSION

H. R. 3457

To provide that cost-of-living adjustments to payments made under Federal law shall be determined using a new price index which does not take into account tobacco products.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 4, 1993

Mr. SMITH of Michigan (for himself, Mr. ALLARD, Mr. DREIER, Mr. HERGER, Mr. HOEKSTRA, Mr. JACOBS, Mr. KLINK, Mr. TRAFICANT, Mr. GINGRICH, Mr. COPPERSMITH, and Mr. TORKILDSEN) introduced the following bill; which was referred jointly to the Committees on Ways and Means, Armed Services, Education and Labor, Post Office and Civil Service, and Energy and Commerce

A BILL

To provide that cost-of-living adjustments to payments made under Federal law shall be determined using a new price index which does not take into account tobacco products.

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 DETERMINED**
3 **USING PRICE INDEX WHICH DOES NOT TAKE**
4 **INTO ACCOUNT TOBACCO PRODUCTS.**

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 to any payment (including payments referred
10 to in subsection (b)) made under Federal law which is oth-
11 erwise subject to such an adjustment using any price index
12 which takes into account prices of tobacco products.

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

15 (1) Benefits payable under the Social Security
16 Act.

17 (2) Retirement benefits payable to former em-
18 ployees of the United States or to former members
19 of the Armed Forces of the United States.

20 (3) Payments on account of the death or dis-
21 ability of any employee or former employee of the
22 United States.

23 (4) Tier 1 railroad retirement benefits.

24 (c) PUBLICATION OF NEW INDEX.—

25 (1) IN GENERAL.—Not later than August 1,
26 1994, the Bureau of Labor Statistics shall publish

1 a Consumer Price Index for Government Use (CPI-
2 G).

3 (2) INDEX NOT TO INCLUDE TOBACCO PROD-
4 UCTS.—The Consumer Price Index for Government
5 Use (CPI-G) shall be modeled after the Consumer
6 Price Index for All Urban Consumers, but shall not
7 include tobacco products in the items for which
8 prices are compared.

9 (3) PAST PERIODS INCLUDED.—Such Index
10 shall be determined, to the extent practicable, for
11 the same periods before October 1, 1994, that the
12 Consumer Price Index for All Urban Consumers was
13 determined.

14 (d) TRANSITION TO NEW INDEX.—If, in determining
15 an amount for any period, an adjustment takes into ac-
16 count periods before October 1, 1994, and periods after
17 September 30, 1994—

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

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

1 (e) EFFECTIVE DATE.—The section shall apply to
2 adjustments after September 30, 1994.

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