

.....
(Original Signature of Member)

114TH CONGRESS
2D SESSION

H. R.

To amend title II of the Social Security Act to improve solvency and stability for future generations.

IN THE HOUSE OF REPRESENTATIVES

Mr. RIBBLE (for himself, Mr. COOPER, Mr. RIGELL, Mrs. LUMMIS, Mr. ROKITA, and Mr. BENISHEK) introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title II of the Social Security Act to improve solvency and stability for future generations.

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.**

4 This Act may be cited as the “S.O.S. Act of 2016”.

5 **SEC. 2. INCREASE IN CONTRIBUTION AND BENEFIT BASE.**

6 (a) IN GENERAL.—Section 230 of the Social Security
7 Act (42 U.S.C. 430) is amended—

1 (1) in subsection (a), by striking “subsection
2 (b) or (c)” and inserting “this section”;

3 (2) in subsection (b), by inserting “with respect
4 to remuneration paid (and taxable years beginning)
5 in each calendar year before 2017” before “shall
6 (subject to subsection (c))”;

7 (3) by redesignating subsection (d) as sub-
8 section (f); and

9 (4) by inserting after subsection (c) the fol-
10 lowing:

11 “(d)(1) The amount of such contribution and benefit
12 base with respect to remuneration paid (and taxable years
13 beginning) in each calendar year after 2016 shall (subject
14 to subsection (e)) be determined by the Commissioner
15 (using projections made in advance of such year by the
16 Chief Actuary of the Social Security Administration based
17 on the most recent annual report of the Board of Trust-
18 ees) such that the percentage of the total earnings for all
19 workers that are taxable under sections 1401 or 3101 of
20 the Internal Revenue Code of 1986 is equal to 90 percent
21 for each such calendar year.

22 “(2) In making the determination under paragraph
23 (1), the Commissioner may enter into agreements with the
24 Secretary of Labor and the Commissioner of Internal Rev-

1 enue to share any information necessary to carry out such
2 paragraph.

3 “(e) For purposes of this section, and for purposes
4 of determining wages and self-employment income under
5 sections 209, 211, 213, and 215 of this Act and sections
6 1402, 3121, 3122, 3125, 6413, and 6654 of the Internal
7 Revenue Code of 1986, the ‘contribution and benefit base’
8 with respect to remuneration paid (and taxable years be-
9 ginning)—

10 “(1) in 2017 shall be \$156,550;

11 “(2) in 2018 shall be \$194,600;

12 “(3) in 2019 shall be \$232,650;

13 “(4) in 2020 shall be \$270,700; and

14 “(5) in 2021 shall be \$308,750.

15 For purposes of determining under subsection (b) the
16 ‘contribution and benefit base’ with respect to remunera-
17 tion paid (and taxable years beginning) in 2022 and sub-
18 sequent years, the dollar amounts specified in the pre-
19 ceding sentence shall be considered to have resulted from
20 the application of such subsection (b) and to be the
21 amount determined (with respect to the years involved)
22 under that subsection.”.

23 (b) **EFFECTIVE DATE.**—The amendments made by
24 subsection (a) shall apply to determinations made with re-

1 spect to the contribution and benefit base for calendar
2 years after 2016.

3 **SEC. 3. MODIFICATION OF PRIMARY INSURANCE AMOUNT**
4 **FORMULA; INCLUSION OF SURPLUS EARN-**
5 **INGS.**

6 (a) INCLUSION OF SURPLUS AVERAGE INDEXED
7 MONTHLY EARNINGS IN DETERMINATION OF PRIMARY
8 INSURANCE AMOUNTS.—

9 (1) IN GENERAL.—Section 215(a)(1)(A) of the
10 Social Security Act (42 U.S.C. 415(a)(1)(A)) is
11 amended—

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

15 (B) in clause (ii), by striking “and” at the
16 end

17 (C) in clause (iii), by inserting “and” at
18 the end; and

19 (D) by inserting after clause (iii) the fol-
20 lowing:

21 “(iv) 2.5 percent of the individual’s surplus av-
22 erage indexed monthly earnings.”.

23 (b) BASIC AIME AND SURPLUS AIME.—

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

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

2 and

3 (B) in subparagraph (A), by striking
4 “paragraph (3)” and inserting “paragraph
5 (3)(A)” and by inserting before the comma the
6 following: “to the extent such total does not ex-
7 ceed the amount established for purposes of
8 this clause by paragraph (4)”.

9 (2) SURPLUS AIME.—

10 (A) IN GENERAL.—Section 215(b)(1) of
11 such Act (as amended by paragraph (1)) is
12 amended—

13 (i) by redesignating subparagraphs
14 (A) and (B) as clauses (i) and (ii), respec-
15 tively;

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

17 and

18 (iii) by adding at the end the fol-
19 lowing new subparagraph:

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

23 “(I) the total (after adjustment under para-
24 graph (3)(B)) of such individual’s surplus earnings
25 (determined under clause (ii)) for such individual’s

1 benefit computation years (determined under para-
2 graph (2)), by

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

4 “(ii) For purposes of clause (i) and paragraph (3)(B),
5 an individual’s surplus earnings for a benefit computation
6 year are the total of such individual’s wages paid in and
7 self-employment income credited to such benefit computa-
8 tion year, to the extent such total (before adjustment
9 under paragraph (3)(B))—

10 “(I) exceeds the amount established for pur-
11 poses of subparagraph (A)(i) by paragraph (4), and

12 “(II) does not exceed the contribution and ben-
13 efit base for such year.”.

14 (B) CONFORMING AMENDMENT.—The
15 heading for section 215(b) of such Act is
16 amended by striking “Average Indexed Monthly
17 Earnings” and inserting “Basic Average In-
18 dexed Monthly Earnings; Surplus Average In-
19 dexed Monthly Earnings”.

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

24 (A) in subparagraph (A), by striking “sub-
25 paragraph (B)” and inserting “subparagraph

1 (C)” and by inserting “and determination of
2 basic average indexed monthly income” after
3 “paragraph (2)”;

4 (B) by redesignating subparagraph (B) as
5 subparagraph (C); and

6 (C) by inserting after subparagraph (A)
7 the following new subparagraph:

8 “(B) For purposes of determining under paragraph
9 (1)(B) an individual’s surplus average indexed monthly
10 earnings, the individual’s surplus earnings (described in
11 paragraph (2)(B)(ii)) for a benefit computation year shall
12 be deemed to be equal to the product of—

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

16 “(ii) the quotient described in subparagraph
17 (A)(ii).”.

18 (4) WAGE INDEXING IN DETERMINATION OF
19 SURPLUS EARNINGS.—Section 215(b) of such Act
20 (42 U.S.C. 415(b)) is amended—

21 (A) by redesignating paragraph (4) as
22 paragraph (5); and

23 (B) by inserting after paragraph (3) the
24 following:

1 “(4) The amount established for purposes of para-
2 graph (1)(A)(i) shall be—

3 “(A) for individuals who initially become eligible
4 for old-age or disability insurance benefits, or who
5 die (before becoming so eligible), in calendar year
6 2017, \$118,500, and

7 “(B) for individuals who initially become eligi-
8 ble for old-age or disability insurance benefits, or
9 who die (before becoming so eligible), in any cal-
10 endar year after 2017, the product of \$118,500 and
11 the quotient obtained by dividing—

12 “(i) the national average wage index (as
13 defined in section 209(k)(1)) for the second cal-
14 endar year preceding the calendar year for
15 which the determination is made, by

16 “(ii) the national average wage index (as
17 so defined) for 2015.”.

18 (c) REDUCTION OF THIRD BEND POINT FACTOR.—

19 (1) IN GENERAL.—Section 215(a)(1)(A)(iii) of
20 the Social Security Act (42 U.S.C. 415(a)(1)(A)(iii))
21 is amended by striking “15 percent” and inserting
22 “5 percent”.

23 (2) EFFECTIVE DATE; APPLICATION RULE.—

24 The amendment made by paragraph (1) shall apply
25 with respect to computations or recomputations of

1 primary insurance amounts made on or after Janu-
2 ary 1, 2017, except that section 215(a)(1)(A)(iii) of
3 the Social Security Act shall be applied by making
4 the following substitutions for “5 percent” for com-
5 putations and recomputations made in the following
6 calendar years:

7 (A) for calendar year 2017, by substituting
8 “13 percent”;

9 (B) for calendar year 2018, by substituting
10 “11 percent”;

11 (C) for calendar year 2019, by substituting
12 “9 percent”; and

13 (D) for calendar year 2020, by sub-
14 stituting “7 percent”.

15 (d) **EFFECTIVE DATE.**—The amendments made by
16 this section shall apply with respect to individuals who ini-
17 tially become eligible for old-age or disability insurance
18 benefits under title II of the Social Security Act, or who
19 die (before becoming eligible for such benefits), in any cal-
20 endar year after 2016.

21 **SEC. 4. INCREASE IN RETIREMENT AGE.**

22 (a) **IN GENERAL.**—Section 216(l) of the Social Secu-
23 rity Act (42 U.S.C. 416(l)) is amended—

24 (1) in paragraph (1)—

1 (A) in subparagraph (D), by striking
2 “and” at the end;

3 (B) in subparagraph (E), by striking “, 67
4 years of age.” and inserting “and before Janu-
5 ary 1, 2023, 67 years of age;”; and

6 (C) by adding at the end the following:

7 “(F) with respect to an individual who attains
8 early retirement age after December 31, 2022, and
9 before January 1, 2035, 67 years of age plus the
10 number of months in the age increase factor (as de-
11 termined under paragraph (3)) for the calendar year
12 in which such individual attains early retirement
13 age;

14 “(G) with respect to an individual who attains
15 early retirement age in any calendar year after
16 2034, the longevity indexed retirement age applica-
17 ble for individuals who attain early retirement age in
18 such calendar year (as determined under paragraph
19 (4)).”; and

20 (2) in paragraph (3)—

21 (A) by striking “subparagraph (B) or (D)”
22 and inserting “subparagraph (B), (D), or (F)”;
23 and

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

1 “(C) With respect to an individual who attains
2 early retirement age in the 12-year period consisting
3 of the calendar years 2023 through 2034, the age
4 increase factor shall be equal to two-twelfths of the
5 number of months in the period beginning with Jan-
6 uary 2023 and ending with December of the year in
7 which the individual attains early retirement age.”;

8 (3) by adding at the end the following:

9 “(4)(A) The longevity indexed retirement age
10 applicable for individuals who attain early retirement
11 age in a calendar year after 2034 is—

12 “(i) in the case of calendar years 2035
13 through 2044, 69 years of age plus one twenty-
14 fourth of the number of months in the period
15 beginning with January 2035 and ending with
16 December of the year in which the individual
17 attains early retirement age, rounded down to
18 the nearest month; and

19 “(ii) in the case of a calendar year after
20 2044, the appropriate number of years of age
21 (including any fraction rounded to the nearest
22 month) determined by the Commissioner such
23 that the ratio of—

24 “(I) the number of months by which
25 the average number of years (including any

1 fraction rounded to the nearest month) in
2 life expectancy for an individual attaining
3 early retirement age in such calendar year
4 (as determined under subparagraph (C))
5 exceeds such appropriate number of years
6 of age, to

7 “(II) the number of months by which
8 such appropriate number of years of age
9 exceeds 20 years of age,
10 is equal to the baseline retirement-to-employ-
11 ment ratio (described in subparagraph (B)).

12 “(B) For purposes of subparagraph (A), the
13 baseline retirement-to-employment ratio is equal to
14 the ratio of—

15 “(i) the number of months by which the
16 average number of years (including any fraction
17 rounded to the nearest month) in life expect-
18 ancy for an individual attaining early retire-
19 ment age in 2044 (as determined under sub-
20 paragraph (C)) exceeds 69 years of age and 5
21 months, to

22 “(ii) 49 years of age and 5 months.

23 “(C) At the beginning of each 10-year period
24 beginning with the 10-year period that begins on
25 January 1, 2044, the Commissioner of Social Secu-

1 rity shall determine (using generally accepted actu-
2 arial principles and based on the intermediate as-
3 sumptions in the most recent Trustees Report and
4 such other data as the Commissioner determines ap-
5 propriate) and publish in the Federal Register—

6 “(i) an estimate of the average number of
7 years (including any fraction rounded to the
8 nearest month) in life expectancy for an indi-
9 vidual attaining early retirement age in each
10 year of such 10-year period; and

11 “(ii) the longevity indexed retirement age
12 applicable for individuals who attain early re-
13 tirement age in each year (after 2044) of such
14 10-year period (as determined under subpara-
15 graph (A)).”.

16 (b) EXTENSION OF MAXIMUM AGE FOR ENTITLE-
17 MENT TO DELAYED RETIREMENT CREDIT.—Section
18 202(w)(2)(A) of such Act (42 U.S.C. 402(w)(2)(A)) is
19 amended—

20 (1) by striking “prior to the month in which
21 such individual attained age 70, and” and inserting
22 “prior to the later of—”; and

23 (2) by adding at the end the following:

24 “(i) the month in which such individual
25 would attain age 70, or

1 “(ii) the month which ends 36 months
2 after the end of the month in which such indi-
3 vidual attained retirement age (as defined in
4 section 216(l)), and”.

5 (c) **EXTENSION OF MAXIMUM AGE FOR VOLUNTARY**
6 **SUSPENSION OF BENEFITS.**—Section 202(z)(1)(A)(ii) of
7 such Act (42 U.S.C. 402(z)(1)(A)(ii)) is amended by strik-
8 ing “the month in which the individual attains the age
9 of 70” and inserting “the later of the month in which the
10 individual attains the age of 70 or the month which ends
11 36 months after the end of the month in which such indi-
12 vidual attained retirement age (as defined in section
13 216(l))”.

14 **SEC. 5. COST-OF-LIVING ADJUSTMENTS.**

15 (a) **CHANGE IN CONSUMER PRICE INDEX.**—

16 (1) **COMPUTATION OF COST-OF-LIVING ADJUST-**
17 **MENTS.**—Section 215(i)(1) of the Social Security
18 Act (42 U.S.C. 415(i)(1)) is amended—

19 (A) in subparagraph (G), by striking the
20 period at the end and inserting “; and”; and

21 (B) by adding at the end the following new
22 subparagraph:

23 “(H) the term ‘Consumer Price Index’ means
24 the Chained Consumer Price Index for all Urban

1 Consumers (C-CPI-U, published by the Bureau of
2 Labor Statistics of the Department of Labor).”.

3 (2) CONFORMING AMENDMENT.—Section
4 215(i)(4) of such Act (42 U.S.C. 415(i)(4)) is
5 amended by inserting “and by section 4 of the
6 S.O.S. Act of 2016” after “1986”.

7 (3) APPLICATION TO PRE-1979 LAW.—Section
8 215(i)(1) of the Social Security Act, as in effect in
9 December 1978 and as applied in certain cases
10 under the provisions of such Act as in effect after
11 December 1978, is amended—

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

14 (B) in subparagraph (C), by striking the
15 period at the end and inserting “; and”; and

16 (C) by adding at the end the following new
17 subparagraph:

18 “(D) the term ‘Consumer Price Index’ means
19 the Chained Consumer Price Index for all Urban
20 Consumers (C-CPI-U, published by the Bureau of
21 Labor Statistics of the Department of Labor).”.

22 (b) NO EFFECT ON ADJUSTMENTS UNDER OTHER
23 LAWS.—Section 215(i) of such Act (42 U.S.C. 415(i)), as
24 amended by subsection (b), is further amended by adding
25 at the end the following new paragraph:

1 “(7) Any provision of law (other than in this title)
2 which provides for adjustment of an amount based on a
3 change in benefit amounts resulting from a determination
4 made under this subsection shall be applied and adminis-
5 tered without regard to the amendments made by section
6 4 of the S.O.S. Act of 2016.”.

7 (c) EFFECTIVE DATE.—The amendments made by
8 this section shall apply to determinations made with re-
9 spect to cost-of-living computation quarters ending on or
10 after September 30, 2017.

11 **SEC. 6. MINIMUM SOCIAL SECURITY BENEFIT.**

12 (a) IN GENERAL.—Section 215 of the Social Security
13 Act (42 U.S.C. 415) is amended by adding at the end the
14 following:

15 “Minimum Monthly Insurance Benefit

16 “(j)(1) Notwithstanding the preceding provisions of
17 this section—

18 “(A) subject to paragraphs (4), (8), and (9),
19 the primary insurance amount of any individual who
20 is credited with greater than 10 years of coverage
21 and who initially becomes eligible for old-age or dis-
22 ability insurance benefits or dies (before becoming
23 eligible for such benefits) for a month beginning
24 after December 31, 2016 (in this subsection referred

1 to as a ‘qualified individual’), shall be equal to the
2 greater of—

3 “(i) the primary insurance amount deter-
4 mined under this section (without regard to this
5 subsection), or

6 “(ii) the minimum monthly insurance ben-
7 efit determined under paragraph (2), and

8 “(B) any recomputation of the primary insur-
9 ance amount of a qualified individual shall not result
10 in a primary insurance amount less than the pri-
11 mary insurance amount as in effect immediately
12 prior to such recomputation.

13 “(2) For purposes of this subsection, the term ‘min-
14 imum monthly insurance benefit’ means $\frac{1}{12}$ of the appli-
15 cable percentage of the adjusted minimum benefit level (as
16 defined in paragraph (6)).

17 “(3) For purposes of this subsection, subject to para-
18 graph (4), the applicable percentage shall be equal to—

19 “(A) for a qualified individual who has 20 years
20 of coverage or less, 100 percent reduced by 10 per-
21 centage points for each year of coverage less than
22 20;

23 “(B) for a qualified individual who has more
24 than 20 years of coverage but less than 40 years of

1 coverage, 125 percent reduced by 1.25 percentage
2 points for each year of coverage less than 40; and

3 “(C) for a qualified individual who has 40 years
4 of coverage or greater, 125 percent.

5 “(4)(A) In the case of an individual who initially be-
6 comes eligible for disability insurance benefits under sec-
7 tion 223 before attaining age 62, or who dies before at-
8 taining age 62, in a month beginning after December 31,
9 2016, and who is credited with at least 5 years of cov-
10 erage, the individual shall be treated as a qualified indi-
11 vidual and the applicable percentage shall be 125 reduced
12 by the number of percentage points determined under sub-
13 paragraph (B) for each year of coverage of the qualified
14 individual less than the number as determined under sub-
15 paragraph (C).

16 “(B) The number of percentage points under this
17 subparagraph shall be determined by—

18 “(i) dividing the number of the qualifying indi-
19 vidual’s elapsed years (as defined in subsection
20 (b)(2)(B)(iii)) by 40;

21 “(ii) multiplying the result under clause (i) by
22 20; and

23 “(iii) dividing 125 by the result under clause
24 (ii) and rounding to the nearest one hundredth of 1
25 percentage point.

1 “(C) The number of years of coverage under this sub-
2 paragraph shall be determined by multiplying the ratio de-
3 termined under subparagraph (B)(i) by 30 and rounding
4 to the next lower whole number.

5 “(5) For purposes of this subsection, a year of cov-
6 erage is a calendar year for which an individual is credited
7 with 4 quarters of coverage.

8 “(6) For purposes of this subsection—

9 “(A) for individuals who initially become eligible
10 for old-age or disability insurance benefits or die
11 (before becoming eligible for such benefits) in either
12 2017 or 2018, the term ‘adjusted minimum benefit
13 level’ means the product of—

14 “(i) the weighted average of the Federal
15 poverty threshold applicable to a family of 1 for
16 the year before such year (as determined by the
17 Bureau of the Census); and

18 “(ii) the applicable phase-in factor for such
19 calendar year (as determined under paragraph
20 (7)); and

21 “(B) for individuals who initially become eligi-
22 ble for old-age or disability insurance benefits or die
23 (before becoming eligible for such benefits) in a year
24 after 2018, the term ‘adjusted minimum benefit
25 level’ means the product of—

1 “(i) the amount determined under sub-
2 paragraph (A) for calendar year 2018, multi-
3 plied by the quotient described in subsection
4 (b)(3)(A)(ii), except that the reference to ‘the
5 computation base year for which the determina-
6 tion is made’ in such subsection shall be
7 deemed instead to be a reference to ‘2016’; and

8 “(ii) the applicable phase-in factor for such
9 calendar year (as determined under paragraph
10 (7)).

11 “(7) For purposes of paragraph (6), the applicable
12 phase-in factor shall be equal to—

13 “(A) for calendar year 2017, 40 percent;

14 “(B) for each calendar year during the period
15 between 2018 through 2022, the applicable phase-in
16 factor under this paragraph for the preceding year
17 increased by 10 percentage points; and

18 “(C) for calendar year 2023 and each suc-
19 ceeding year, 100 percent.

20 “(8) The amount of the minimum monthly insurance
21 benefit of any individual under this subsection shall be re-
22 duced (but not below zero) by an amount equal to any
23 periodic benefit payable to such individual for such month
24 under a pension, annuity, retirement, or similar fund or
25 system which is based upon such individual’s earnings for

1 any service described in paragraphs (1) through (21) of
2 section 210(a).

3 “(9) The provisions of this subsection shall not apply
4 in the case of an individual—

5 “(A) whose primary insurance amount would
6 otherwise be computed under subsection (a)(7); or

7 “(B) whose wife’s insurance benefit or hus-
8 band’s insurance benefit under subsection (b) or (c)
9 of section 202 is determined pursuant to subsection
10 (b)(2)(A)(i)(II) or (c)(2)(A)(i)(II) of such section.”.

11 (b) CONFORMING AMENDMENT.—Section 202(a) of
12 such Act (42 U.S.C. 402(a)) is amended in the last sen-
13 tence by striking “section 215(a)” and inserting “section
14 215”.

15 **SEC. 7. ESTABLISHMENT OF AN INCREASED BENEFIT FOR**
16 **BENEFICIARIES ON ACCOUNT OF LONG-TERM**
17 **ELIGIBILITY.**

18 (a) IN GENERAL.—Section 202 of the Social Security
19 Act (42 U.S.C. 402) is amended by adding at the end the
20 following:

21 “(z) INCREASE IN BENEFIT AMOUNTS ON ACCOUNT
22 OF LONG-TERM ELIGIBILITY.—(1) In the case of an indi-
23 vidual who is a qualified beneficiary for a calendar year
24 after 2016, the amount of any monthly insurance benefit
25 of such qualified beneficiary under this section or section

1 223 for any month in such calendar year shall be in-
2 creased in accordance with paragraph (3).

3 “(2)(A) For purposes of this subsection, the term
4 ‘qualified beneficiary’ for a calendar year means an indi-
5 vidual in any case in which such calendar year begins at
6 least 20 years after the applicable date of eligibility for
7 such individual.

8 “(B) For purposes of this subsection, the applicable
9 date of eligibility for an individual is the date on which
10 the individual initially became eligible for monthly insur-
11 ance benefits under subsection (a) or section 223.

12 “(3)(A) The increase required under paragraph (1)
13 with respect to the monthly insurance benefit of an indi-
14 vidual who is a qualified beneficiary for a calendar year
15 shall be equal to the applicable percentage (specified for
16 such benefit in subparagraph (B)) of the full increase
17 amount for such calendar year (determined under sub-
18 paragraph (C)).

19 “(B) The applicable percentage specified for a
20 monthly insurance benefit under this subparagraph for a
21 calendar year is the percentage specified, in connection
22 with the number of years ending after the applicable date
23 of eligibility for such individual and before such calendar
24 year, in the following table:

| | |
|------------------------------------|--|
| “If the number of years is: | The applicable percentage is: |
| 20 | 20 percent |

| | |
|------------------|--------------|
| 21 | 40 percent |
| 22 | 60 percent |
| 23 | 80 percent |
| 24 or more | 100 percent. |

1 “(C)(i) Except as provided in clauses (ii) and (iii),
 2 the full increase amount determined under this subpara-
 3 graph for a calendar year in connection with the monthly
 4 insurance benefit of a qualified beneficiary is a dollar
 5 amount equal to 5 percent of the amount of the old-age
 6 insurance benefit that would apply to a hypothetical indi-
 7 vidual if—

8 “(I) on January 1 of the calendar year in which
 9 occurred the applicable eligibility date with respect
 10 to such individual, such hypothetical individual were
 11 fully insured, attained retirement age (as defined in
 12 section 216(l)(2)) and were otherwise eligible for,
 13 and applied for, old-age insurance benefits; and

14 “(II) such hypothetical individual had earnings
 15 equal to the national average wage index (as de-
 16 scribed in section 209(k)(1)) for each year beginning
 17 with the year in which the individual attained the
 18 age of 22 through the year in which the individual
 19 attained the age of 62.

20 “(ii)(I) In the case of a monthly insurance benefit
 21 under subsection (b) or (c), the full increase amount deter-
 22 mined under this subparagraph shall be one-half the
 23 amount determined under clause (i).

1 “(II) In the case of a monthly insurance benefit
2 under subsection (d), (g), or (h), the full increase amount
3 determined under this subparagraph shall be the percent-
4 age of the amount determined under clause (i) equal to
5 the ratio which the amount of such benefit bears to the
6 primary insurance amount (before the application of sec-
7 tion 203(a)) of the individual on whose wages and self-
8 employment income the monthly insurance benefit is
9 based.

10 “(4) In the case of a qualified beneficiary who is enti-
11 tled to 2 or more monthly insurance benefits under this
12 title for the same month—

13 “(A) the earliest applicable date of eligibility for
14 such beneficiary with respect to such benefits shall
15 be treated as the applicable date of eligibility for
16 such beneficiary for the purposes of this subsection;
17 and

18 “(B) such beneficiary shall be entitled to an in-
19 crease with respect only to one such benefit.

20 “(5) This subsection shall be applied to monthly in-
21 surance benefits after any increase under subsection (w)
22 and any applicable reductions and deductions under this
23 title.

24 “(6) For purposes of this subsection, in the case of
25 any individual who would otherwise have attained the sta-

1 tus of a qualified beneficiary prior to January 1, 2017,
2 such individual shall be treated as having attained such
3 status on such date.”.

4 (b) EFFECTIVE DATE.—The amendments made by
5 this section shall apply to benefits payable for months be-
6 ginning after December 31, 2016.

7 **SEC. 8. INCREASE IN BENEFIT COMPUTATION YEARS.**

8 (a) IN GENERAL.—Section 215(b)(2) of the Social
9 Security Act (42 U.S.C. 415(b)(2)(A)(I)) is amended—

10 (1) in subparagraph (A)(i), by striking “5
11 years” and inserting “the applicable number of
12 years specified in subparagraph (C)(i)”;

13 (2) in subparagraph (A)(ii)—

14 (A) by striking “one-fifth” and inserting
15 “the applicable fraction specified in subpara-
16 graph (C)(ii)”;

17 (B) by striking “5 years.” and inserting
18 “the applicable number of years specified in
19 subparagraph (C)(i).”; and

20 (3) by adding at the end of paragraph (2) the
21 following new subparagraph:

22 “(C)(i) For purposes of clauses (i) and (ii) of sub-
23 paragraph (A), the applicable number of years is the num-
24 ber of years set forth in the following table:

“If the calendar year in which the individual becomes eligible for the benefit involved, or dies (before becoming eligible for such benefit) is:

| | The applicable number of years is: |
|-------------------|---|
| Before 2017 | 5. |
| 2017 | 4. |
| 2018 | 3. |
| After 2018 | 2. |

1 “(ii) For purposes of clause (ii) of subparagraph (A),
 2 the applicable fraction is the fraction set forth in the fol-
 3 lowing table:

“If the calendar year in which the individual becomes eligible for disability insurance benefits is:

| | The applicable fraction is: |
|-------------------|------------------------------------|
| Before 2017 | 1/5. |
| 2017 | 1/6. |
| 2018 | 1/8. |
| After 2018 | 1/12.”. |

4 (b) **EFFECTIVE DATE.**—The amendments made by
 5 subsection (a) shall apply with respect to individuals who
 6 become eligible for monthly insurance benefits (or who die
 7 before becoming so eligible) in any calendar year after
 8 2016.

9 **SEC. 9. PROTECTION OF SOCIAL SECURITY TRUST FUNDS.**

10 (a) **PROTECTION OF SOCIAL SECURITY.**—Title III of
 11 the Congressional Budget Act of 1974 is amended by add-
 12 ing at the end the following new section:

13 “**LOCK-BOX FOR SOCIAL SECURITY**
 14 “**SEC. 316. (a) LOCK-BOX FOR SOCIAL SECURITY.**—
 15 “(1) **CONCURRENT RESOLUTIONS ON THE**
 16 **BUDGET.**—

1 “(A) IN GENERAL.—It shall not be in
2 order in the House of Representatives or the
3 Senate to consider any concurrent resolution on
4 the budget, or an amendment thereto or con-
5 ference report thereon, that would set forth to-
6 tals for any fiscal year with respect to the So-
7 cial Security Trust Funds that are less than the
8 totals of the Social Security Trust Funds for
9 that fiscal year as calculated in accordance with
10 a current services baseline.

11 “(B) EXCEPTION.—(i) Subparagraph (A)
12 shall not apply to the extent that a violation of
13 such subparagraph would result from an as-
14 sumption in the resolution, amendment, or con-
15 ference report, as applicable, of an increase in
16 outlays or a decrease in revenues and disburse-
17 ments relative to the baseline underlying that
18 resolution for social security reform legislation
19 for any such fiscal year.

20 “(ii) If a concurrent resolution on the
21 budget, or an amendment thereto or conference
22 report thereon, would be in violation of sub-
23 paragraph (A) because of an assumption of an
24 increase in outlays or a decrease in revenue re-
25 lative to the baseline underlying that resolution

1 for social security reform legislation for any
2 such fiscal year, then that resolution shall in-
3 clude a statement identifying any such increase
4 in outlays or decrease in revenues and disburse-
5 ments.

6 “(2) SPENDING AND TAX LEGISLATION.—

7 “(A) IN GENERAL.—It shall not be in
8 order in the House of Representatives or the
9 Senate to consider any bill, joint resolution,
10 amendment, motion, or conference report if—

11 “(i) the enactment of that bill or reso-
12 lution, as reported;

13 “(ii) the adoption and enactment of
14 that amendment; or

15 “(iii) the enactment of that bill or res-
16 olution in the form recommended in that
17 conference report,

18 would cause the totals for any fiscal year cov-
19 ered by the most recently agreed to concurrent
20 resolution on the budget with respect to the So-
21 cial Security Trust Funds to be less than the
22 totals of the Social Security Trust Funds for
23 that fiscal year as calculated in accordance with
24 the current services baseline.

1 “(B) EXCEPTION.—Subparagraph (A)
2 shall not apply to social security reform legisla-
3 tion.

4 “(b) ENFORCEMENT.—For purposes of enforcing any
5 point of order under subsection (a), the totals of the Social
6 Security Trust Funds for a fiscal year shall be the levels
7 set forth in the later of the report accompanying the con-
8 current resolution on the budget (or, in the absence of
9 such a report, placed in the Congressional Record prior
10 to the consideration of such resolution) or in the joint ex-
11 planatory statement of managers accompanying such reso-
12 lution.

13 “(c) ADDITIONAL CONTENT OF REPORTS ACCOM-
14 PANYING BUDGET RESOLUTIONS AND OF JOINT EXPLAN-
15 ATORY STATEMENTS.—The report accompanying any con-
16 current resolution on the budget and the joint explanatory
17 statement accompanying the conference report on each
18 such resolution shall include the levels of the totals in the
19 budget for each fiscal year set forth in such resolution and
20 of the revenues and disbursements in the Social Security
21 Trust Funds.

22 “(d) DEFINITIONS.—As used in this section, the term
23 ‘social security reform legislation’ means a bill or a joint
24 resolution to save social security that includes a provision
25 stating the following: ‘For purposes of section 316(a) of

1 the Congressional Budget Act of 1974, this Act con-
2 stitutes social security reform legislation.’.

3 “(e) WAIVER AND APPEAL.—Subsection (a) may be
4 waived or suspended in the Senate only by an affirmative
5 vote of three-fifths of the Members, duly chosen and
6 sworn. An affirmative vote of three-fifths of the Members
7 of the Senate, duly chosen and sworn, shall be required
8 in the Senate to sustain an appeal of the ruling of the
9 Chair on a point of order raised under this section.

10 “(f) EFFECTIVE DATE.—This section shall cease to
11 have any force or effect upon the enactment of social secu-
12 rity reform legislation.”.

13 (b) PRESIDENT’S BUDGET.—

14 (1) PROTECTION OF SOCIAL SECURITY.—If the
15 budget of the United States Government submitted
16 by the President under section 1105(a) of title 31,
17 United States Code, recommends totals for any fis-
18 cal year with respect to the Social Security Trust
19 Funds that are less than the totals of the Social Se-
20 curity Trust Funds for that fiscal year as calculated
21 in accordance with current services baseline, then it
22 shall include a detailed proposal for social security
23 reform legislation.

24 (2) EFFECTIVE DATE.—Subsection (a) shall
25 cease to have any force or effect upon the enactment

1 of social security reform legislation as defined by
2 section 316(d) of the Congressional Budget Act of
3 1974.

4 (c) CONFORMING AMENDMENT.—The table of con-
5 tents set forth in section 1(b) of the Congressional Budget
6 and Impoundment Control Act of 1974 is amended by
7 adding after the item for section 315 the following:

“Sec. 316. Lock-box for social security.”.