[DISCUSSION DRAFT]

1	[SECTION CHANGE IN INDEX USED TO CALCULATE SO-	
2	CIAL SECURITY COST-OF-LIVING ADJUST-	
3	MENTS [CHAINED CPI COLA].	
4	[(a) In General.—Section 215(i)(1) of the Social	
5	Security Act (42 U.S.C. 415(i)(1)) is amended by adding	
6	at the end the following new subparagraph:	
7	["(H) the term 'Consumer Price Index' means	
8	the Chained Consumer Price Index for All Urban	
9	Consumers (C-CPI-U, as published in its initial	
10	version by the Bureau of Labor Statistics of the De-	
11	partment of Labor).".	
12	[(b) Application to Pre-1979 Law.—]	
13	[(1)] In General.—Section $215(i)(1)$ of the	
14	Social Security Act as in effect in December 1978,	
15	and as applied in certain cases under the provisions	
16	of such Act as in effect after December 1978, is	
17	amended by adding at the end the following new	
18	subparagraph:]	
19	["(D) the term 'Consumer Price Index' means	
20	the Chained Consumer Price Index for All Urban	
21	Consumers (C-CPI-U, as published in its initial	

1	version by the Bureau of Labor Statistics of the De-
2	partment of Labor).".]
3	[(2) Conforming Change.—Section 215(i)(4)
4	of the Social Security Act (42 U.S.C. 415(i)(4)) is
5	amended by inserting "and by [section of the
6	Act of 2013]" after "1986".]
7	[(c) Effective Date.—The amendments made by
8	this section shall apply with respect to adjustments effec-
9	tive with or after [President Obama; Simpson-Bowles
10	Commission: December 2014] [Domenici-Rivlin Task
11	Force: December 2015].]
12	[SEC BENEFIT INCREASE FOR LONGTIME BENE-
13	FICIARIES.
13 14	FICIARIES. [(a) RECOMPUTATIONS OF PRIMARY INSURANCE
14	[(a) Recomputations of Primary Insurance
14	[(a) Recomputations of Primary Insurance
14 15 16	(a) Recomputations of Primary Insurance Amount for Beneficiares on Account of Long-
14 15 16 17	I(a) RECOMPUTATIONS OF PRIMARY INSURANCE AMOUNT FOR BENEFICIARES ON ACCOUNT OF LONG- TERM ELIGIBILITY [PRESIDENT OBAMA].—Section
14 15 16 17	[(a) Recomputations of Primary Insurance Amount for Beneficiares on Account of Longterm Eligibility [President Obama].—Section 215(a) of the Social Security Act (42 U.S.C. 415(a)) is
14 15 16 17	[(a) RECOMPUTATIONS OF PRIMARY INSURANCE AMOUNT FOR BENEFICIARES ON ACCOUNT OF LONGTERM ELIGIBILITY [PRESIDENT OBAMA].—Section 215(a) of the Social Security Act (42 U.S.C. 415(a)) is amended by adding at the end the following:]
114 115 116 117 118	[(a) RECOMPUTATIONS OF PRIMARY INSURANCE AMOUNT FOR BENEFICIARES ON ACCOUNT OF LONGTERM ELIGIBILITY [PRESIDENT OBAMA].—Section 215(a) of the Social Security Act (42 U.S.C. 415(a)) is amended by adding at the end the following:] ["(8)(A) Notwithstanding subsection (f)(1), in the
14 15 16 17 18 19 20	[(a) Recomputations of Primary Insurance Amount for Beneficiares on Account of Longtern Eligibility [President Obama].—Section 215(a) of the Social Security Act (42 U.S.C. 415(a)) is amended by adding at the end the following:] ["(8)(A) Notwithstanding subsection (f)(1), in the case of an individual who is a qualified beneficiary for a
14 15 16 17 18 19 20 21	[(a) Recomputations of Primary Insurance Amount for Beneficiares on Account of Longtern Eligibility [President Obama].—Section 215(a) of the Social Security Act (42 U.S.C. 415(a)) is amended by adding at the end the following:] ["(8)(A) Notwithstanding subsection (f)(1), in the case of an individual who is a qualified beneficiary for a calendar year after 2019, the primary insurance amount
14 15 16 17 18 19 20 21	[(a) RECOMPUTATIONS OF PRIMARY INSURANCE AMOUNT FOR BENEFICIARES ON ACCOUNT OF LONGTERM ELIGIBILITY [President Obama].—Section 215(a) of the Social Security Act (42 U.S.C. 415(a)) is amended by adding at the end the following:] ["(8)(A) Notwithstanding subsection (f)(1), in the case of an individual who is a qualified beneficiary for a calendar year after 2019, the primary insurance amount of that individual shall be increased, effective for monthly

1	["(B) For purposes of this paragraph—]
2	\mathbf{I} (i) the term 'qualified beneficiary' for a cal-
3	endar year means—]
4	["(I) a beneficiary who will attain the age
5	of 76 prior to the end of such calendar year;
6	or]
7	["(II) an individual in any case in which
8	the number of eligibility years of the individual
9	is at least 15.
10	\llbracket "(ii) For purposes of this paragraph, the term
11	'number of eligibility years' of an individual for a
12	calendar year means the number of years in the pe-
13	riod beginning with the year in which occurs the ap-
14	plicable date of eligibility for such individual and
15	ending with such calendar year.]
16	["(iii) For purposes of this paragraph, the
17	term 'applicable date of eligibility' for an individual
18	is the date on which the individual on whose wages
19	and self-employment income the monthly insurance
20	benefit is based initially became eligible (or died be-
21	fore becoming eligible) for old-age insurance benefits
22	under section 202(a) or disability insurance benefits
23	under section 223.
24	$\llbracket \text{``(C)(i)}$ Except as provided in subparagraph (D), the
25	increase required under subparagraph (A) with respect to

- 1 the primary insurance amount of an individual who is a
- 2 qualified beneficiary for a calendar year shall be equal to
- 3 the applicable percentage (specified for such primary in-
- 4 surance amount in clause (ii)) of the full increase amount
- 5 for such calendar year (determined under clause (iii)).
- 6 ["(ii) The applicable percentage specified for a pri-
- 7 mary insurance amount under this clause for a calendar
- 8 year is the percentage specified, in connection with the age
- 9 of the beneficiary prior to the end of such calendar year
- 10 (or the number of eligibility years of the individual for
- 11 such calendar year), in the following table:

"If age of the beneficiary (or the number of	The applicable
eligibility years) is:	percentage is:
76 years of age (or 15)	10 percent
77 years of age (or 16)	10 percent
78 years of age (or 17)	10 percent
79 years of age (or 18)	10 percent
80 years of age (or 19)	10 percent
81 years of age (or 20)	10 percent
82 years of age (or 21)	10 percent
83 years of age (or 22)	10 percent
84 years of age (or 23)	10 percent
85 to 94 years of age (or 24 to 33)	0 percent
95 years of age (or 34)	10 percent
96 years of age (or 35)	10 percent
97 years of age (or 36)	10 percent
98 years of age (or 37)	10 percent
99 years of age (or 38)	10 percent
100 years of age (or 39)	10 percent
101 years of age (or 40)	10 percent
102 years of age (or 41)	10 percent
103 years of age (or 42)	10 percent
104 years of age (or 43)	10 percent.

- 12 ["(iii)(I) Except as provided in subclause (II), the
- 13 full increase amount determined under this subparagraph
- 14 for a calendar year in connection with the primary insur-
- 15 ance amount of a qualified beneficiary is a dollar amount

- 1 equal to 5 percent of the average retired worker benefit
- 2 (as determined by the Commissioner) for December of the
- 3 second calendar year prior to such calendar year.
- 4 ["(II) Whenever benefit amounts under this title are
- 5 increased by any percentage effective for months after No-
- 6 vember of a calendar year as a result of a determination
- 7 made under section 215(i), the full increase amount other-
- 8 wise determined under clause (i) for such calendar year
- 9 or any preceding calendar year shall be increased by the
- 10 same percentage.]
- 11 ["(D)(i) For any individual with respect to whom the
- 12 number of years in the period beginning with the year in
- 13 which occurs the applicable date of eligibility (as defined
- 14 in subparagraph (B)(ii))for such individual and ending
- 15 with calendar year 2020 is more than 15 and not more
- 16 than 33, the number of eligibility years of the individual
- 17 for the calendar year for which an increase is determined
- 18 under subparagraph (A) shall be deemed to be 15.]
- 19 ["(ii) For any individual with respect to whom the
- 20 number of years in the period beginning with the year in
- 21 which occurs the applicable date of eligibility (as defined
- 22 in subparagraph (B)(ii))for such individual and ending
- 23 with calendar year 2020 is more than 34, the number of
- 24 eligibility years of the individual for the calendar year for

- 1 which an increase is determined under subparagraph (A)
- 2 shall be deemed to be 34.
- 3 ["(E) Upon the death after 2019 of an individual
- 4 entitled to benefits under section 202(a) or section 223,
- 5 if any person is entitled to monthly benefits on the wages
- 6 and self-employment income of such individual, the Com-
- 7 missioner of Social Security shall increase the deceased
- 8 individual's primary insurance amount in accordance with
- 9 this paragraph for each calendar year for which the indi-
- 10 vidual would have been a qualified beneficiary but for the
- 11 individual's death.".]
- 12 [(b) Recomputations of Primary Insurance
- 13 Amount for Beneficiares on Account of Long-
- 14 TERM ELIGIBILITY [SIMPSON-BOWLES COMMISSION].—
- 15 Section 215(a) of the Social Security Act (42 U.S.C.
- 16 415(a)) is amended by adding at the end the following:
- 17 ["(8)(A)] Notwithstanding subsection (f)(1), in the
- 18 case of an individual who is a qualified beneficiary for a
- 19 calendar year after 2014, the primary insurance amount
- 20 of that individual shall be increased, effective for monthly
- 21 benefits beginning with benefits for December of the cal-
- 22 endar year preceding such calendar year, in accordance
- 23 with subparagraph (C).
- 24 ["(B)(i) For purposes of this paragraph, the term
- 25 'qualified beneficiary' for a calendar year means an indi-

	1	
1	vidual in any case in which such calendar year begins at	
2	least 20 years after the applicable date of eligibility for	
3	such individual.	
4	["(ii) For purposes of this paragraph, the applicab	
5	date of eligibility for an individual is the date on which	
6	the individual on whose wages and self-employment in	
7	come the monthly insurance benefit is based initially be	
8	came eligible (or died before becoming eligible) for old	
9	age insurance benefits under section 202(a) or disability	
10	insurance benefits under section 223.	
11	["(C)(i) The increase required under subparagraph	
12	(A) with respect to the primary insurance amount of an	
13	individual who is a qualified beneficiary for a calendar	
14	year shall be equal to the applicable percentage (specified	
15	for such primary insurance amount in clause (ii)) of the	
16	full increase amount for such calendar year (determined	
17	under clause (iii)).	
18	["(ii) The applicable percentage specified for a pri-	
19	mary insurance amount under this clause for a calendar	
20	year is the percentage specified, in connection with the	
21	number of years ending after the applicable date of eligi	
22	bility for such individual and before such calendar year	
23	in the following table:	
	"If the number of years is: The applicable represents to be a second of the second of	

"If the number of years is:	The applicable
	percentage is:
20	20 percent
21	20 percent
22	20 percent

	23
1	["(iii)(I) Except as provided in subclause (II), the
2	full increase amount determined under this subparagraph
3	for a calendar year in connection with the primary insur-
4	ance amount of a qualified beneficiary is a dollar amount
5	equal to 5 percent of the primary insurance amount of
6	a putative individual if—]
7	["(aa) such primary insurance amount of the
8	putatitve individual were determined for January of
9	such calendar year;]
10	["(bb) on January 1 of the calendar year in
11	which occured the applicable date of eligibility with
12	respect to the qualified beneficiary, such putative in-
13	dividual were fully insured, attained retirement age
14	(as defined in section 216(l)(2)) and were otherwise
15	eligible for, and applied for, old-age insurance bene-
16	fits; and]
17	["(cc) such putative individual's average in-
18	dexed monthly earnings taken into account in deter-
19	mining such primary insurance amount were equal
20	to $\frac{1}{12}$ of the national average wage index (as de-
21	fined in section 209(k)(1)) for the second year prior
22	to such calendar year.]
23	["(II) Whenever benefit amounts under this title are
24	increased by any percentage effective for months after No-

- 1 vember of a calendar year as a result of a determination
- 2 made under section 215(i), the full increase amount other-
- 3 wise determined under clause (i) for such calendar year
- 4 or any preceding calendar year shall be increased by the
- 5 same percentage.
- 6 ["(D) Upon the death after 2014 of an individual
- 7 entitled to benefits under section 202(a) or section 223,
- 8 if any person is entitled to monthly benefits on the wages
- 9 and self-employment income of such individual, the Com-
- 10 missioner of Social Security shall increase the deceased
- 11 individual's primary insurance amount in accordance with
- 12 this paragraph for each calendar year for which the indi-
- 13 vidual would have been a qualified beneficiary but for the
- 14 individual's death.".]
- 15 (c) Recomputations of Primary Insurance
- 16 Amount for Beneficiares on Account of Advanced
- 17 AGE [DOMENICI-RIVLIN TASK FORCE].—Section 215(a)
- 18 of the Social Security Act (42 U.S.C. 415(a)) is amended
- 19 by adding at the end the following:
- 20 ["(8)(A)] Notwithstanding subsection (f)(1), in the
- 21 case of an individual who is a qualified beneficiary for a
- 22 calendar year after 2015, the primary insurance amount
- 23 of that individual shall be increased, effective for monthly
- 24 benefits beginning with benefits for December of the cal-

- 1 endar year preceding such calendar year, in accordance
- 2 with subparagraph (C).
- 3 **[**"(B) For purposes of this paragraph, the term
- 4 'qualified beneficiary' for a calendar year means a bene-
- 5 ficiary who will attain the age of 81 prior to the end of
- 6 such calendar year.]
- 7 **[**"(C)(i) The increase required under subparagraph
- 8 (A) with respect to the primary insurance amount of an
- 9 individual who is a qualified beneficiary for a calendar
- 10 year shall be equal to the applicable percentage (specified
- 11 for such primary insurance amount in clause (ii)) of the
- 12 full increase amount for such calendar year (determined
- 13 under clause (iii)).
- 14 ["(ii) The applicable percentage specified for a pri-
- 15 mary insurance amount under this clause for a calendar
- 16 year is the percentage specified, in connection with the age
- 17 of the beneficiary prior to the end of such calendar year,
- 18 in the following table:

"If the beneficiary is:	The applicable	
	percentage is:	
81 years of age	20 percent	
82 years of age	20 percent	
83 years of age	20 percent	
84 years of age	20 percent	
85 years of age	20 percent.	

- 19 ["(iii)(I) Except as provided in subclause (II), the
- 20 full increase amount determined under this subparagraph
- 21 for a calendar year in connection with the primary insur-
- 22 ance amount of a qualified beneficiary is a dollar amount

- 1 equal to 5 percent of the average retired worker benefit
- 2 (as determined by the Commissioner) for December of the
- 3 second calendar year prior to such calendar year.]
- 4 ["(II) Whenever benefit amounts under this title are
- 5 increased by any percentage effective for months after No-
- 6 vember of a calendar year as a result of a determination
- 7 made under section 215(i), the full increase amount other-
- 8 wise determined under clause (i) for such calendar year
- 9 or any preceding calendar year shall be increased by the
- 10 same percentage.]
- 11 ["(D) Upon the death after 2015 of an individual
- 12 entitled to benefits under section 202(a), if any person is
- 13 entitled to monthly benefits on the wages and self-employ-
- 14 ment income of such individual, the Commissioner of So-
- 15 cial Security shall increase the deceased individual's pri-
- 16 mary insurance amount in accordance with this paragraph
- 17 for each calendar year for which the individual would have
- 18 been a qualified beneficiary but for the individual's
- 19 death.".]