

Union Calendar No. 284

106TH CONGRESS
2D SESSION

H. R. 5

[Report No. 106-507]

To amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 1999

Mr. SAM JOHNSON of Texas (for himself, Mr. PETERSON of Minnesota, Mr. SESSIONS, Mr. ROHRABACHER, Mr. GOSS, Mr. MCCOLLUM, Mr. CUNNINGHAM, Mr. ENGLISH, Mr. PAUL, Mr. UNDERWOOD, Mrs. MORELLA, Mr. BURTON of Indiana, Mr. HORN, Mr. HOSTETTLER, Mr. MCCRERY, Mr. HEFLEY, Mr. NEY, Mr. RAMSTAD, Mr. BOUCHER, Mr. LOBIONDO, Ms. RIVERS, Mr. GREEN of Texas, Mr. KING, Mr. MCINTOSH, Mrs. MYRICK, Mr. TAYLOR of North Carolina, Mr. KUYKENDALL, Mr. WELLER, Mr. ROGERS, Mr. BARTON of Texas, Mr. KNOLLENBERG, Mr. TERRY, Mr. PETERSON of Pennsylvania, Mr. SOUDER, Ms. DUNN, Mr. BRADY of Texas, Mr. TIAHRT, Mr. STUMP, Mr. SENSENBRENNER, Mrs. BONO, Mr. DOOLITTLE, Mr. THORNBERRY, Mr. PACKARD, Ms. ROS-LEHTINEN, Mr. METCALF, Mr. FALEOMAVAEGA, Mr. BLILEY, Mr. CHAMBLISS, Mr. WATTS of Oklahoma, Mr. SWEENEY, Mr. DREIER, and Mr. HASTINGS of Washington) introduced the following bill; which was referred to the Committee on Ways and Means

MARCH 1, 2000

Additional sponsors: Mr. LATOURETTE, Mr. NETHERCUTT, Mr. BALLENGER, Mr. HERGER, Mr. NUSSLE, Mr. HAYWORTH, Mr. COLLINS, Mr. SCHAFER, Mr. TANCREDO, Mr. FORBES, Mr. EHRLICH, Mr. FOSSELLA, Mr. PETRI, Mrs. FOWLER, Mr. LEWIS of Kentucky, Mr. POMBO, Mr. LUCAS of Kentucky, Mr. ADERHOLT, Mr. LINDER, Mrs. EMERSON, Ms. DANNER, Mr. FILNER, Mr. SANDLIN, Mr. FROST, Mr. BISHOP, Mr. SHAD-EGG, Ms. KILPATRICK, Mr. MICA, Ms. PRYCE of Ohio, Mr. GARY MILLER of California, Mr. DICKEY, Mr. GORDON, Mr. BAKER, Mr. HANSEN, Mr. CLYBURN, Mr. JONES of North Carolina, Mr. HUTCHINSON, Mr. COBURN, Mr. MANZULLO, Mr. GIBBONS, Mr. EWING, Mr. TALENT, Mr. CLEMENT, Mr. LEACH, Ms. STABENOW, Mrs. NORTHUP, Mr. GOODLING,

Mr. BARR of Georgia, Mr. CALVERT, Mr. ARMEY, Mr. BILIRAKIS, Mr. SAXTON, Mr. FOLEY, Mr. RILEY, Mr. OSE, Mr. ISAKSON, Mr. EVERETT, Ms. GRANGER, Mr. HOBSON, Mr. MCINTYRE, Mr. VITTER, Mr. RYUN of Kansas, Mr. KENNEDY of Rhode Island, Mr. GOODE, Mr. GOODLATTE, Mr. SMITH of New Jersey, Mr. RYAN of Wisconsin, Mr. SHAYS, Mr. SHERMAN, Mr. CAPUANO, Mr. TOOMEY, Mr. MILLER of Florida, Mr. BLUNT, Mr. DEMINT, Mr. WELDON of Florida, Mr. BACHUS, Mr. WEXLER, Mr. SHERWOOD, Mr. HULSHOF, Mr. ROYCE, Mr. GALLEGLY, Mr. ROEMER, Mr. SUNUNU, Mr. GILMAN, Mr. PORTMAN, Mr. BUYER, Mr. MATSUI, Mr. TANNER, Mr. STEARNS, Mr. WALDEN of Oregon, Mrs. ROUKEMA, Mr. BASS, Mr. HOUGHTON, Mr. MCHUGH, Mr. CRANE, Mr. MCINNIS, Mr. THOMAS, Mr. SHOWS, Mr. GILLMOR, Mr. LAHOOD, Mr. WATKINS, Mr. BALDACCI, Mr. WU, Mr. SHAW, Mr. ARCHER, Mr. BARRETT of Nebraska, Mr. FRANKS of New Jersey, Mr. SMITH of Texas, Mr. FRELINGHUYSEN, Mr. CAMP, Mr. BERRY, Mr. PHELPS, Mr. COMBEST, Mr. PITTS, Mrs. BIGGERT, Mr. JENKINS, Mr. BEREUTER, Mr. WALSH, Mr. RANGEL, Mr. STARK, Mr. COYNE, Mr. LEVIN, Mr. CARDIN, Mr. MCDERMOTT, Mr. BECERRA, Mrs. THURMAN, Mr. CASTLE, Mr. SPENCE, Mr. WOLF, Mr. HILL of Montana, Mr. MURTHA, Mr. DUNCAN, Mr. GREEN of Wisconsin, Mr. KLECZKA, Mr. NEAL of Massachusetts, Mr. ROGAN, Mr. SALMON, Mr. HAYES, Mr. POMEROY, Mr. COOKSEY, Mr. BURR of North Carolina, Mr. EDWARDS, Mr. COOK, Mr. BENTSEN, Mr. WAMP, Mrs. JOHNSON of Connecticut, Mr. RUSH, Mr. LEWIS of Georgia, Mr. McNULTY, Mr. COBLE, Mr. ETHERIDGE, Mrs. MCCARTHY of New York, and Mr. STRICKLAND

MARCH 1, 2000

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on March 1, 1999]

A BILL

To amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

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. SHORT TITLE.**

2 *This Act may be cited as the “Senior Citizens’ Free-*
3 *dom to Work Act of 2000”.*

4 **SEC. 2. ELIMINATION OF EARNINGS TEST FOR INDIVIDUALS**
5 **WHO HAVE ATTAINED RETIREMENT AGE.**

6 *Section 203 of the Social Security Act (42 U.S.C. 403)*
7 *is amended—*

8 *(1) in subsection (c)(1), by striking “the age of*
9 *seventy” and inserting “retirement age (as defined in*
10 *section 216(l))”;*

11 *(2) in paragraphs (1)(A) and (2) of subsection*
12 *(d), by striking “the age of seventy” each place it ap-*
13 *pears and inserting “retirement age (as defined in*
14 *section 216(l))”;*

15 *(3) in subsection (f)(1)(B), by striking “was age*
16 *seventy or over” and inserting “was at or above re-*
17 *tirement age (as defined in section 216(l))”;*

18 *(4) in subsection (f)(3)—*

19 *(A) by striking “33¹/₃ percent” and all that*
20 *follows through “any other individual,” and in-*
21 *serting “50 percent of such individual’s earnings*
22 *for such year in excess of the product of the ex-*
23 *empt amount as determined under paragraph*
24 *(8),”;* and

25 *(B) by striking “age 70” and inserting “re-*
26 *tirement age (as defined in section 216(l))”;*

1 (5) in subsection (h)(1)(A), by striking “age 70”
2 each place it appears and inserting “retirement age
3 (as defined in section 216(l))”; and

4 (6) in subsection (j)—

5 (A) in the heading, by striking “Age Sev-
6 enty” and inserting “Retirement Age”; and

7 (B) by striking “seventy years of age” and
8 inserting “having attained retirement age (as de-
9 fined in section 216(l))”.

10 **SEC. 3. CONFORMING AMENDMENTS ELIMINATING THE EX-**
11 **EMPT AMOUNT FOR INDIVIDUALS WHO HAVE**
12 **ATTAINED RETIREMENT AGE.**

13 (a) *UNIFORM EXEMPT AMOUNT.*—Section 203(f)(8)(A)
14 of the Social Security Act (42 U.S.C. 403(f)(8)(A)) is
15 amended by striking “the new exempt amounts (separately
16 stated for individuals described in subparagraph (D) and
17 for other individuals) which are to be applicable” and in-
18 serting “a new exempt amount which shall be applicable”.

19 (b) *CONFORMING AMENDMENTS.*—Section 203(f)(8)(B)
20 of the Social Security Act (42 U.S.C. 403(f)(8)(B)) is
21 amended—

22 (1) in the matter preceding clause (i), by strik-
23 ing “Except” and all that follows through “which-
24 ever” and inserting “The exempt amount which is ap-

1 *plicable for each month of a particular taxable year*
 2 *shall be whichever”;*

3 (2) *in clause (i), by striking “corresponding”;*

4 (3) *in clause (ii), in the matter preceding sub-*
 5 *clause (I), by striking “corresponding” and all that*
 6 *follows through “individuals)” and inserting “exempt*
 7 *amount which is in effect with respect to months in*
 8 *the taxable year ending after 1993 and before 1995*
 9 *with respect to individuals who have not attained re-*
 10 *irement age (as defined in section 216(l))”;*

11 (4) *in subclause (II) of clause (ii), by striking*
 12 *“2000” and all that follows and inserting “1992,”;*
 13 *and*

14 (5) *in the last sentence, by striking “an exempt*
 15 *amount” and inserting “the exempt amount”.*

16 (c) *REPEAL OF BASIS FOR COMPUTATION OF EXEMPT*
 17 *AMOUNT AFFECTING INDIVIDUALS WHO HAVE ATTAINED*
 18 *RETIREMENT AGE.—Section 203(f)(8)(D) of the Social Se-*
 19 *curity Act (42 U.S.C. 403(f)(8)(D)) is repealed.*

20 **SEC. 4. ADDITIONAL CONFORMING AMENDMENTS.**

21 (a) *ELIMINATION OF REDUNDANT REFERENCES TO*
 22 *RETIREMENT AGE.—Section 203 of the Social Security Act*
 23 *(42 U.S.C. 403) is amended—*

24 (1) *in subsection (c), in the last sentence, by*
 25 *striking “nor shall any deduction” and all that fol-*

1 *lows and inserting “nor shall any deduction be made*
2 *under this subsection from any widow’s or widower’s*
3 *insurance benefit if the widow, surviving divorced*
4 *wife, widower, or surviving divorced husband involved*
5 *became entitled to such benefit prior to attaining age*
6 *60.”; and*

7 *(2) in subsection (f)(1), by striking clause (D)*
8 *and inserting the following: “(D) for which such indi-*
9 *vidual is entitled to widow’s or widower’s insurance*
10 *benefits if such individual became so entitled prior to*
11 *attaining age 60.”.*

12 *(b) CONFORMING AMENDMENT TO PROVISIONS FOR*
13 *DETERMINING AMOUNT OF INCREASE ON ACCOUNT OF DE-*
14 *LAYED RETIREMENT.—Section 202(w)(2)(B)(ii) of the So-*
15 *cial Security Act (42 U.S.C. 402(w)(2)(B)(ii)) is*
16 *amended—*

17 *(1) by striking “either”; and*

18 *(2) by striking “or suffered deductions under sec-*
19 *tion 203(b) or 203(c) in amounts equal to the amount*
20 *of such benefit”.*

21 *(c) PROVISIONS RELATING TO EARNINGS TAKEN INTO*
22 *ACCOUNT IN DETERMINING SUBSTANTIAL GAINFUL ACTIV-*
23 *ITY OF BLIND INDIVIDUALS.—The second sentence of section*
24 *223(d)(4) of such Act (42 U.S.C. 423(d)(4)) is amended by*
25 *striking “if section 102 of the Senior Citizens’ Right to*

1 *Work Act of 1996 had not been enacted” and inserting the*
2 *following: “if the amendments to section 203 made by sec-*
3 *tion 102 of the Senior Citizens’ Right to Work Act of 1996*
4 *and by the Senior Citizens’ Freedom to Work Act of 2000*
5 *had not been enacted”.*

6 **SEC. 5. EFFECTIVE DATE.**

7 (a) *IN GENERAL.—The amendments and repeals made*
8 *by this Act shall apply with respect to taxable years ending*
9 *after December 31, 1999.*

10 (b) *SPECIAL RULE APPLICABLE TO INDIVIDUALS WHO*
11 *ATTAIN NORMAL RETIREMENT AGE DURING THE FIRST*
12 *TAXABLE YEAR ENDING AFTER DECEMBER 31, 1999.—Sec-*
13 *tions 202 and 203 of the Social Security Act, as in effect*
14 *immediately prior to the amendments and repeals made by*
15 *this Act, shall apply to any individual who attains retire-*
16 *ment age (as defined in section 216(l) of such Act) during*
17 *the first taxable year ending after December 31, 1999 (and*
18 *to any person receiving benefits under title II of the Social*
19 *Security Act on the basis of the wages and self-employment*
20 *income of such individual), but only with respect to earn-*
21 *ings for so much of such taxable year as precedes the month*
22 *in which such individual attains retirement age (as so de-*
23 *finied).*

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