

117TH CONGRESS
2D SESSION

S. _____

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.

IN THE SENATE OF THE UNITED STATES

Ms. HIRONO introduced the following bill; which was read twice and referred to the Committee on _____

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”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 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 contribution 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.

1 **TITLE I—COST-OF-LIVING**
 2 **INCREASES**

3 **SEC. 101. CONSUMER PRICE INDEX FOR ELDERLY CON-**
 4 **SUMERS.**

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

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

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

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

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

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

10 (b) APPLICATION TO PRE-1979 LAW.—

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

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

22 (2) CONFORMING AMENDMENT.—Section
23 215(i)(4) of the Social Security Act (42 U.S.C.
24 415(i)(4)) is amended by inserting “and by section
25 102 of the Protecting and Preserving Social Security
26 Act” after “1986”.

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

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

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

22 (e) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to determinations made with re-
24 spect to cost-of-living computation quarters (as defined in
25 section 215(i)(1)(B) of the Social Security Act (42 U.S.C.

1 415(i)(1)(B))) ending on or after September 30 of the sec-
2 ond calendar year following the calendar year in which this
3 Act is enacted.

4 **TITLE II—CONTRIBUTION AND** 5 **BENEFIT FAIRNESS**

6 **SEC. 201. DETERMINATION OF WAGES AND SELF-EMPLOY-** 7 **MENT INCOME ABOVE CONTRIBUTION AND** 8 **BENEFIT BASE AFTER 2022.**

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

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

14 (A) in subsection (a)(1), by inserting “the
15 applicable percentage (determined under sub-
16 section (c)(1)) of” before “that part of the re-
17 muneration”, and

18 (B) in subsection (c), by striking “(c) IN-
19 CLUDED AND EXCLUDED SERVICE.—For pur-
20 poses of this chapter, if” and inserting the fol-
21 lowing:

22 “(c) SPECIAL RULES FOR WAGES AND EMPLOY-
23 MENT.—

24 “(1) APPLICABLE PERCENTAGE OF REMUNERA-
25 TION IN DETERMINING WAGES.—For purposes of

1 paragraph (1) of subsection (a), the applicable per-
 2 centage for a calendar year, in connection with any
 3 calendar year referred to in such paragraph, shall be
 4 the percentage determined in accordance with the
 5 following table:

“In the case of:	The applicable percentage is:
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.

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

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

11 (A) in subsection (a)(1)—

12 (i) in subparagraph (I)—

13 (I) by inserting “and before
 14 2023” after “1974”; and

15 (II) by inserting “and” after the
 16 semicolon; and

17 (ii) by adding at the end the following
 18 new subparagraph:

19 “(J) The applicable percentage (deter-
 20 mined under subsection (I)) of that part of re-
 21 muneratation which, after remuneratation (other

1 than remuneration referred to in the succeeding
 2 subsections of this section) equal to the con-
 3 tribution and benefit base (determined under
 4 section 230) with respect to employment has
 5 been paid to an individual during any calendar
 6 year after 2022 with respect to which such con-
 7 tribution and benefit base is effective, is paid to
 8 such individual during such calendar year;”;
 9 and

10 (B) by adding at the end the following new
 11 subsection:

12 “(l) For purposes of subparagraph (J) of subsection
 13 (a)(1), the applicable percentage for a calendar year, in
 14 connection with any calendar year referred to in such sub-
 15 paragraph, shall be the percentage determined in accord-
 16 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
Calendar year 2026	43
Calendar year 2027	29
Calendar year 2028	14
Calendar years after 2028	0.”.

17 (3) EFFECTIVE DATE.—The amendments made
 18 by this subsection shall apply with respect to remu-
 19 neration paid in calendar years after 2022.

1 (b) DETERMINATION OF SELF-EMPLOYMENT IN-
2 COME ABOVE CONTRIBUTION AND BENEFIT BASE AFTER
3 2022.—

4 (1) AMENDMENTS TO THE INTERNAL REVENUE
5 CODE OF 1986.—Section 1402 of the Internal Rev-
6 enue Code of 1986 is amended—

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

12 (B) in subsection (d)—

13 (i) by striking “(d) EMPLOYEE AND
14 WAGES.—The term” and inserting the fol-
15 lowing:

16 “(d) RULES AND DEFINITIONS.—

17 “(1) EMPLOYEE AND WAGES.—The term”, and

18 (ii) by adding at the end the fol-
19 lowing:

20 “(2) APPLICABLE PERCENTAGE OF NET EARN-
21 INGS FROM SELF-EMPLOYMENT IN DETERMINING
22 SELF-EMPLOYMENT INCOME.—For purposes of para-
23 graph (1) of subsection (b), the applicable percent-
24 age for a taxable year beginning in any calendar
25 year referred to in such paragraph shall be the per-

1 centage determined in accordance with the following
2 table:

“In the case of:	The applicable percentage is:
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.”.

3 (2) AMENDMENTS TO THE SOCIAL SECURITY
4 ACT.—Section 211 of the Social Security Act (42
5 U.S.C. 411) is amended—

6 (A) in subsection (b)—

7 (i) in paragraph (1)(I)—

8 (I) by striking “or” after the
9 semicolon; and

10 (II) by inserting “and before
11 2023” after “1974”;

12 (ii) by redesignating paragraph (2) as
13 paragraph (3); and

14 (iii) by inserting after paragraph (1)
15 the following new paragraph:

16 “(2) For any taxable year beginning in any cal-
17 endar year after 2022, an amount equal to the appli-
18 cable percentage (as determined under subsection
19 (l)) of that part of net earnings from self-employ-
20 ment which is in excess of (A) an amount equal to
21 the contribution and benefit base (determined under

1 section 230) that is effective for such calendar year,
 2 minus (B) the amount of the wages paid to such in-
 3 dividual during such taxable year; or”); and

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

5 “(1) For purposes of paragraph (2) of subsection (b),
 6 the applicable percentage for a taxable year beginning in
 7 any calendar year referred to in such paragraph, shall be
 8 the percentage determined in accordance with the fol-
 9 lowing table:

“In the case of:	The applicable percentage is:
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.”.

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

13 **SEC. 202. INCLUSION OF SURPLUS EARNINGS IN SOCIAL SE-**
 14 **CURITY BENEFIT FORMULA.**

15 (a) INCLUSION OF SURPLUS AVERAGE INDEXED
 16 MONTHLY EARNINGS IN DETERMINATION OF PRIMARY
 17 INSURANCE AMOUNTS.—

18 (1) IN GENERAL.—Section 215(a)(1)(A) of the
 19 Social Security Act (42 U.S.C. 415(a)(1)(A)) is
 20 amended—

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

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

6 (C) by inserting after clause (iii) the fol-
7 lowing new clauses:

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

15 “(v) 0.25 percent of the sum of the individual’s
16 surplus average indexed monthly earnings plus $\frac{1}{12}$
17 of the contribution and benefit base for the last of
18 such individual’s computation base years, to the ex-
19 tent such sum exceeds the amount established for
20 purposes of clause (iv) by subparagraph (B).”.

21 (2) BEND POINT FOR SURPLUS EARNINGS.—
22 Section 215(a)(1)(B) of such Act (42 U.S.C.
23 415(a)(1)(B)) is amended—

24 (A) in clause (ii), by striking “the amounts
25 so established” and inserting “the amounts es-

1 established for purposes of clauses (i) and (ii) of
2 subparagraph (A)”;

3 (B) by redesignating clause (iii) as clause
4 (v);

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

7 (D) by inserting after clause (ii) the fol-
8 lowing new clauses:

9 “(iii) For individuals who initially become eligible for
10 old-age or disability insurance benefits, or who die (before
11 becoming eligible for such benefits), in the calendar year
12 2023, the amount established for purposes of clause (iv)
13 of subparagraph (A) shall be \$8,933.

14 “(iv) For individuals who initially become eligible for
15 old-age or disability insurance benefits, or who die (before
16 becoming eligible for such benefits), in any calendar year
17 after 2023, the amount established for purposes of clause
18 (iv) of subparagraph (A) shall equal the product of the
19 amount established with respect to the calendar year 2023
20 under clause (iii) of this subparagraph and the quotient
21 obtained by dividing—

22 “(I)(aa) the national average wage index (as de-
23 fined in section 209(k)(1)) for the second calendar
24 year preceding the calendar year for which the de-
25 termination is made, or

1 “(bb) if higher (and if such second calendar
2 year is after 2023), the highest national average
3 wage index (as so defined) for any calendar year be-
4 fore such second calendar year, by

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

7 (b) BASIC AIME AND SURPLUS AIME.—

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

10 (A) by inserting “basic” before “average”;

11 and

12 (B) in subparagraph (A), by striking
13 “paragraph (3)” and inserting “paragraph
14 (3)(A)” and by inserting before the comma the
15 following: “to the extent such total does not ex-
16 ceed the contribution and benefit base for the
17 applicable year”.

18 (2) SURPLUS AIME.—

19 (A) IN GENERAL.—Section 215(b)(1) of
20 such Act (as amended by paragraph (1)) is
21 amended—

22 (i) by redesignating subparagraphs

23 (A) and (B) as clauses (i) and (ii), respec-
24 tively;

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

2 and

3 (iii) by adding at the end the fol-
4 lowing new subparagraph:

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

8 (I) the total (after adjustment under para-
9 graph (3)(B)) of such individual’s surplus earnings
10 (determined under clause (ii)) for such individual’s
11 benefit computation years (determined under para-
12 graph (2)), by

13 (II) the number of months in those years.

14 “(ii) For purposes of clause (i) and paragraph (3)(B),
15 an individual’s surplus earnings for a benefit computation
16 year are the total of such individual’s wages paid in and
17 self-employment income credited to such benefit computa-
18 tion year, to the extent such total (before adjustment
19 under paragraph (3)(B)) exceeds the contribution and
20 benefit base for such year.”.

21 (B) CONFORMING AMENDMENT.—The
22 heading for section 215(b) of such Act is
23 amended by striking “Average Indexed Monthly
24 Earnings” and inserting “Basic Average In-

1 dexed Monthly Earnings; Surplus Average In-
2 dexed Monthly Earnings”.

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

7 (A) in subparagraph (A), by striking “sub-
8 paragraph (B)” and inserting “subparagraph
9 (C)” and by inserting “and determination of
10 basic average indexed monthly income” after
11 “paragraph (2)”;

12 (B) by redesignating subparagraph (B) as
13 subparagraph (C); and

14 (C) by inserting after subparagraph (A)
15 the following new subparagraph:

16 “(B) For purposes of determining under paragraph
17 (1)(B) an individual’s surplus average indexed monthly
18 earnings, the individual’s surplus earnings (described in
19 paragraph (2)(B)(ii)) for a benefit computation year shall
20 be deemed to be equal to the product of—

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

24 “(ii) the quotient described in subparagraph
25 (A)(ii).”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply with respect to individuals who ini-
3 tially become eligible (within the meaning of section
4 215(a)(3)(B) of the Social Security Act) for old-age or dis-
5 ability insurance benefits under title II of the Social Secu-
6 rity Act, or who die (before becoming eligible for such ben-
7 efits), in any calendar year after 2022.

8 **SEC. 203. PREVENTING AN UNINTENDED DROP IN BENE-**
9 **FITS RELATING TO THE APPLICATION OF**
10 **THE NATIONAL AVERAGE WAGE INDEX.**

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

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

15 (A) in subclause (I)—

16 (i) by striking “the national” and in-
17 serting “(aa) the national”; and

18 (ii) by striking “, by” at the end and
19 inserting “; or”; and

20 (B) by adding at the end of subclause (I)

21 the following:

22 “(bb) if higher (and if such second
23 calendar year is after 2022), the highest
24 national average wage index (as so de-

1 fined) for any calendar year before such
2 second calendar year, by”; and

3 (2) in subsection (b)(3)(A)(ii)—

4 (A) in subclause (I)—

5 (i) by striking “the national” and in-
6 serting “(aa) the national”; and

7 (ii) by striking “, by” at the end and
8 inserting “; or”; and

9 (B) by adding at the end of subclause (I)

10 the following:

11 “(bb) if higher (and if such second
12 calendar year is after 2022), the highest
13 national average wage index (as so de-
14 fined) for any calendar year before such
15 second calendar year, by”.

16 (b) MODIFICATION RELATED TO REDUCTION OF
17 BENEFITS BASED ON DISABILITY.—Section
18 224(f)(2)(B)(i) of such Act (42 U.S.C. 424(f)(2)(B)(i)) is
19 amended by inserting “(or if higher (and if such calendar
20 year is after 2022), the highest national average wage
21 index (as so defined) for any calendar year before such
22 calendar year)” after “made”.

1 **TITLE III—BENEFIT ADJUST-**
2 **MENT OF SOCIAL SECURITY**
3 **INCOME COMPENSATION**

4 **SEC. 301. CONTINUATION OF BENEFITS THROUGH MONTH**
5 **OF BENEFICIARY'S DEATH.**

6 (a) IN GENERAL.—

7 (1) OLD-AGE INSURANCE BENEFITS.—Section
8 202(a) of the Social Security Act (42 U.S.C. 402(a))
9 is amended by striking “the month preceding” in the
10 matter following subparagraph (B).

11 (2) WIFE'S INSURANCE BENEFITS.—

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

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

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

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

23 (B) CONFORMING AMENDMENT.—Section
24 202(b)(4)(B) of such Act (42 U.S.C.
25 402(b)(4)(B)) is amended by striking “(E),

1 (F), (H), or (J)” and inserting “(E), (G), or
2 (I)”.

3 (3) HUSBAND’S INSURANCE BENEFITS.—

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

6 (i) by striking “and ending with the
7 month” in the matter immediately fol-
8 lowing clause (ii) and inserting “and end-
9 ing with the month in which he dies or (if
10 earlier) with the month”;

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

12 (iii) by redesignating subparagraphs
13 (F) through (K) as subparagraphs (E)
14 through (J), respectively.

15 (B) CONFORMING AMENDMENT.—Section
16 202(c)(4)(B) of such Act (42 U.S.C.
17 402(c)(4)(B)) is amended by striking “(E), (F),
18 (H), or (J)” and inserting “(E), (G), or (I)”.

19 (4) CHILD’S INSURANCE BENEFITS.—Section
20 202(d)(1) of such Act (42 U.S.C. 402(d)(1)) is
21 amended—

22 (A) by striking “and ending with the
23 month” in the matter immediately preceding
24 subparagraph (D) and inserting “and ending

1 with the month in which such child dies or (if
2 earlier) with the month”; and

3 (B) by striking “dies, or” in subparagraph
4 (D).

5 (5) WIDOW’S INSURANCE BENEFITS.—Section
6 202(e)(1) of such Act (42 U.S.C. 402(e)(1)) is
7 amended by striking “ending with the month pre-
8 ceding the first month in which any of the following
9 occurs: she remarries, dies, becomes entitled” in the
10 matter following subparagraph (F) and inserting
11 “ending with the month in which she dies or (if ear-
12 lier) the month preceding the earliest of the first
13 month in which she remarries, the month in which
14 she becomes entitled”.

15 (6) WIDOWER’S INSURANCE BENEFITS.—Sec-
16 tion 202(f)(1) of such Act (42 U.S.C. 402(f)(1)) is
17 amended by striking “ending with the month pre-
18 ceding the first month in which any of the following
19 occurs: he remarries, dies, or becomes entitled” in
20 the matter following subparagraph (F) and inserting
21 “ending with the month in which he dies or (if ear-
22 lier) the month preceding the earliest of the first
23 month in which he remarries, the month in which he
24 becomes entitled”.

1 (7) MOTHER’S AND FATHER’S INSURANCE BEN-
2 EFITS.—Section 202(g)(1) of such Act (42 U.S.C.
3 402(g)(1)) is amended—

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

7 (B) by striking “he or she remarries, or he
8 or she dies” and inserting “or he or she remar-
9 ries”.

10 (8) PARENT’S INSURANCE BENEFITS.—Section
11 202(h)(1) of such Act (42 U.S.C. 402(h)(1)) is
12 amended by striking “ending with the month pre-
13 ceding the first month in which any of the following
14 occurs: such parent dies, marries,” in the matter fol-
15 lowing subparagraph (E) and inserting “ending with
16 the month in which such parent dies or (if earlier)
17 the month preceding the first month in which such
18 parent marries”.

19 (9) DISABILITY INSURANCE BENEFITS.—Sec-
20 tion 223(a)(1) of such Act (42 U.S.C. 423(a)(1)) is
21 amended by striking “ending with the month pre-
22 ceding whichever of the following months is the ear-
23 liest: the month in which he dies,” in the matter fol-
24 lowing subparagraph (D) and inserting the fol-
25 lowing: “ending with the month in which he dies or

1 (if earlier) with the month preceding the earlier of”
2 and by striking the comma after “216(l)”.

3 (10) BENEFITS AT AGE 72 FOR CERTAIN UNIN-
4 SURED INDIVIDUALS.—Section 228(a) of such Act
5 (42 U.S.C. 428(a)) is amended by striking “the
6 month preceding” in the matter following paragraph
7 (4).

8 (b) COMPUTATION AND PAYMENT OF LAST MONTH-
9 LY PAYMENT.—

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

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

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

23 “(A) the amount of such benefit (as deter-
24 mined without regard to this subsection), multi-
25 plied by

1 “(B) a fraction—

2 “(i) the numerator of which is the
3 number of days in such month preceding
4 (but not including) the date of such indi-
5 vidual’s death, and

6 “(ii) the denominator of which is the
7 number of days in such month,

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

15 “(2) PRORATED PAYMENT FOR FIRST MONTH
16 OF ENTITLEMENT.—In the case of any monthly in-
17 surance benefit paid to an individual under this sec-
18 tion for the first month of entitlement to such ben-
19 efit (in any case in which eligibility for such benefit
20 begins because of the death in such month of an-
21 other individual on whose wages and self-employ-
22 ment income such benefit are based), the amount of
23 such benefit paid for such month shall be an amount
24 equal to—

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

4 “(B) a fraction—

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

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

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

19 “(3) PAYABLE TO ESTATE.—Any monthly in-
20 surance benefit under this section for the month in
21 which the individual entitled to such benefit dies
22 shall be paid to the estate of the individual unless
23 the individual has named another individual as the
24 payee for such payment.”.

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

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

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

10 “(B) a fraction—

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

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

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

22 “(2) Any monthly insurance benefit under this sec-
23 tion for the month in which the individual entitled to such
24 benefit dies shall be paid to the estate of the individual

1 unless the individual has named another individual as the
2 payee for such payment.”.

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

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

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

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