

117TH CONGRESS  
2D SESSION

# H. R. 8467

To amend title II of the Social Security Act and the Internal Revenue Code of 1986 to make improvements in the old-age, survivors, and disability insurance program, and to provide for Social Security benefit protection.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 21, 2022

Mr. DEUTCH (for himself, Mr. SARBANES, Mr. COHEN, and Ms. PINGREE) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and Education and Labor, 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

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## A BILL

To amend title II of the Social Security Act and the Internal Revenue Code of 1986 to make improvements in the old-age, survivors, and disability insurance program, and to provide for Social Security benefit protection.

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 AND TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Protecting and Preserving Social Security Act”.

1 (b) TABLE OF CONTENTS.—The table of contents of  
 2 this Act is as follows:

Sec. 1. Short title and table of contents.

#### TITLE I—COST-OF-LIVING INCREASES

Sec. 101. Consumer Price Index for Elderly Consumers.

Sec. 102. Computation of cost-of-living increases.

#### TITLE II—CONTRIBUTION AND BENEFIT FAIRNESS

Sec. 201. Determination of wages and self-employment income above contribu-  
 tion and benefit base after 2022.

Sec. 202. Inclusion of surplus earnings in Social Security benefit formula.

Sec. 203. Preventing an unintended drop in benefits relating to the application  
 of the National Average Wage Index.

#### TITLE III—BENEFIT ADJUSTMENT OF SOCIAL SECURITY INCOME COMPENSATION

Sec. 301. Continuation of benefits through month of beneficiary's death.

## 3 **TITLE I—COST-OF-LIVING** 4 **INCREASES**

### 5 **SEC. 101. CONSUMER PRICE INDEX FOR ELDERLY CON-** 6 **SUMERS.**

7 (a) IN GENERAL.—The Bureau of Labor Statistics  
 8 of the Department of Labor shall prepare and publish an  
 9 index for each calendar month to be known as the “Con-  
 10 sumer Price Index for Elderly Consumers” that indicates  
 11 changes over time in expenditures for consumption which  
 12 are typical for individuals in the United States who are  
 13 62 years of age or older.

14 (b) EFFECTIVE DATE.—Subsection (a) shall apply  
 15 with respect to calendar months ending on or after July  
 16 31 of the calendar year following the calendar year in  
 17 which this Act is enacted.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
 2 are authorized to be appropriated such sums as are nec-  
 3 essary to carry out the provisions of this section.

4 **SEC. 102. COMPUTATION OF COST-OF-LIVING INCREASES.**

5 (a) IN GENERAL.—Section 215(i)(1) of the Social Se-  
 6 curity Act (42 U.S.C. 415(i)(1)) is amended by adding  
 7 at the end the following new subparagraph:

8 “(H) the term ‘Consumer Price Index’  
 9 means the Consumer Price Index for Elderly  
 10 Consumers (CPI–E, as published by the Bu-  
 11 reau of Labor Statistics of the Department of  
 12 Labor).”.

13 (b) APPLICATION TO PRE-1979 LAW.—

14 (1) IN GENERAL.—Section 215(i)(1) of the So-  
 15 cial Security Act as in effect in December 1978, and  
 16 as applied in certain cases under the provisions of  
 17 such Act as in effect after December 1978, is  
 18 amended by adding at the end the following new  
 19 subparagraph:

20 “(D) the term ‘Consumer Price Index’  
 21 means the Consumer Price Index for Elderly  
 22 Consumers (CPI–E, as published by the Bu-  
 23 reau of Labor Statistics of the Department of  
 24 Labor).”.

1           (2)     CONFORMING     AMENDMENT.—Section  
2     215(i)(4) of the Social Security Act (42 U.S.C.  
3     415(i)(4)) is amended by inserting “and by section  
4     102 of the Protecting and Preserving Social Security  
5     Act” after “1986”.

6     (c) NO EFFECT ON ADJUSTMENTS UNDER OTHER  
7     LAWS.—Section 215(i) of the Social Security Act (42  
8     U.S.C. 415(i)) is amended by adding at the end the fol-  
9     lowing:

10           “(6) Any provision of law (other than in this  
11     title or title XVI) which provides for adjustment of  
12     an amount based on a change in benefit amounts re-  
13     sulting from a determination made under this sub-  
14     section shall be applied and administered without re-  
15     gard to the amendments made by section 102 of the  
16     Protecting and Preserving Social Security Act.”.

17     (d) NO EFFECT ON ELIGIBILITY FOR SSI AND MED-  
18     ICAID.—Any increase to an individual’s monthly benefit  
19     amount under title II of the Social Security Act as a result  
20     of the amendments made by this section shall not be re-  
21     garded as income or resources for any subsequent month,  
22     for purposes of determining the eligibility of the recipient  
23     (or the recipient’s spouse or family) for benefits or assist-  
24     ance, or the amount or extent of benefits or assistance,

1 under the Supplemental Security Income program or the  
2 Medicaid program.

3 (e) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to determinations made with re-  
5 spect to cost-of-living computation quarters (as defined in  
6 section 215(i)(1)(B) of the Social Security Act (42 U.S.C.  
7 415(i)(1)(B))) ending on or after September 30 of the sec-  
8 ond calendar year following the calendar year in which this  
9 Act is enacted.

## 10 **TITLE II—CONTRIBUTION AND** 11 **BENEFIT FAIRNESS**

### 12 **SEC. 201. DETERMINATION OF WAGES AND SELF-EMPLOY-** 13 **MENT INCOME ABOVE CONTRIBUTION AND** 14 **BENEFIT BASE AFTER 2022.**

15 (a) DETERMINATION OF WAGES ABOVE CONTRIBU-  
16 TION AND BENEFIT BASE AFTER 2022.—

17 (1) AMENDMENTS TO THE INTERNAL REVENUE  
18 CODE OF 1986.—Section 3121 of the Internal Rev-  
19 enue Code of 1986 is amended—

20 (A) in subsection (a)(1), by inserting “the  
21 applicable percentage (determined under sub-  
22 section (c)(1)) of” before “that part of the re-  
23 muneration”; and

24 (B) in subsection (c), by striking “(c) IN-  
25 CLUDED AND EXCLUDED SERVICE.—For pur-

1           poses of this chapter, if” and inserting the fol-  
 2           lowing:

3           “(c) SPECIAL RULES FOR WAGES AND EMPLOY-  
 4           MENT.—

5           “(1) APPLICABLE PERCENTAGE OF REMUNERA-  
 6           TION IN DETERMINING WAGES.—For purposes of  
 7           paragraph (1) of subsection (a), the applicable per-  
 8           centage for a calendar year, in connection with any  
 9           calendar year referred to in such subparagraph,  
 10          shall be the percentage determined in accordance  
 11          with the following table:

<b>“In the case of:</b>	<b>The applicable percentage is:</b>
Calendar year 2023 .....	86
Calendar year 2024 .....	71
Calendar year 2025 .....	57
Calendar year 2026 .....	43
Calendar year 2027 .....	29
Calendar year 2028 .....	14
Calendar years after 2028 .....	0.

12          “(2) INCLUDED AND EXCLUDED SERVICE.—For  
 13          purposes of this chapter, if”.

14          (2) AMENDMENTS TO THE SOCIAL SECURITY  
 15          ACT.—Section 209 of the Social Security Act (42  
 16          U.S.C. 409) is amended—

17                 (A) in subsection (a)(1)—

18                         (i) in subparagraph (I)—

19                                 (I) by inserting “and before  
 20                                 2023” after “1974”; and

1 (II) by inserting “and” after the  
 2 semicolon; and

3 (ii) by adding at the end the following  
 4 new subparagraph:

5 “(J) The applicable percentage (deter-  
 6 mined under subsection (I)) of that part of re-  
 7 munerat ion which, after remuneration (other  
 8 than remuneration referred to in the succeeding  
 9 subsections of this section) equal to the con-  
 10 tribution and benefit base (determined under  
 11 section 230) with respect to employment has  
 12 been paid to an individual during any calendar  
 13 year after 2022 with respect to which such con-  
 14 tribution and benefit base is effective, is paid to  
 15 such individual during such calendar year;”;  
 16 and

17 (B) by adding at the end the following new  
 18 subsection:

19 “(I) For purposes of subparagraph (J) of subsection  
 20 (a)(1), the applicable percentage for a calendar year, in  
 21 connection with any calendar year referred to in such sub-  
 22 paragraph, shall be the percentage determined in accord-  
 23 ance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2023 .....	86
Calendar year 2024 .....	71
Calendar year 2025 .....	57

<b>“In the case of:</b>	<b>The applicable percentage is:</b>
Calendar year 2026 .....	43
Calendar year 2027 .....	29
Calendar year 2028 .....	14
Calendar years after 2028 .....	0.”.

1           (3) EFFECTIVE DATE.—The amendments made  
2           by this subsection shall apply with respect to remuneration paid in calendar years after 2022.

4           (b) DETERMINATION OF SELF-EMPLOYMENT INCOME ABOVE CONTRIBUTION AND BENEFIT BASE AFTER  
5 2022.—

7           (1) AMENDMENTS TO THE INTERNAL REVENUE  
8 CODE OF 1986.—Section 1402 of the Internal Revenue Code of 1986 is amended—

10           (A) in subsection (b)(1), by inserting “an  
11 amount equal to the applicable percentage (as  
12 determined under subsection (d)(2)) of” before  
13 “that part of the net earnings from self-employment”; and

14           (B) in subsection (d)—

15           (i) by striking “(d) EMPLOYEE AND  
16 WAGES.—The term” and inserting the following:  
17

18           “(d) RULES AND DEFINITIONS.—

19           “(1) EMPLOYEE AND WAGES.—The term”; and

20           (ii) by adding at the end the following:  
21  
22



1           “(2) APPLICABLE PERCENTAGE OF NET EARN-  
2           INGS FROM SELF-EMPLOYMENT IN DETERMINING  
3           SELF-EMPLOYMENT INCOME.—For purposes of para-  
4           graph (1) of subsection (b), the applicable percent-  
5           age for a taxable year beginning in any calendar  
6           year referred to in such paragraph shall be the per-  
7           centage determined in accordance with the following  
8           table:

<b>“In the case of:</b>	<b>The applicable percentage is:</b>
Calendar year 2023 .....	86
Calendar year 2024 .....	71
Calendar year 2025 .....	57
Calendar year 2026 .....	43
Calendar year 2027 .....	29
Calendar year 2028 .....	14
Calendar years after 2028 .....	0.”.

9           (2) AMENDMENTS TO THE SOCIAL SECURITY  
10          ACT.—Section 211 of the Social Security Act (42  
11          U.S.C. 411) is amended—  
12                (A) in subsection (b)—  
13                   (i) in paragraph (1)(I)—  
14                        (I) by striking “or” after the  
15                        semicolon; and  
16                        (II) by inserting “and before  
17                        2023” after “1974”;  
18                   (ii) by redesignating paragraph (2) as  
19                   paragraph (3); and  
20                   (iii) by inserting after paragraph (1)  
21           the following new paragraph:

1           “(2) For any taxable year beginning in any cal-  
 2           endar year after 2022, an amount equal to the appli-  
 3           cable percentage (as determined under subsection  
 4           (1)) of that part of net earnings from self-employ-  
 5           ment which is in excess of (A) an amount equal to  
 6           the contribution and benefit base (determined under  
 7           section 230) that is effective for such calendar year,  
 8           minus (B) the amount of the wages paid to such in-  
 9           dividual during such taxable year; or”;

10                               (B) by adding at the end the following:

11           “(1) For purposes of paragraph (2) of subsection (b),  
 12           the applicable percentage for a taxable year beginning in  
 13           any calendar year referred to in such paragraph, shall be  
 14           the percentage determined in accordance with the fol-  
 15           lowing table:

<b>“In the case of:</b>	<b>The applicable percentage is:</b>
Calendar year 2023 .....	86
Calendar year 2024 .....	71
Calendar year 2025 .....	57
Calendar year 2026 .....	43
Calendar year 2027 .....	29
Calendar year 2028 .....	14
Calendar years after 2028 .....	0.”.

16           (3) EFFECTIVE DATE.—The amendments made  
 17           by this subsection shall apply with respect to taxable  
 18           years beginning during or after calendar year 2023.

1 **SEC. 202. INCLUSION OF SURPLUS EARNINGS IN SOCIAL SE-**  
2 **CURITY BENEFIT FORMULA.**

3 (a) INCLUSION OF SURPLUS AVERAGE INDEXED  
4 MONTHLY EARNINGS IN DETERMINATION OF PRIMARY  
5 INSURANCE AMOUNTS.—

6 (1) IN GENERAL.—Section 215(a)(1)(A) of the  
7 Social Security Act (42 U.S.C. 415(a)(1)(A)) is  
8 amended—

9 (A) in clauses (i), (ii), and (iii), by insert-  
10 ing “basic” before “average indexed monthly  
11 earnings” each place it appears;

12 (B) in clause (ii), by striking “and” at the  
13 end; and

14 (C) by inserting after clause (iii) the fol-  
15 lowing new clauses:

16 “(iv) 3 percent of the individual’s surplus aver-  
17 age indexed monthly earnings to the extent such  
18 surplus average indexed monthly earnings do not ex-  
19 ceed the excess of the amount established for pur-  
20 poses of this clause by subparagraph (B) over  $\frac{1}{12}$   
21 of the contribution and benefit base for the last of  
22 such individual’s computation base years, and

23 “(v) 0.25 percent of the sum of the individual’s  
24 surplus average indexed monthly earnings plus  $\frac{1}{12}$   
25 of the contribution and benefit base for the last of  
26 such individual’s computation base years, to the ex-

1       tent such sum exceeds the amount established for  
2       purposes of clause (iv) by subparagraph (B).”.

3               (2) BEND POINT FOR SURPLUS EARNINGS.—  
4       Section 215(a)(1)(B) of such Act (42 U.S.C.  
5       415(a)(1)(B)) is amended—

6               (A) in clause (ii), by striking “the amounts  
7       so established” and inserting “the amounts es-  
8       tablished for purposes of clauses (i) and (ii) of  
9       subparagraph (A)”;

10              (B) by redesignating clause (iii) as clause  
11       (v);

12              (C) in clause (v) (as redesignated), by in-  
13       serting “or (iv)” after “clause (ii)”; and

14              (D) by inserting after clause (ii) the fol-  
15       lowing new clauses:

16       “(iii) For individuals who initially become eligible for  
17       old-age or disability insurance benefits, or who die (before  
18       becoming eligible for such benefits), in the calendar year  
19       2023, the amount established for purposes of clause (iv)  
20       of subparagraph (A) shall be \$8,933.

21       “(iv) For individuals who initially become eligible for  
22       old-age or disability insurance benefits, or who die (before  
23       becoming eligible for such benefits), in any calendar year  
24       after 2023, the amount established for purposes of clause  
25       (iv) of subparagraph (A) shall equal the product of the

1 amount established with respect to the calendar year 2023  
 2 under clause (iii) of this subparagraph and the quotient  
 3 obtained by dividing—

4 “(I)(aa) the national average wage index (as de-  
 5 fined in section 209(k)(1)) for the second calendar  
 6 year preceding the calendar year for which the de-  
 7 termination is made, or

8 “(bb) if higher (and if such second calendar  
 9 year is after 2023), the highest national average  
 10 wage index (as so defined) for any calendar year be-  
 11 fore such second calendar year, by

12 “(II) the national average wage index (as so de-  
 13 fined) for 2018.”.

14 (b) BASIC AIME AND SURPLUS AIME.—

15 (1) BASIC AIME.—Section 215(b)(1) of such  
 16 Act (42 U.S.C. 415(b)(1)) is amended—

17 (A) by inserting “basic” before “average”;  
 18 and

19 (B) in subparagraph (A), by striking  
 20 “paragraph (3)” and inserting “paragraph  
 21 (3)(A)” and by inserting before the comma the  
 22 following: “to the extent such total does not ex-  
 23 ceed the contribution and benefit base for the  
 24 applicable year”.

25 (2) SURPLUS AIME.—

1 (A) IN GENERAL.—Section 215(b)(1) of  
2 such Act (as amended by paragraph (1)) is  
3 amended—

4 (i) by redesignating subparagraphs  
5 (A) and (B) as clauses (i) and (ii), respec-  
6 tively;

7 (ii) by inserting “(A)” after “(b)(1)”;  
8 and

9 (iii) by adding at the end the fol-  
10 lowing new subparagraph:

11 “(B)(i) An individual’s surplus average indexed  
12 monthly earnings shall be equal to the quotient obtained  
13 by dividing—

14 “(I) the total (after adjustment under para-  
15 graph (3)(B)) of such individual’s surplus earnings  
16 (determined under clause (ii)) for such individual’s  
17 benefit computation years (determined under para-  
18 graph (2)), by

19 “(II) the number of months in those years.

20 “(ii) For purposes of clause (i) and paragraph (3)(B),  
21 an individual’s surplus earnings for a benefit computation  
22 year are the total of such individual’s wages paid in and  
23 self-employment income credited to such benefit computa-  
24 tion year, to the extent such total (before adjustment

1 under paragraph (3)(B)) exceeds the contribution and  
 2 benefit base for such year.”.

3 (B) CONFORMING AMENDMENT.—The  
 4 heading for section 215(b) of such Act is  
 5 amended by striking “Average Indexed Monthly  
 6 Earnings” and inserting “Basic Average In-  
 7 dexed Monthly Earnings; Surplus Average In-  
 8 dexed Monthly Earnings”.

9 (3) ADJUSTMENT OF SURPLUS EARNINGS FOR  
 10 PURPOSES OF DETERMINING SURPLUS AIME.—Sec-  
 11 tion 215(b)(3) of such Act (42 U.S.C. 415(b)(3)) is  
 12 amended—

13 (A) in subparagraph (A), by striking “sub-  
 14 paragraph (B)” and inserting “subparagraph  
 15 (C)” and by inserting “and determination of  
 16 basic average indexed monthly income” after  
 17 “paragraph (2)”;

18 (B) by redesignating subparagraph (B) as  
 19 subparagraph (C); and

20 (C) by inserting after subparagraph (A)  
 21 the following new subparagraph:

22 “(B) For purposes of determining under paragraph  
 23 (1)(B) an individual’s surplus average indexed monthly  
 24 earnings, the individual’s surplus earnings (described in

1 paragraph (2)(B)(ii)) for a benefit computation year shall  
 2 be deemed to be equal to the product of—

3 “(i) the individual’s surplus earnings for such  
 4 year (as determined without regard to this subpara-  
 5 graph), and

6 “(ii) the quotient described in subparagraph  
 7 (A)(ii).”.

8 (c) EFFECTIVE DATE.—The amendments made by  
 9 this section shall apply with respect to individuals who ini-  
 10 tially become eligible (within the meaning of section  
 11 215(a)(3)(B) of the Social Security Act) for old-age or dis-  
 12 ability insurance benefits under title II of the Social Secu-  
 13 rity Act, or who die (before becoming eligible for such ben-  
 14 efits), in any calendar year after 2022.

15 **SEC. 203. PREVENTING AN UNINTENDED DROP IN BENE-**  
 16 **FITS RELATING TO THE APPLICATION OF**  
 17 **THE NATIONAL AVERAGE WAGE INDEX.**

18 (a) MODIFICATIONS RELATED TO COMPUTATION OF  
 19 PRIMARY INSURANCE AMOUNT.—Section 215 of the So-  
 20 cial Security Act (42 U.S.C. 415) is amended—

21 (1) in subsection (a)(1)(B)(ii)(I)—

22 (A) in subclause (I)—

23 (i) by striking “the national” and in-  
 24 serting “(aa) the national”; and



1 (ii) by striking “, by” at the end and  
 2 inserting “; or”; and

3 (B) by adding at the end of subclause (I)  
 4 the following:

5 “(bb) if higher (and if such second  
 6 calendar year is after 2022), the highest  
 7 national average wage index (as so de-  
 8 fined) for any calendar year before such  
 9 second calendar year, by”; and

10 (2) in subsection (b)(3)(A)(ii)—

11 (A) in subclause (I)—

12 (i) by striking “the national” and in-  
 13 serting “(aa) the national”; and

14 (ii) by striking “, by” at the end and  
 15 inserting “; or”; and

16 (B) by adding at the end of subclause (I)  
 17 the following:

18 “(bb) if higher (and if such second  
 19 calendar year is after 2022), the highest  
 20 national average wage index (as so de-  
 21 fined) for any calendar year before such  
 22 second calendar year, by”.

23 (b) MODIFICATION RELATED TO REDUCTION OF  
 24 BENEFITS BASED ON DISABILITY.—Section  
 25 224(f)(2)(B)(i) of such Act (42 U.S.C. 424(f)(2)(B)(i)) is

1 amended by inserting “(or if higher (and if such calendar  
 2 year is after 2022), the highest national average wage  
 3 index (as so defined) for any calendar year before such  
 4 calendar year)” after “made”.

5 **TITLE III—BENEFIT ADJUST-**  
 6 **MENT OF SOCIAL SECURITY**  
 7 **INCOME COMPENSATION**

8 **SECTION 301. CONTINUATION OF BENEFITS THROUGH**  
 9 **MONTH OF BENEFICIARY’S DEATH.**

10 (a) IN GENERAL.—

11 (1) OLD-AGE INSURANCE BENEFITS.—Section  
 12 202(a) of the Social Security Act (42 U.S.C. 402(a))  
 13 is amended by striking “the month preceding” in the  
 14 matter following subparagraph (B).

15 (2) WIFE’S INSURANCE BENEFITS.—

16 (A) IN GENERAL.—Section 202(b)(1) of  
 17 such Act (42 U.S.C. 402(b)(1)) is amended—

18 (i) by striking “and ending with the  
 19 month” in the matter immediately fol-  
 20 lowing clause (ii) and inserting “and end-  
 21 ing with the month in which she dies or (if  
 22 earlier) with the month”;

23 (ii) by striking subparagraph (E); and

1 (iii) by redesignating subparagraphs  
 2 (F) through (K) as subparagraphs (E)  
 3 through (J), respectively.

4 (B) CONFORMING AMENDMENT.—Section  
 5 202(b)(4)(B) of such Act (42 U.S.C.  
 6 402(b)(4)(B)) is amended by striking “(E),  
 7 (F), (H), or (J)” and inserting “(E), (G), or  
 8 (I)”.

9 (3) HUSBAND’S INSURANCE BENEFITS.—

10 (A) IN GENERAL.—Section 202(c)(1) of  
 11 such Act (42 U.S.C. 402(c)(1)) is amended—

12 (i) by striking “and ending with the  
 13 month” in the matter immediately fol-  
 14 lowing clause (ii) and inserting “and end-  
 15 ing with the month in which he dies or (if  
 16 earlier) with the month”;

17 (ii) by striking subparagraph (E); and

18 (iii) by redesignating subparagraphs  
 19 (F) through (K) as subparagraphs (E)  
 20 through (J), respectively.

21 (B) CONFORMING AMENDMENT.—Section  
 22 202(c)(4)(B) of such Act (42 U.S.C.  
 23 402(c)(4)(B)) is amended by striking “(E), (F),  
 24 (H), or (J)” and inserting “(E), (G), or (I)”.

1           (4) CHILD’S INSURANCE BENEFITS.—Section  
2       202(d)(1) of such Act (42 U.S.C. 402(d)(1)) is  
3       amended—

4           (A) by striking “and ending with the  
5       month” in the matter immediately preceding  
6       subparagraph (D) and inserting “and ending  
7       with the month in which such child dies or (if  
8       earlier) with the month”; and

9           (B) by striking “dies, or” in subparagraph  
10       (D).

11          (5) WIDOW’S INSURANCE BENEFITS.—Section  
12       202(e)(1) of such Act (42 U.S.C. 402(e)(1)) is  
13       amended by striking “ending with the month pre-  
14       ceding the first month in which any of the following  
15       occurs: she remarries, dies, becomes entitled” in the  
16       matter following subparagraph (F) and inserting  
17       “ending with the month in which she dies or (if ear-  
18       lier) the month preceding the earliest of the first  
19       month in which she remarries, the month in which  
20       she becomes entitled”.

21          (6) WIDOWER’S INSURANCE BENEFITS.—Sec-  
22       tion 202(f)(1) of such Act (42 U.S.C. 402(f)(1)) is  
23       amended by striking “ending with the month pre-  
24       ceding the first month in which any of the following  
25       occurs: he remarries, dies, or becomes entitled” in

1 the matter following subparagraph (F) and inserting  
2 “ending with the month in which he dies or (if ear-  
3 lier) the month preceding the earliest of the first  
4 month in which he remarries, the month in which he  
5 becomes entitled”.

6 (7) MOTHER’S AND FATHER’S INSURANCE BEN-  
7 EFITS.—Section 202(g)(1) of such Act (42 U.S.C.  
8 402(g)(1)) is amended—

9 (A) by inserting “the month in which he or  
10 she dies or (if earlier)” after “and ending with”  
11 in the matter following subparagraph (F); and

12 (B) by striking “he or she remarries, or he  
13 or she dies” and inserting “or he or she remar-  
14 ries”.

15 (8) PARENT’S INSURANCE BENEFITS.—Section  
16 202(h)(1) of such Act (42 U.S.C. 402(h)(1)) is  
17 amended by striking “ending with the month pre-  
18 ceding the first month in which any of the following  
19 occurs: such parent dies, marries,” in the matter fol-  
20 lowing subparagraph (E) and inserting “ending with  
21 the month in which such parent dies or (if earlier)  
22 the month preceding the first month in which such  
23 parent marries”.

24 (9) DISABILITY INSURANCE BENEFITS.—Sec-  
25 tion 223(a)(1) of such Act (42 U.S.C. 423(a)(1)) is

1 amended by striking “ending with the month pre-  
 2 ceding whichever of the following months is the ear-  
 3 liest: the month in which he dies,” in the matter fol-  
 4 lowing subparagraph (D) and inserting the fol-  
 5 lowing: “ending with the month in which he dies or  
 6 (if earlier) with the month preceding the earlier of”  
 7 and by striking the comma after “216(l))”.

8 (10) BENEFITS AT AGE 72 FOR CERTAIN UNIN-  
 9 SURED INDIVIDUALS.—Section 228(a) of such Act  
 10 (42 U.S.C. 428(a)) is amended by striking “the  
 11 month preceding” in the matter following paragraph  
 12 (4).

13 (b) COMPUTATION AND PAYMENT OF LAST MONTH-  
 14 LY PAYMENT.—

15 (1) OLD-AGE AND SURVIVORS INSURANCE BEN-  
 16 EFITS.—Section 202 of the Social Security Act (42  
 17 U.S.C. 402) is amended by adding at the end the  
 18 following new subsection:

19 “(aa) PRORATED PAYMENT DUE TO DEATH.—

20 “(1) PRORATED PAYMENT FOR LAST MONTH OF  
 21 ENTITLEMENT.—In the case of any monthly insur-  
 22 ance benefit paid to an individual under this section  
 23 for the last month of entitlement to such benefit (in  
 24 any case in which eligibility for such benefit ends be-  
 25 cause of such individual’s death in such month), the

1 amount of such benefit under this section paid for  
2 such month shall be an amount equal to—

3 “(A) the amount of such benefit (as deter-  
4 mined without regard to this subsection), multi-  
5 plied by

6 “(B) a fraction—

7 “(i) the numerator of which is the  
8 number of days in such month preceding  
9 (but not including) the date of such indi-  
10 vidual’s death, and

11 “(ii) the denominator of which is the  
12 number of days in such month,

13 rounded, if not a multiple of \$1, to the next  
14 lower multiple of \$1. This subsection shall  
15 apply with respect to such benefit after all  
16 other adjustments with respect to such benefit  
17 provided by this title have been made. Payment  
18 of such benefit for such month shall be made as  
19 provided in section 204(d).

20 “(2) PRORATED PAYMENT FOR FIRST MONTH  
21 OF ENTITLEMENT.—In the case of any monthly in-  
22 surance benefit paid to an individual under this sec-  
23 tion for the first month of entitlement to such ben-  
24 efit (in any case in which eligibility for such benefit  
25 begins because of the death in such month of an-

1 other individual on whose wages and self-employ-  
2 ment income such benefit are based), the amount of  
3 such benefit paid for such month shall be an amount  
4 equal to—

5 “(A) the amount of such benefit (as deter-  
6 mined without regard to this subsection), multi-  
7 plied by

8 “(B) a fraction—

9 “(i) the numerator of which is the  
10 number of days in such month following  
11 and including the date of the death of the  
12 individual on whose wages and self-employ-  
13 ment income such benefit is based, and

14 “(ii) the denominator of which is the  
15 number of days in such month,

16 rounded, if not a multiple of \$1, to the next  
17 lower multiple of \$1. This subsection shall  
18 apply with respect to such benefit after all  
19 other adjustments with respect to such benefit  
20 provided by this title have been made. Payment  
21 of such benefit for such month shall be made as  
22 provided in section 204(d).

23 “(3) PAYABLE TO ESTATE.—Any monthly in-  
24 surance benefit under this section for the month in  
25 which the individual entitled to such benefit dies



1       shall be paid to the estate of the individual unless  
2       the individual has named another individual as the  
3       payee for such payment.”.

4               (2) DISABILITY INSURANCE BENEFITS.—Sec-  
5       tion 223 of such Act (42 U.S.C. 423) is amended by  
6       adding at the end the following new subsection:

7       “(k) LAST PAYMENT OF BENEFIT TERMINATED BY  
8       DEATH.—(1) The amount of any individual’s monthly  
9       benefit under this section paid for the month in which the  
10      individual dies shall be an amount equal to—

11              “(A) the amount of such benefit (as determined  
12      without regard to this subsection), multiplied by

13              “(B) a fraction—

14                      “(i) the numerator of which is the number  
15                      of days in such month preceding (but not in-  
16                      cluding) the date of such individual’s death, and

17                      “(ii) the denominator of which is the num-  
18                      ber of days in such month,

19      rounded, if not a multiple of \$1, to the next lower multiple  
20      of \$1. This subsection shall apply with respect to such  
21      benefit after all other adjustments with respect to such  
22      benefit provided by this title have been made. Payment  
23      of such benefit for such month shall be made as provided  
24      in section 204(d).

1       “(2) Any monthly insurance benefit under this sec-  
 2       tion for the month in which the individual entitled to such  
 3       benefit dies shall be paid to the estate of the individual  
 4       unless the individual has named another individual as the  
 5       payee for such payment.”.

6               (3) BENEFITS AT AGE 72 FOR CERTAIN UNIN-  
 7       SURED INDIVIDUALS.—Section 228 of such Act (42  
 8       U.S.C. 428) is amended by adding at the end the  
 9       following new subsection:

10       “(i) LAST PAYMENT OF BENEFIT TERMINATED BY  
 11       DEATH.—(1) The amount of any individual’s monthly  
 12       benefit under this section paid for the month in which the  
 13       individual dies shall be an amount equal to—

14               “(A) the amount of such benefit (as determined  
 15       without regard to this subsection), multiplied by

16               “(B) a fraction—

17                       “(i) the numerator of which is the number  
 18                       of days in such month preceding (but not in-  
 19                       cluding) the date of such individual’s death, and

20                       “(ii) the denominator of which is the num-  
 21                       ber of days in such month,

22       rounded, if not a multiple of \$1, to the next lower multiple  
 23       of \$1. This subsection shall apply with respect to such  
 24       benefit after all other adjustments with respect to such  
 25       benefit provided by this title have been made. Payment

1 of such benefit for such month shall be made as provided  
 2 in section 204(d).

3 “(2) Any monthly insurance benefit under this sec-  
 4 tion for the month in which the individual entitled to such  
 5 benefit dies shall be paid to the estate of the individual  
 6 unless the individual has named another individual as the  
 7 payee for such payment.”.

8 (c) DISREGARD OF BENEFIT FOR MONTH OF DEATH  
 9 UNDER FAMILY MAXIMUM PROVISIONS.—Section 203(a)  
 10 of the Social Security Act (42 U.S.C. 403(a)) is amended  
 11 by adding at the end the following new paragraph:

12 “(11) Notwithstanding any other provision of  
 13 this Act, in applying the preceding provisions of this  
 14 subsection (and determining maximum family bene-  
 15 fits under column V of the table in or deemed to be  
 16 in section 215(a) as in effect in December 1978)  
 17 with respect to the month in which the insured indi-  
 18 vidual’s death occurs, the benefit payable to such in-  
 19 dividual for that month shall be disregarded.”.

20 (d) EFFECTIVE DATE.—The amendments made by  
 21 this section shall apply with respect to deaths occurring  
 22 in the first month beginning more than 60 days after the  
 23 date of enactment of this Act.

