[DISCUSSION DRAFT]

1 **⟦SECTION ____. ADDRESSING INCREASES IN LONGEVITY.**

2   **⟦**(a) INCREASE IN THE RETIREMENT AGE AND

3 EARLY RETIREMENT AGE **⟦**SIMPSON-BOWLES COMMIS-

4 SION**⟧**.—**⟧**

5   **⟦**(1) IN GENERAL.—Section 216(l) of the Social

6   Security Act (42 U.S.C. 416(l)) is amended to read

7   as follows:**⟧**

8   **⟦**"Retirement Age and Early Retirement Age

9   **⟦**"(l) In this title:**⟧**

10   **⟦**"(1)(A) The term 'retirement age' means—**⟧**

11   **⟦**"(i) with respect to an individual who at-

12   tains the applicable reference age before Janu-

13   ary 1, 2000, 65 years of age;**⟧**

14   **⟦**"(ii) with respect to an individual who at-

15   tains the applicable reference age after Decem-

16   ber 31, 1999, and before January 1, 2005, 65

17   years of age plus the number of months in the

18   initial age increase factor (as determined under

19   subparagraph (C)) for the calendar year in

20   which such individual attains the applicable ref-

21   erence age;**⟧**

1   【"(iii) with respect to an individual who
2   attains the applicable reference age after De-
3   cember 31, 2004, and before January 1, 2017,
4   66 years of age;】

5   【"(iv) with respect to an individual who
6   attains the applicable reference age after De-
7   cember 31, 2016, and before January 1, 2022,
8   66 years of age plus the number of months in
9   the initial age increase factor (as determined
10   under subparagraph (C)) for the calendar year
11   in which such individual attains the applicable
12   reference age;】

13   【"(v) with respect to an individual who at-
14   tains the applicable reference age after Decem-
15   ber 31, 2021, and before January 1, 2023, 67
16   years of age; and】

17   【"(vi) with respect to an individual who
18   attains the applicable reference age after De-
19   cember 31, 2022, 67 years of age plus the num-
20   ber of months in the secondary age increase
21   factor (as determined under subparagraph (D))
22   for the calendar year in which such individual
23   attains the applicable reference age.】

24   【"(B) The term 'applicable reference age'
25   means 62 years of age (in the case of an old-age,

1   wife's, or husband's insurance benefit) and 60 years

2   of age (in the case of a widow's or widower's insur-

3   ance benefit).]

4   ["(C) The initial age increase factor for any in-

5   dividual who attains the applicable reference age in

6   a calendar year within the 5-year period consisting

7   of the calendar years 2000 through 2004 or the 5-

8   year period consisting of the calendar years 2017

9   through 2021 shall be equal to $\frac{2}{12}$ of the number

10   of months in the period beginning with January of

11   the first calendar year in such period and ending

12   with December of the year in which the individual

13   attains the applicable reference age.]

14   ["(D)(i) For purposes of applying subpara-

15   graph (A)(vi) with respect to individuals attaining

16   the applicable reference age after December 31,

17   2022, the Commissioner shall determine (using rea-

18   sonable actuarial assumptions) and publish, on or

19   before November 1 of each determination year, the

20   secondary age increase factors which shall be in ef-

21   fect with respect to such individuals attaining the

22   applicable reference age in calendar years during the

23   period of 10 calendar years beginning with the 11th

24   year following such determination year.]

1   ["(ii) The secondary increase factor for each

2   calendar year shall be a number of months deter-

3   mined by the Commissioner to be appropriate, so as

4   to maintain a retirement-work ratio for such cal-

5   endar year equal to the retirement-work ratio for

6   2022.]

7   ["(iii) In this subparagraph:]

8   ["(I) The term 'retirement-work ratio' for

9   a calendar year means the ratio of—]

10   ["(aa) the expected retirement period

11   with respect to individuals attaining the

12   applicable reference age in such calendar

13   year, to]

14   ["(bb) the potential working period

15   with respect to such individuals.]

16   ["(II) The term 'determination year'

17   means calendar year 2012 and the last calendar

18   year of each consecutive 10-year period after

19   2012.]

20   ["(III) The term 'expected retirement pe-

21   riod' means, with respect to individuals attain-

22   ing the applicable reference age in any calendar

23   year, the excess of—]

24   ["(aa) the age of such individuals at

25   life expectancy (as determined for the co-

1 hort of such individuals at the time of the

2 determination under clause (i)), over]

3 ["(bb) the age determined under this

4 subsection to be retirement age with re-

5 spect to such individuals.]

6 ["(IV) The term 'potential working period'

7 means, with respect to an individual, the excess

8 of—]

9 ["(aa) the age as determined under

10 this subsection to be retirement age with

11 respect to such individual, over]

12 ["(bb) age 20.]

13 ["(2) The term 'early retirement age' means

14 the greater of—]

15 ["(A) in the case of an individual applying

16 for an old-age, wife's, or husband's insurance

17 benefit—]

18 ["(i) age 62; or]

19 ["(ii) 60 months less than such indi-

20 vidual's retirement age; and]

21 ["(B) in the case of an individual applying

22 for a widow's or widower's insurance benefit—

23]

24 ["(i) age 60; or]

1   【"(ii) 84 months less than such indi-
2   vidual's retirement age.".】
3   【(2) EXTENSION OF MAXIMUM AGE FOR ENTI-
4 TLEMENT TO DELAYED RETIREMENT CREDIT.—Sec-
5 tion 202(w)(2)(A) of such Act (42 U.S.C.
6 402(w)(2)(A)) is amended—】
7   【(A) by striking "prior to the month in
8   which such individual attained age 70, and"
9   and inserting "prior to the later of—"; and】
10   【(B) by adding at the end the following:】
11   【"(i) the month in which such individual
12   would attain age 70, or】
13   【"(ii) the month which ends 36 months
14   after the end of the month in which such indi-
15   vidual attained retirement age (as defined in
16   section 216(l)), and".】
17   【(3) HARDSHIP EXEMPTION.—Not later than
18 December 31, 2020, the Commissioner shall submit
19 a report to Congress that describes a policy—】
20   【(A) to identify the population of individ-
21   uals on whom the increases in the early retire-
22   ment age occuring as a result of the amend-
23   ments made by this subsection impose the
24   greatest hardship; and】

1   **⟦**(B) to provide a hardship exemption for

2   such individuals.**⟧**

3 **⟦**Such policy shall consider relevant factors such as

4 the physical demands of labor and lifetime earnings

5 in developing eligibility criteria for the hardship ex-

6 emption.**⟧**

7   **⟦**(4) CONFORMING AMENDMENTS.—**⟧**

8   **⟦**(A) REFERENCES TO EARLY RETIREMENT

9   AGE IN LIEU OF REFERENCES TO AGE 62.—

10   **⟦**(i) IN GENERAL.—Each of the fol-

11   lowing provisions of title II of the Social

12   Security Act is amended by striking "age

13   62" each place it appears and inserting

14   "early retirement age (as defined in section

15   216(l))":**⟧**

16   **⟦**(I) in section 202 (42 U.S.C.

17   402)—**⟧**

18   **⟦**(aa) subsection (a)(2);**⟧**

19   **⟦**(bb) subsection (a)(3)(B);**⟧**

20   **⟦**(cc) subsection (b)(1)(B);**⟧**

21   **⟦**(dd) subsection (b)(1)(I);**⟧**

22   **⟦**(ee) subsection (b)(4)(A);**⟧**

23   **⟦**(ff) subsection (c)(1)(B);**⟧**

24   **⟦**(gg) subsection (c)(1)(I);**⟧**

25   **⟦**(hh) subsection (c)(4)(A);**⟧**

1   【(ii)   subsection

2   (e)(2)(B)(i);】

3   【(jj) subsection (e)(7) (in

4   the matter following subpara-

5   graph (B));】

6   【(kk)   subsection

7   (f)(2)(B)(i);】

8   【(ll) subsection (f)(7) (in

9   the matter following subpara-

10   graph (B));】

11   【(mm)   subsection

12   (h)(1)(A);】

13   【(nn)   subsection

14   (q)(1)(B)(ii)(I);】

15   【(oo) subsection (q)(5)(B)

16   (in the matter following clause

17   (ii));】

18   【(pp) subsection (q)(7)(E);】

19   【(qq) subsection (q)(10)(B);

20   and】

21   【(rr)   subsection

22   (q)(10)(C)(ii);】

23   【(II) section 213(a)(2)(A)(ii) (42

24   U.S.C. 413(a)(2)(A)(ii));】

1 ⟦(III) section 214(a)(1) (42
2 U.S.C. 414(a)(1));⟧
3 ⟦(IV) in section 215 (42 U.S.C.
4 415)—⟧
5 ⟦(aa) subsection
6 (a)(3)(B)(i);⟧
7 ⟦(bb) subsection
8 (a)(7)(B)(ii)(I);⟧
9 ⟦(cc) subsection
10 (b)(2)(B)(iii); and⟧
11 ⟦(dd) subsection (d)(3)(B);⟧
12 ⟦(V) in section 216 (42 U.S.C.
13 416)—⟧
14 ⟦(aa) subsection (b)(3)(A);⟧
15 ⟦(bb) subsection
16 (c)(1)(F)(i);⟧
17 ⟦(cc) subsection (f)(3)(A);⟧
18 ⟦(dd) subsection
19 (g)(1)(F)(i); and⟧
20 ⟦(ee) subsection (i)(3)(A);
21 and⟧
22 ⟦(VI) in section 223 (42 U.S.C.
23 423)—⟧
24 ⟦(aa) subsection (a)(2);⟧

1 [(bb) subsection (a) (in the
2 matter following paragraph
3 (2)(B)); and]
4 [(cc) subsection (c)(1)(A).]
5 [(ii) ADDITIONAL AMENDMENTS.—
6 [(I) Section 202(b)(1)(G) of
7 such Act (42 U.S.C. 402(b)(1)(G)) is
8 amended—]
9 [(aa) in clause (i), by strik-
10 ing ''age 62'' and inserting
11 ''early retirement age (as defined
12 in section 216(l))''; and]
13 [(bb) in clause (ii), by strik-
14 ing ''age 62'' and inserting
15 ''early retirement age''.]
16 [(II) Section 202(c)(1)(G) of
17 such Act (42 U.S.C. 402(c)(1)(G)) is
18 amended—]
19 [(aa) in clause (i), by strik-
20 ing ''age 62'' and inserting
21 ''early retirement age (as defined
22 in section 216(l))''; and]
23 [(bb) in clause (ii), by strik-
24 ing ''age 62'' and inserting
25 ''early retirement age''.]

11

1 ⟦(III) Section 202(q)(3)(A) of

2 such Act (42 U.S.C. 402(q)(3)(A)) is

3 amended by striking "age 62" and in-

4 serting "early retirement age as de-

5 fined in section 216(l)";⟧

6 ⟦(IV) Section 215(a)(7)(A) of

7 such Act (42 U.S.C. 415(a)(7)(A)) is

8 amended—⟧

9 ⟦(aa) in clause (i), by strik-

10 ing "age 62" the first place it

11 appears and inserting "early re-

12 tirement age (as defined in sec-

13 tion 216(l))" and by striking

14 "age 62" the second place it ap-

15 pears and inserting "early retire-

16 ment age"; and⟧

17 ⟦(bb) in clause (ii), by strik-

18 ing "age 62" and inserting

19 "early retirement age".⟧

20 ⟦(V) Section 215(d)(3) of such

21 Act (42 U.S.C. 415(d)(3)) is amend-

22 ed—⟧

23 ⟦(aa) in subparagraph (A),

24 by striking "age 62" the first

25 place it appears and inserting

1   "early retirement age (as defined

2   in section 216(l))" and by strik-

3   ing "age 62" the second place it

4   appears and inserting "early re-

5   tirement age"; and]

6   [(bb) in subparagraph (B),

7   by striking "age 62" and insert-

8   ing "early retirement age".]

9   [(B) REFERENCES TO EARLY RETIRE-

10   MENT AGE IN LIEU OF REFERENCES TO AGE

11   60.—Each of the following provisions of title II

12   of the Social Security Act is amended by strik-

13   ing "age 60" each place it appears and insert-

14   ing "early retirement age (as defined in section

15   216(l))":]

16   [(i) in section 202 (42 U.S.C. 402)—

17   ]

18   [(I) subsection (e)(1);]

19   [(II) subsection (e)(2)(B)(ii)(I);]

20   [(III) subsection (e)(3)(A);]

21   [(IV) subsection (e)(4);]

22   [(V) subsection (f)(1);]

23   [(VI)   subsection

24   (f)(2)(B)(ii)(I);]

25   [(VII) subsection (f)(3)(A);]

1 〔(VIII) subsection (f)(4);〕

2 〔(IX) subsection (q)(6)(A)(iii);〕

3 〔(ii) in section 203 (42 U.S.C. 403)—

4 〕

5 〔(I) subsection (c);〕

6 〔(II) subsection (f)(1);〕

7 〔(iii) in section 222 (42 U.S.C.

8 422)—〕

9 〔(I) subsection (c)(3);〕

10 〔(II) subsection (d)(1);〕

11 〔(iv) subsection 225(a) (42 U.S.C.

12 425(a)); and〕

13 〔(v) subsection 226(e)(1)(A) (42

14 U.S.C. 426(e)(1)(A)).〕

15 〔(b) LONGEVITY INDEX APPLIED TO PRIMARY IN-

16 SURANCE AMOUNT 〔DOMENICI-RIVLIN TASK FORCE〕.—

17 Section 215(a)(1) of the Social Security Act (42 U.S.C.

18 415(a)(1)) is amended—〕

19 〔(1) by redesignating subparagraph (D) as sub-

20 paragraph (E); and〕

21 〔(2) by inserting after subparagraph (C) the

22 following:〕

23 〔‘‘(D)(i) Except as provided in clause (ii), for individ-

24 uals who initially become eligible for old-age insurance

25 benefits, or who die (before becoming eligible for such ben-

1 efits), in any calendar year after 2022, the percentages

2 specified in clauses (i), (ii), and (iii) of subparagraph (A)

3 shall be such percentages, as adjusted under this subpara-

4 graph. Each such percentage shall be so adjusted by mul-

5 tiplying such percentage (as so specified before the appli-

6 cation of this subparagraph) by the quotient obtained by

7 dividing—]

8 ["(I) the age at life expectancy (as determined

9 by the Commissioner of Social Security using rea-

10 sonable actuarial assumptions) for the cohort of in-

11 dividuals who attain age 67 in 2018, by]

12 ["(II) the age at life expectancy (as so deter-

13 mined) for the cohort of individuals who attain age

14 67 in the year that is 4 years prior to the year in

15 which the individual initially becomes eligible for old-

16 age benefits.]

17 ["(ii)(I) Notwithstanding subsection (f) of this sec-

18 tion, in the case of any individual who was entitled to dis-

19 ability insurance benefits under section 223 for any month

20 preceding the month in which the individual initially be-

21 comes eligible for old-age insurance benefits (or dies before

22 becoming so eligible) in any calendar year after 2022, the

23 Commissioner shall recompute the primary insurance

24 amount of such individual in accordance with subclause

25 (II).]

1 ⟦"(II) The primary insurance amount of an indi-
2 vidual for whom subclause (I) applies shall be equal to
3 the sum of—⟧

4 ⟦"(aa) the product obtained by multiplying the
5 percentage of years not disabled with respect to the
6 individual by the primary insurance amount that
7 would be determined for such individual in accord-
8 ance with clause (i) if subclause (I) did not apply to
9 the individual, plus⟧

10 ⟦"(bb) the product obtained by multiplying the
11 difference between 1 and the percentage of years not
12 disabled with respect to the individual by the pri-
13 mary insurance amount of such individual as deter-
14 mined without regard to this subparagraph.⟧

15 ⟦"(III) In this clause, the term 'percentage of years
16 not disabled' with respect to an individual means the
17 quotient obtained by dividing the number of elapsed years
18 (as defined in subsection (b)(2)(B)(iii)) with respect to the
19 individual by 40.".⟧

20 ⟦(c) ALLOWING ELECTION OF EARLY PARTIAL RE-
21 TIREMENT BENEFITS ⟦SIMPSON-BOWLES COMMIS-
22 SION⟧.—Section 202 of the Social Security Act (42 U.S.C.
23 402) is amended by adding at the end the following:⟧

24 ⟦"(z)(1) Notwithstanding any other provision of this
25 title, if an individual who has attained age 62 (or age 60

1 in the case of a widow's or widower's benefit) in a month

2 during any calendar year after 2022 would be eligible for

3 an old-age, wife's, husband's, widow's, or widower's insur-

4 ance benefit for such month but for the individual's age,

5 such individual may elect to receive a monthly early partial

6 retirement benefit for each month, beginning with the

7 month in which the election is made and ending with the

8 month preceding the first month in which the individual

9 would not be so eligible (without regard to the individual's

10 age).】

11 【"(2) The amount of an individual's monthly early

12 partial retirement benefit under paragraph (1) shall be

13 equal to ½ of the amount of the old-age, wife's, husband's,

14 widow's, or widower's insurance benefit to which the indi-

15 vidual would be so eligible under such paragraph (before

16 application of subsection (q)), reduced in the same manner

17 as an old-age, wife's, husband's, widow's, or widower's in-

18 surance benefit benefit is reduced under subsection (q)

19 (treating the month in which the individual made the elec-

20 tion under paragraph (1) as the first month for which the

21 individual is entitled for purposes of such subsection).】

22 【"(3) Notwithstanding any other provision in this

23 title, if an individual makes an election under paragraph

24 (1) to receive a monthly early retirement benefit, the

25 amount of any old-age, wife's, husband's, widow's, or wid-

1 ower's insurance benefit (before application of subsection

2 (q)) to which the individual subsequently becomes entitled

3 for any month shall be reduced by ½.''.]

4 [SEC. ___. **MINIMUM BENEFIT FOR LONG CAREER WORK-**

5 **ERS.**

6 [(a) INCREASE IN MINIMUM BENEFIT FOR LIFETIME

7 LOW EARNERS BASED ON YEARS IN THE WORKFORCE

8 [SIMPSON-BOWLES COMMISSION].—]

9 [(1) IN GENERAL.—Section 215(a)(1) of the

10 Social Security Act (42 U.S.C. 415(a)(1)) is amend-

11 ed—]

12 [(A) by redesignating subparagraph (D)

13 as subparagraph (E); and]

14 [(B) by inserting after subparagraph (C)

15 the following:]

16 [''(D)(i) Except as provided in clause (v), in the case

17 of an individual who initially becomes eligible for old-age

18 or disability insurance benefits, or who dies (before becom-

19 ing eligible for such benefits), in any calendar year after

20 2016, the primary insurance amount of the individual

21 computed under this paragraph may not be less than the

22 greater of—]

23 [''(I) the minimum amount computed under

24 subparagraph (C); or]

1   【"(II) in the case of an individual who has

2   more than 10 coverage years, the alternative min-

3   imum amount determined under clause (ii).】

4   【"(ii)(I) The alternative minimum amount deter-

5   mined under this clause is the dollar amount equal to the

6   applicable percentage of $\frac{1}{12}$ of the annual dollar amount

7   determined under clause (iv) for the year in which the

8   amount is determined.】

9   【"(II) For purposes of subclause (I), the applicable

10   percentage is the percentage specified in connection with

11   the number of coverage years, as set forth in the following

12   table:】

"If the number of coverage years is:	The applicable percentage is:
11	5 percent
12	10 percent
13	15 percent
14	20 percent
15	25 percent
16	30 percent
17	35 percent
18	40 percent
19	45 percent
20	50 percent
21	55 percent
22	60 percent
23	65 percent
24	70 percent
25	75 percent
26	80 percent
27	85 percent
28	90 percent
29	95 percent
30 or more	100 percent

13   【"(iii) The annual dollar amount determined under

14   this clause is—】

1   ⟦"(I) for calendar year 2017, the dollar amount

2   equal to 125 percent of the adjusted poverty guide-

3   line for 2017; and⟧

4   ⟦"(II) for any calendar year after 2017, the an-

5   nual dollar amount determined under this clause for

6   2017 multiplied by the ratio (not less than 1) of—

7   ⟧

8   ⟦"(aa) the national average wage index (as

9   defined in section 209(k)(1)) for the second cal-

10   endar year preceding the calendar year for

11   which the determination is made, to⟧

12   ⟦"(bb) the national average wage index (as

13   so defined) for 2015.⟧

14   ⟦"(iv) For purposes of this subparagraph—⟧

15   ⟦"(I) The term 'coverage year' means, with re-

16   spect to an individual, a year to which 4 quarters of

17   coverage have been credited based on such individ-

18   ual's wages and self-employment income.⟧

19   ⟦"(II) The term 'adjusted poverty guideline for

20   2017' means the annual poverty guideline for 2013

21   (as updated annually in the Federal Register by the

22   Department of Health and Human Services under

23   the authority of section 673(2) of the Omnibus

24   Budget Reconciliation Act of 1981 (42 U.S.C.

25   9902(2))) as applicable to a single individual, multi-

1 plied by the increase percentage for each calendar

2 year beginning with 2014 and ending with 2017.]

3   ["(III) The term 'increase percentage', with re-

4 spect to a calendar year, means the percentage (not

5 less than zero percent and rounded to the nearest

6 one-tenth of one percent) by which the consumer

7 price index for the applicable 12-month period pre-

8 ceding such calendar year exceeds such index for the

9 most recent earlier applicable 12-month period that

10 preceded calendar year 2012 or any subsequent cal-

11 endar year that was an increase year.]

12   ["(IV) The term 'applicable 12-month period'

13 means a period beginning with October and ending

14 with the following September.]

15   ["(V) The term 'increase year' means a year

16 with respect to which the increase percentage is

17 greater than zero.]

18   ["(VI) The term 'consumer price index' means

19 for any applicable 12-month period, the arithmetic

20 mean of the Chained Consumer Price Index for All

21 Urban Consumers (C-CPI-U, as published in its ini-

22 tial version by the Bureau of Labor Statistics of the

23 Department of Labor) for the 12 months in such pe-

24 riod.]

1   **[**"(v)(I) In the case of an individual entitled to dis-
2 ability insurance benefits, this subparagraph shall be ap-
3 plied by substituting for each of the numbers specified in
4 subclause (II) the product of such number multiplied by
5 the percentage of years not disabled with respect to such
6 individual (rounded to the nearest whole number).**]**

7   **[**"(II) The numbers specified in this subclause are
8 the following:**]**

9   **[**"(aa) The number '10' in clause (i)(II).**]**

10   **[**"(bb) Each of the numbers in the first column
11   of the table in clause (ii)(II).**]**

12   **[**"(III) For purposes of this clause, the term 'per-
13 centage of years not disabled', with respect to an indi-
14 vidual, means the quotient obtained by dividing the num-
15 ber of elapsed years (as defined in subsection
16 (b)(2)(B)(iii)) with respect to the individual by 40.".**]**

17   **[**(2)   CONFORMING   AMENDMENT.—Section
18   209(k)(1) of such Act (42 U.S.C. 409(k)(1)) is
19   amended by inserting "215(a)(1)(E)," after
20   "215(a)(1)(D),".**]**

21   **[**(b) INCREASE IN MINIMUM BENEFIT FOR LIFETIME
22 LOW EARNERS BASED ON YEARS IN THE WORKFORCE
23 **[**DOMENICI-RIVLIN TASK FORCE**]**.—**]**

22

1   **[**(1) IN GENERAL.—Section 215(a)(1) of the

2   Social Security Act (42 U.S.C. 415(a)(1)) is amend-

3   ed—**]**

4   **[**(A) by redesignating subparagraph (D)

5   as subparagraph (E); and**]**

6   **[**(B) by inserting after subparagraph (C)

7   the following new subparagraph:**]**

8   **[**''(D)(i) Except as provided in clause (vi), in the case

9   of an individual who initially becomes eligible for old-age

10   or disability insurance benefits, or who dies (before becom-

11   ing eligible for such benefits), in any calendar year after

12   2014, the primary insurance amount of the individual

13   computed under this paragraph may not be less than the

14   greater of—**]**

15   **[**''(I) the minimum amount computed under

16   subparagraph (C); or**]**

17   **[**''(II) in the case of an individual who has at

18   least 20 qualifiying years (as defined in clause (iii)),

19   the alternative minimum amount determined under

20   clause (ii).**]**

21   **[**''(ii)(I) The alternative minimum amount deter-

22   mined under this clause is the dollar amount equal to the

23   applicable percentage of $\frac{1}{12}$ of the annual dollar amount

24   determined under clause (iv) for the year in which the

25   amount is determined.**]**

1 **[**"(II) For purposes of subclause (I), the applicable

2 percentage is the percentage specified in connection with

3 the number of qualifying years, as set forth in the fol-

4 lowing table:**]**

"If the number of qualifying years is:	The applicable percentage is:
20	9.1 percent
21	18.2 percent
22	27.3 percent
23	36.4 percent
24	45.5 percent
25	54.5 percent
26	63.6 percent
27	72.7 percent
28	81.8 percent
29	90.9 percent
30 or more	100.0 percent.

5 **[**"(iii)(I) For purposes of this subparagraph, the

6 term 'qualifying year' means, with respect to an indi-

7 vidual—**]**

8 **[**"(aa) a calendar year to which an amount has

9 been credited based on such individual's wages and

10 self-employment income that is not less than the 20

11 percent of the modified contribution and benefit base

12 for such calendar year; and**]**

13 **[**"(bb) a calendar year (that is not a qualifying

14 year by means of item (aa)) in all of which a quali-

15 fying individual provided care for a child under 6

16 years of age who resided in the individual's home.**]**

17 **[**"(II) In this clause—**]**

18 **[**"(aa) the term 'modified contribution and ben-

19 efit base' means the contribution and benefit base

1   that would have been determined for such year if

2   this section as in effect immediately prior to the en-

3   actment of the Social Security Amendments of 1977

4   had remained in effect without change; and]

5   ["(bb) the term 'qualifying individual' means

6   an individual who has at least 19 qualifying years by

7   reason of subclause (I)(aa) and not more than 8

8   qualifying years by reason of subclause (I)(bb).]

9   ["(iv) The annual dollar amount determined under

10 this clause is—]

11   ["(I) for calendar year 2015, the dollar amount

12   equal to 133 percent of the poverty line applicable

13   to a single individual over the age of 65 for the cal-

14   endar year 2012; and]

15   ["(II) for any calendar year after 2015, the an-

16   nual dollar amount determined under this clause for

17   2015 multiplied by the ratio (not less than 1) of—

18   ]

19   ["(aa) the national average wage index (as

20   defined in section 209(k)(1)) for the second cal-

21   endar year preceding the calendar year for

22   which the determination is made, to]

23   ["(bb) the national average wage index (as

24   so defined) for 2013.]

1   ["(v) For purposes of this subparagraph, the term
2   'poverty line' has the meaning given the term in section
3   673(2) of the Omnibus Budget Reconciliation Act of 1981
4   (42 U.S.C. 9902(2)).]

5   ["(vi)(I) In the case of an individual entitled to dis-
6   ability insurance benefits, this subparagraph shall be ap-
7   plied by substituting for each of the numbers specified in
8   subclause (II) the product of such number multiplied by
9   the percentage of years not disabled with respect to such
10   individual (rounded to the nearest whole number).]

11   ["(II) The numbers specified in this subclause are
12   the following:]

13   ["(aa) The number '10' in clause (i)(II).]

14   ["(bb) Each of the numbers in the first column
15   of the table in clause (ii)(II).]

16   ["(cc) The numbers '19' and '8' in clause
17   (iii)(II)(bb).]

18   ["(III) For purposes of this clause, the term 'per-
19   centage of years not disabled', with respect to an indi-
20   vidual, means the quotient obtained by dividing the num-
21   ber of elapsed years (as defined in subsection
22   (b)(2)(B)(iii)) with respect to the individual by 40.".]

23   [(2) CONFORMING AMENDMENT.—Section
24   209(k)(1) of such Act (42 U.S.C. 409(k)(1)) is

1 amended by inserting "215(a)(1)(E)," after

2 "215(a)(1)(D),".]

3 **[SEC. ___ . BENEFIT FORMULA CHANGES.**

4 **[(a)** MODIFICATION OF THE PRIMARY INSURANCE

5 AMOUNT FORMULA [SIMPSON-BOWLES COMMISSION].—

6 Section 215(a)(1) of such Act (42 U.S.C. 415(a)(1)) is

7 amended by adding at the end the following:]

8 **["(E)(i)** Notwithstanding subparagraphs (A) and

9 (B), in the case of an individual who becomes eligible for

10 an old-age or disability insurance benefit, or who dies prior

11 to becoming so eligible, in any calendar year after 2016

12 and before 2050, the primary insurance amount of such

13 individual shall be equal to the sum of—]

14   **["(I)** 90 percent of the individual's average in-

15   dexed monthly earnings (determined under sub-

16   section (b)) to the extent that such earnings do not

17   exceed the amount established for purposes of this

18   subclause by clause (iv),]

19   **["(II)** 32 percent of the individual's average in-

20   dexed monthly earnings to the extent that such

21   earnings exceed the amount established for purposes

22   of subclause (I) but do not exceed the amount estab-

23   lished for purposes of this subclause by clause (iv),]

24   **["(III)** 32 percent of the individual's average

25   indexed monthly earnings to the extent that such

1 earnings exceed the amount established for purposes

2 of subclause (II) but do not exceed the amount es-

3 tablished for purposes of this subclause by clause

4 (iv), and**]**

5 **[**''(IV) 15 percent of the individual's average

6 indexed monthly earnings to the extent that such

7 earnings exceed the amount established for purposes

8 of subclause (III) by clause (iv).**]**

9 **[**''(ii)(I) In applying clause (i) with respect to an in-

10 dividual who becomes eligible for an old-age or disability

11 insurance benefit, or who dies prior to becoming so eligi-

12 ble, in any calendar year after 2017 and before 2050, the

13 percentages specified in subclauses (II), (III), and (IV) of

14 clause (i) shall be such percentages, as adjusted under this

15 subparagraph. Each such percentage shall be adjusted by

16 multiplying such percentage by the product obtained by

17 multiplying—**]**

18 **[**''(aa) the applicable amount specified in clause

19 (iii), by**]**

20 **[**''(bb) the number of calendar years during the

21 period beginning with calendar year 2017 and end-

22 ing with the earlier of the calendar year during

23 which the individual becomes so eligible or dies, or

24 calendar year 2050.**]**

1 **[**"(II) The applicable amount specified in this clause
2 is—**]**

3   **[**"(aa) 0.998, in the case of adjustments to the
4   percentage specified under clause (i)(II);**]**

5   **[**"(bb) 0.966, in the case of adjustments to the
6   percentage specified under clause (i)(III); and**]**

7   **[**"(cc) 0.968, in the case of adjustments to the
8   percentage specified under clause (i)(IV).**]**

9 **[**"(iii) Notwithstanding subparagraphs (A) and (B),
10 in the case of an individual who becomes eligible for an
11 old-age or disability insurance benefit, or who dies prior
12 to becoming so eligible, in any calendar year after 2049,
13 the primary insurance amount of such individual shall be
14 equal to the sum of—**]**

15   **[**"(I) 90 percent of the individual's average in-
16   dexed monthly earnings (determined under sub-
17   section (b)) to the extent that such earnings do not
18   exceed the amount established for purposes of this
19   subclause by clause (iv),**]**

20   **[**"(II) 30 percent of the individual's average in-
21   dexed monthly earnings to the extent that such
22   earnings exceed the amount established for purposes
23   of subclause (I) but do not exceed the amount estab-
24   lished for purposes of this subclause by clause (iv),**]**

1 ⟦''(III) 10 percent of the individual's average
2 indexed monthly earnings to the extent that such
3 earnings exceed the amount established for purposes
4 of subclause (II) but do not exceed the amount es-
5 tablished for purposes of this subclause by clause
6 (iv), and⟧

7 ⟦''(IV) 5 percent of the individual's average in-
8 dexed monthly earnings to the extent that such
9 earnings exceed the amount established for purposes
10 of subclause (III) by clause (iv).⟧

11 ⟦''(iv)(I) For individuals who initially become eligible
12 for old-age or disability insurance benefits, or who die (be-
13 fore becoming eligible for such benefits), in the calendar
14 year 2017—⟧

15 ⟦''(aa) the amounts established for purposes of
16 subclauses (I) and (II) of clause (i) shall equal the
17 amounts established by subparagraph (B)(ii) for
18 such calendar year for purposes of clauses (i) and
19 (ii), respectively, of subparagraph (A); and⟧

20 ⟦''(bb) the amount established for purposes of
21 subclause (III) of clause (i) shall be the amount that
22 is equal to the 50th percentile of the average indexed
23 monthly earnings of all individuals entitled to old-
24 age or disability benefits in the calendar year 2017.⟧

1   ["(II) For individuals who initially become eligible

2 for old-age or disability insurance benefits, or who die (be-

3 fore becoming eligible for such benefits), in any calendar

4 year after 2017, each of the amounts so established shall

5 equal the product of the corresponding amount established

6 with respect to the calendar year 2017 under subclause

7 (I) and the quotient obtained by dividing—]

8   ["(aa) the national average wage index (as de-

9   fined in section 209(k)(1)) for the second calendar

10   year preceding the calendar year for which the de-

11   termination is made, by]

12   ["(bb) the national average wage index (as so

13   defined) for 2015.]

14   ["(III) Each amount established under subclause

15 (II) for any calendar year shall be rounded to the nearest

16 $1, except that any amount so established which is a mul-

17 tiple of $0.50 but not of $1 shall be rounded to the next

18 higher $1.".]

19   [(b) MODIFICATION OF THE PRIMARY INSURANCE

20 AMOUNT FORMULA [DOMENICI-RIVLIN TASK FORCE].—

21 Section 215(a)(1) of such Act (42 U.S.C. 415(a)(1)) is

22 amended by adding at the end the following:]

23   ["(E)(i) In applying subparagraph (A) with respect

24 to an individual who becomes eligible for an old-age or

25 disability insurance benefit, or who dies prior to becoming

1 so eligible, in any calendar year after 2022, the percentage

2 specified in clause (iii) of subparagraph (A) shall be such

3 percentage, as adjusted under this subparagraph. Such

4 percentage shall be adjusted by multiplying such percent-

5 age by the product obtained by multiplying—**]**

6 　　　　**[**"(I) 0.997, by**]**

7 　　　　**[**"(II) the number of calendar years dur-

8 　　　　ing the period beginning with calendar year

9 　　　　2023 and ending with the earlier of the cal-

10 　　　　endar year during which the individual becomes

11 　　　　so eligible or dies, or calendar year 2052.".**]**