AN ACT  
To amend title II of the Social Security Act to increase old-age and survivors insurance benefits, to preserve insurance rights of permanently and totally disabled individuals, and to increase the amount of earnings permitted without loss of benefits, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Social Security Act Amendments of 1952”.

INCREASE IN BENEFIT AMOUNTS  
Benefits Computed by Conversion Table  

SEC. 2. (a) (1) Section 215 (c) (1) of the Social Security Act (relating to determinations made by use of the conversion table) is amended by striking out the table and inserting in lieu thereof the following new table:

<table>
<thead>
<tr>
<th>I</th>
<th>II</th>
<th>III</th>
</tr>
</thead>
<tbody>
<tr>
<td>If the primary insurance benefit (as determined under subsection (d)) is:</td>
<td>The primary insurance amount shall be:</td>
<td>And the average monthly wage for purpose of computing maximum benefits shall be:</td>
</tr>
<tr>
<td>$10</td>
<td>$25.00</td>
<td>$65.00</td>
</tr>
<tr>
<td>$11</td>
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</tr>
<tr>
<td>$49</td>
<td>$104.00</td>
<td>$221.00</td>
</tr>
</tbody>
</table>

(2) Section 215 (c) (2) of such Act is amended to read as follows:

"(2) In case the primary insurance benefit of an individual (determined as provided in subsection (d)) falls between the amounts on any two consecutive lines in column I of the table, the amount referred to in paragraphs (2) (B) and (3) of subsection (a) for such individual shall be the amount determined with respect to such benefit (under the applicable regulations in effect on May 1, 1952), increased by 12 1/2 per centum or $5, whichever is the larger, and further increased, if it is not then a multiple of $0.10, to the next higher multiple of $0.10."
(3) Section 215 (c) of such Act is further amended by inserting after paragraph (3) the following new paragraph:

"(4) For purposes of section 203 (a), the average monthly wage of an individual whose primary insurance amount is determined under paragraph (2) of this subsection shall be a sum equal to the average monthly wage which would result in such primary insurance amount upon application of the provisions of subsection (a) (1) of this section and without the application of subsection (e) (2) or (g) of this section; except that, if such sum is not a multiple of $1, it shall be rounded to the nearest multiple of $1."

Revision of the Benefit Formula; Revised Minimum and Maximum Amounts

(b) (1) Section 215 (a) (1) of the Social Security Act (relating to primary insurance amount) is amended to read as follows:

"(1) The primary insurance amount of an individual who attained age twenty-two after 1950 and with respect to whom not less than six of the quarters elapsing after 1950 are quarters of coverage shall be 55 per centum of the first $100 of his average monthly wage, plus 15 per centum of the next $200 of such wage; except that, if his average monthly wage is less than $48, his primary insurance amount shall be the amount appearing in column II of the following table on the line on which in column I appears his average monthly wage.

<table>
<thead>
<tr>
<th>Average Monthly Wage</th>
<th>Primary Insurance Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$34 or less</td>
<td>$25</td>
</tr>
<tr>
<td>$35 through $47</td>
<td>$26</td>
</tr>
</tbody>
</table>

(2) Section 203 (a) of such Act (relating to maximum benefits) is amended by striking out "$150" and "$40" wherever they occur and inserting in lieu thereof "$168.75" and "$45", respectively.

Effective Dates

(c) (1) The amendments made by subsection (a) shall, subject to the provisions of paragraph (2) of this subsection and notwithstanding the provisions of section 215 (f) (1) of the Social Security Act, apply in the case of lump-sum death payments under section 202 of such Act with respect to deaths occurring after, and in the case of monthly benefits under such section for any month after, August 1952.

(2) (A) In the case of any individual who is (without the application of section 202 (j) (1) of the Social Security Act) entitled to a monthly benefit under subsection (b), (c), (d), (e), (f), (g), or (h) of such section 202 for August 1952, whose benefit for such month is computed through use of a primary insurance amount determined under paragraph (1) or (2) of section 215 (c) of such Act, and who is entitled to such benefit for any succeeding month on the basis of the same wages and self-employment income, the amendments made by this section shall not (subject to the provisions of subparagraph (B) of this paragraph) apply for purposes of computing the amount of such benefit for such succeeding month. The amount of such benefit for such succeeding month shall instead be equal to the larger of (i) 112½ per centum of the amount of such benefit (after the application of sections 203 (a) and 215 (g) of the Social Security Act as in effect prior to the enactment of this Act) for August 1952, increased, if it is not a multiple of $0.10, to the next higher multiple of $0.10, or (ii) the amount of such benefit (after the application of sections 203 (a) and 215 (g) of the Social Security Act as in effect prior to the enactment of this Act) for August 1952, increased by an amount equal to...
the product obtained by multiplying $5 by the fraction applied to the primary insurance amount which was used in determining such benefit, and further increased, if such product is not a multiple of $0.10, to the next higher multiple of $0.10. The provisions of section 203 (a) of the Social Security Act, as amended by this section (and, for purposes of such section 203 (a), the provisions of section 215 (c) (4) of the Social Security Act, as amended by this section), shall apply to such benefit as computed under the preceding sentence of this subparagraph, and the resulting amount, if not a multiple of $0.10, shall be increased to the next higher multiple of $0.10.

(B) The provisions of subparagraph (A) shall cease to apply to the benefit of any individual for any month under title II of the Social Security Act, beginning with the first month after August 1952 for which (i) another individual becomes entitled, on the basis of the same wages and self-employment income, to a benefit under such title to which he was not entitled, on the basis of such wages and self-employment income, for August 1952; or (ii) another individual, entitled for August 1952 to a benefit under such title on the basis of the same wages and self-employment income, is not entitled to such benefit on the basis of such wages and self-employment income; or (iii) the amount of any benefit which would be payable on the basis of the same wages and self-employment income under the provisions of such title, as amended by this Act, differs from the amount of such benefit which would have been payable for August 1952 under such title, as so amended, if the amendments made by this Act had been applicable in the case of benefits under such title for such month.

(3) The amendments made by subsection (b) shall (notwithstanding the provisions of section 215 (f) (1) of the Social Security Act) apply in the case of lump-sum death payments under section 202 of such Act with respect to deaths occurring after August 1952, and in the case of monthly benefits under such section for months after August 1952.

Saving Provisions

(d) (1) Where—

(A) an individual was entitled (without the application of section 202 (j) (1) of the Social Security Act) to an old-age insurance benefit under title II of such Act for August 1952;

(B) two or more other persons were entitled (without the application of such section 202 (j) (1) ) to monthly benefits under such title for such month on the basis of the wages and self-employment income of such individual; and

(C) the total of the benefits to which all persons are entitled under such title on the basis of such individual's wages and self-employment income for any subsequent month for which he is entitled to an old-age insurance benefit under such title, would (but for the provisions of this paragraph) be reduced by reason of the application of section 203 (a) of the Social Security Act, as amended by this Act,

then the total of benefits, referred to in clause (C), for such subsequent month shall be reduced to whichever of the following is the larger:

(D) the amount determined pursuant to section 203 (a) of the Social Security Act, as amended by this Act; or

(E) the amount determined pursuant to such section, as in effect prior to the enactment of this Act, for August 1952 plus the excess of (i) the amount of his old-age insurance benefit for August 1952 computed as if the amendments made by the preceding subsections of this section had been applicable in the case of
such benefit for August 1952, over (ii) the amount of his old-age insurance benefit for August 1952.

(2) No increase in any benefit by reason of the amendments made by this section or by reason of paragraph (2) of subsection (c) of this section shall be regarded as a recomputation for purposes of section 215 (f) of the Social Security Act.

PRESERVATION OF INSURANCE RIGHTS OF PERMANENTLY AND TOTALLY DISABLED

Sec. 3. (a) (1) Section 213 (a) (2) (A) of the Social Security Act (defining quarter of coverage) is amended to read as follows:

"(A) The term 'quarter of coverage' means, in the case of any quarter occurring prior to 1951, a quarter in which the individual has been paid $50 or more in wages, except that no quarter any part of which was included in a period of disability (as defined in section 216 (i)), other than the initial quarter of such period, shall be a quarter of coverage. In the case of any individual who has been paid, in a calendar year prior to 1951, $3,000 or more in wages, each quarter of such year following his first quarter of coverage shall be deemed a quarter of coverage, excepting any quarter in such year in which such individual died or became entitled to a primary insurance benefit and any quarter succeeding such quarter in which he died or became so entitled, and excepting any quarter any part of which was included in a period of disability, other than the initial quarter of such period."

(2) Section 213 (a) (2) (B) (i) of such Act is amended to read as follows:

"(i) no quarter after the quarter in which such individual died shall be a quarter of coverage, and no quarter any part of which was included in a period of disability (other than the initial quarter and the last quarter of such period) shall be a quarter of coverage;"

(3) Section 213 (a) (2) (B) (iii) of such Act is amended by striking out "shall be a quarter of coverage" and inserting in lieu thereof "shall (subject to clause (i)) be a quarter of coverage".

(b) (1) Section 214 (a) (2) of the Social Security Act (defining fully insured individual) is amended by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) forty quarters of coverage, not counting as an elapsed quarter for purposes of subparagraph (A) any quarter any part of which was included in a period of disability (as defined in section 216 (i)) unless such quarter was a quarter of coverage."

(2) Section 214 (b) of such Act (defining currently insured individual) is amended by striking out the period and inserting in lieu thereof: "not counting as part of such thirteen-quarter period any quarter any part of which was included in a period of disability unless such quarter was a quarter of coverage."

(c) (1) Section 215 (b) (1) of the Social Security Act (defining average monthly wage) is amended by inserting after "excluding from such elapsed months any month in any quarter prior to the quarter in which he attained the age of twenty-two which was not a quarter of coverage" the following: "and any month in any quarter any part of which was included in a period of disability (as defined in section 216 (i)) unless such quarter was a quarter of coverage".
(2) Section 215 (b) (4) of such Act is amended to read as follows:

"(4) Notwithstanding the preceding provisions of this subsection, in computing an individual's average monthly wage, there shall not be taken into account—

"(A) any self-employment income of such individual for taxable years ending in or after the month in which he died or became entitled to old-age insurance benefits, whichever first occurred;

"(B) any wages paid such individual in any quarter any part of which was included in a period of disability unless such quarter was a quarter of coverage;

"(C) any self-employment income of such individual for any taxable year all of which was included in a period of disability."

(3) Section 215 (d) of such Act (relating to primary insurance benefit for purposes of conversion table) is amended by adding at the end thereof the following new paragraph:

"(5) In the case of any individual to whom paragraph (1), (2), or (4) of this subsection is applicable, his primary insurance benefit shall be computed as provided therein; except that, for purposes of paragraphs (1) and (2) and subparagraph (C) of paragraph (4), any quarter prior to 1951 any part of which was included in a period of disability shall be excluded from the elapsed quarters unless it was a quarter of coverage, and any wages paid in any such quarter shall not be counted.

(d) Section 216 of the Social Security Act (relating to certain definitions) is amended by adding after subsection (h) the following new subsection:

"Disability; Period of Disability

"(i) (1) The term 'disability' means (A) inability to engage in any substantially gainful activity by reason of any medically determinable physical or mental impairment which can be expected to be permanent, or (B) blindness; and the term 'blindness' means central visual acuity of 5/200 or less in the better eye with the use of correcting lenses. An eye in which the visual field is reduced to five degrees or less concentric contraction shall be considered for the purpose of this paragraph as having a central visual acuity of 5/200 or less. An individual shall not be considered to be under a disability unless he furnishes such proof of the existence thereof as may be required.

"(2) The term 'period of disability' means a continuous period of not less than six full calendar months (beginning and ending as hereinafter provided in this subsection) during which an individual was under a disability (as defined in paragraph (1)). No such period with respect to any disability shall begin as to any individual unless such individual, while under such disability, files an application for a disability determination. Except as provided in paragraph (4), a period of disability shall begin on whichever of the following days is the latest:

"(A) the day the disability began;

"(B) the first day of the one-year period which ends with the day before the day on which the individual filed such application; or

"(C) the first day of the first quarter in which he satisfies the requirements of paragraph (3).

A period of disability shall end on the day on which the disability ceases. No application for a disability determination which is filed more than three months before the first day on which a period of disability can begin (as determined under this paragraph) shall be
accepted as an application for the purposes of this paragraph, and no such application which is filed prior to July 1, 1953, shall be accepted.

"(3) The requirements referred to in paragraphs (2) (C) and (4) (B) are satisfied by an individual with respect to any quarter only if he had not less than—

"(A) six quarters of coverage (as defined in section 213 (a) (2)) during the thirteen-quarter period which ends with such quarter; and

"(B) twenty quarters of coverage during the forty-quarter period which ends with such quarter, not counting as part of the thirteen-quarter period specified in clause (A), or the forty-quarter period specified in clause (B), any quarter any part of which was included in a prior period of disability unless such quarter was a quarter of coverage.

"(4) If an individual files an application for a disability determination after June 1953, and before January 1955, with respect to a disability which began before July 1953, and continued without interruption until such application was filed, then the beginning day for the period of disability shall be whichever of the following days is the later:

"(A) the day such disability began; or

"(B) the first day of the first quarter in which he satisfies the requirements of paragraph (3)."

42 USC 401-419. (g) Title II of the Social Security Act is amended by adding after section 219 the following new sections:

"DISABILITY PROVISIONS INAPPLICABLE IF BENEFITS WOULD BE REDUCED

"SEC. 220. The provisions of this title relating to periods of disability shall not apply in the case of any monthly benefit or lump-sum death payment if such benefit or payment would be greater without the application of such provisions.

"DISABILITY DETERMINATIONS TO BE MADE BY STATE AGENCIES

"SEC. 221. (a) In the case of any individual, the determination of whether or not he is under a disability (as defined in section 216 (i) (1)) and of the day such disability began, and the determination of the day on which such disability ceases, shall be made by a State agency pursuant to an agreement entered into under subsection (b).

"(b) The Administrator shall enter into an agreement with each State which is willing to make such an agreement under which the State agency administering or supervising the administration of the State plan approved under title XIV, the State agency or agencies administering the State plan approved under the Vocational Rehabilitation Act, or the State agency administering the workmen’s compensation law of such State, as may be designated in the agreement, will make the determinations referred to in subsection (a) with respect to individuals in such State.

"(c) Notwithstanding the provisions of subsection (a), the Administrator may, after reasonable notice and opportunity for a hearing to an individual who has been determined by a State agency pursuant to an agreement under this section to be under a disability, determine that such individual is not under a disability or that such disability began on a day later than that determined by such agency. Such a determination by the Administrator shall be the determination used for purposes of section 216 (i) in lieu of that made by such State agency.
“(d) Each State which has an agreement with the Administrator under this section shall be entitled to receive from the Trust Fund, in advance or by way of reimbursement, as may be mutually agreed upon, the cost to the State of carrying out the agreement under this section. The Administrator shall from time to time certify such amount as is necessary for this purpose to the Managing Trustee and the Managing Trustee, prior to audit or settlement by the General Accounting Office, shall make payment from the Trust Fund at the time or times fixed by the Administrator, in accordance with such certification.

“(e) All money paid to a State under this section shall be used solely for the purposes for which it is paid; and any money which is so paid which is not used for such purposes shall be returned to the Treasury for deposit in the Trust Fund.”

(f) Notwithstanding the provisions of section 215 (f) (1) of the Social Security Act, the amendments made by subsections (a), (b), (c), and (d) of this section shall apply to monthly benefits under title II of the Social Security Act for months after June 1953, and to lump-sum death payments under such title in the case of deaths occurring after June 1953; but no recomputation of benefits by reason of such amendments shall be regarded as a recomputation for purposes of section 215 (f) of the Social Security Act.

(g) Notwithstanding the preceding provisions of this section and the amendments made thereby, such provisions and amendments shall cease to be in effect at the close of June 30, 1953, and after such amendments cease to be in effect any provision of law amended thereby shall be in full force and effect as though this Act had not been enacted.

**INCREASE IN AMOUNT OF EARNINGS PERMITTED WITHOUT DEDUCTIONS**

SEC. 4. (a) Paragraph (1) of subsection (b) of section 203 of the Social Security Act and paragraph (1) of subsection (c) of such section are each amended by striking out “$50” and inserting in lieu thereof “$75”.

(b) Paragraph (2) of subsection (b) of such section is amended by striking out “$50” and inserting in lieu thereof “$75”.

(c) Paragraph (2) of subsection (c) of such section is amended by striking out “$50” and inserting in lieu thereof “$75”.

(d) Subsections (e) and (g) of such section are each amended by striking out “$50” wherever it appears and inserting in lieu thereof “$75”.

(e) The amendments made by subsection (a) shall apply in the case of monthly benefits under title II of the Social Security Act for months after August 1952. The amendments made by subsection (b) shall apply in the case of monthly benefits under such title II for months in any taxable year (of the individual entitled to such benefits) ending after August 1952. The amendments made by subsection (c) shall apply in the case of monthly benefits under such title II for months in any taxable year (of the individual on the basis of whose wages and self-employment income such benefits are payable) ending after August 1952. The amendments made by subsection (d) shall apply in the case of taxable years ending after August 1952. As used in this subsection, the term “taxable year” shall have the meaning assigned to it by section 211 (e) of the Social Security Act.
“WORLD WAR II” in the heading and by adding at the end of such section the following new subsection:

“(e) (1) For purposes of determining entitlement to and the amount of any monthly benefit or lump-sum death payment payable under this title on the basis of the wages and self-employment income of any veteran (as defined in paragraph (4)), such veteran shall be deemed to have been paid wages (in addition to the wages, if any, actually paid to him) of $160 in each month during any part of which he served in the active military or naval service of the United States on or after July 25, 1947, and prior to January 1, 1954. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

“(A) a larger such benefit or payment, as the case may be, would be payable without its application; or
“(B) a benefit (other than a benefit payable in a lump sum unless it is a commutation of, or a substitute for, periodic payments) which is based, in whole or in part, upon the active military or naval service of such veteran on or after July 25, 1947, and prior to January 1, 1954, is determined by any agency or wholly owned instrumentality of the United States (other than the Veterans’ Administration) to be payable by it under any other law of the United States or under a system established by such agency or instrumentality.

The provisions of clause (B) shall not apply in the case of any monthly benefit or lump-sum death payment under this title if its application would reduce by $0.50 or less the primary insurance amount (as computed under section 215 prior to any recomputation thereof pursuant to subsection (f) of such section) of the individual on whose wages and self-employment income such benefit or payment is based.

“(2) Upon application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any veteran, the Federal Security Administrator shall make a decision without regard to clause (B) of paragraph (1) of this subsection unless he has been notified by some other agency or instrumentality of the United States that, on the basis of the military or naval service of such veteran on or after July 25, 1947, and prior to January 1, 1954, a benefit described in clause (B) of paragraph (1) has been determined by such agency or instrumentality to be payable by it. If he has not been so notified, the Federal Security Administrator shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (1) is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall so notify the Federal Security Administrator, and the Administrator shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection.

“(3) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits, or has a system of benefits which are based, in whole or in part, on military or naval service on or after July 25, 1947, and prior to January 1, 1954, shall, at the request of the Federal Security Administrator, certify to him, with respect to any veteran, such information as the Administrator deems necessary to carry out his functions under paragraph (2) of this subsection.

“(4) For the purposes of this subsection, the term ‘veteran’ means any individual who served in the active military or naval service of the United States at any time on or after July 25, 1947, and prior to January 1, 1954, and who, if discharged or released therefrom, was...
so discharged or released under conditions other than dishonorable after active service of ninety days or more or by reason of a disability or injury incurred or aggravated in service in line of duty; but such term shall not include any individual who died while in the active military or naval service of the United States if his death was inflicted (other than by an enemy of the United States) as lawful punishment for a military or naval offense."

(b) Section 205 (o) of the Social Security Act (relating to crediting of compensation under the Railroad Retirement Act) is amended by striking out "section 217 (a)" and inserting in lieu thereof "subsection (a) or (e) of section 217".

(c) (1) The amendments made by subsections (a) and (b) shall apply with respect to monthly benefits under section 202 of the Social Security Act for months after August 1952, and with respect to lump-sum death payments in the case of deaths occurring after August 1952, except that, in the case of any individual who is entitled, on the basis of the wages and self-employment income of any individual to whom section 217 (e) of the Social Security Act applies, to monthly benefits under such section 202 for August 1952, such amendments shall apply (A) only if an application for recomputation by reason of such amendments is filed by such individual, or any other individual, entitled to benefits under such section 202 on the basis of such wages and self-employment income, and (B) only with respect to such benefits for months after whichever of the following is the later: August 1952 or the seventh month before the month in which such application was filed. Recomputations of benefits as required to carry out the provisions of this paragraph shall be made notwithstanding the provisions of section 215 (f) (1) of the Social Security Act; but no such recomputation shall be regarded as a recomputation for purposes of section 215 (f) of such Act.

(2) In the case of any veteran (as defined in section 217 (e) (4) of the Social Security Act) who died prior to September 1952, the requirement in subsections (f) and (h) of section 202 of the Social Security Act that proof of support be filed within two years of the date of such death shall not apply if such proof is filed prior to September 1954.

(d) (1) Paragraph (1) of section 217 (a) of such Act is amended by striking out "a system established by such agency or instrumentality." in clause (B) and inserting in lieu thereof:

"a system established by such agency or instrumentality."

The provisions of clause (B) shall not apply in the case of any monthly benefit or lump-sum death payment under this title if its application would reduce by $0.50 or less the primary insurance amount (as computed under section 215 prior to any recomputation thereof pursuant to subsection (f) of such section) of the individual on whose wages and self-employment income such benefit or payment is based."

(2) The amendment made by paragraph (1) of this subsection shall apply only in the case of applications for benefits under section 202 of the Social Security Act filed after August 1952.

(e) (1) Section 101 (d) of the Social Security Act Amendments of 1950 is amended by changing the period at the end thereof to a comma and adding: "and except that in the case of any individual who died outside the forty-eight States and the District of Columbia on or after June 23, 1950, and prior to September 1950, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last sentence of section 202 (g) of the Social Security Act as in effect prior to the enactment of this Act shall
not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment under such section with respect to such deceased individual is filed by or on behalf of such person (whether or not legally competent) prior to the date of such interment or reinterment.

(2) In the case of any individual who died outside the forty-eight States and the District of Columbia after August 1950 and prior to January 1954, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, Puerto Rico, or the Virgin Islands for interment or reinterment, the last sentence of section 202 (i) of the Social Security Act shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment with respect to such deceased individual is filed under such section by or on behalf of such person (whether or not legally competent) prior to the expiration of two years after the date of such interment or reinterment.

TECHNICAL PROVISIONS

42 USC 402.

SEC. 6. (a) Section 215 (f) (2) of the Social Security Act (relating to recomputation of benefits) is amended to read as follows:

"(2) (A) Upon application by an individual entitled to old-age insurance benefits, the Administrator shall recompute his primary insurance amount if application therefor is filed after the twelfth month for which deductions under paragraph (1) or (2) of section 203 (b) have been imposed (within a period of thirty-six months) with respect to such benefit, not taking into account any month prior to September 1950 or prior to the earliest month for which the last previous computation of his primary insurance amount was effective, and if not less than six of the quarters elapsing after 1950 and prior to the quarter in which he filed such application are quarters of coverage.

"(B) Upon application by an individual who, in or before the month of filing of such application, attained the age of 75 and who is entitled to old-age insurance benefits for which the primary insurance amount was computed under subsection (a) (3) of this section, the Administrator shall recompute his primary insurance amount if not less than six of the quarters elapsing after 1950 and prior to the quarter in which he filed application for such recomputation are quarters of coverage.

"(C) A recomputation under subparagraphs (A) and (B) of this paragraph shall be made only as provided in subsection (a) (1) and shall take into account only such wages and self-employment income as would be taken into account under subsection (b) if the month in which application for recomputation is filed were deemed to be the month in which the individual became entitled to old-age insurance benefits. Such recomputation shall be effective for and after the month in which such application for recomputation is filed."

(b) Section 215 (f) of the Social Security Act is further amended by renumbering paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) In the case of any individual who became entitled to old-age insurance benefits in 1952 or in a taxable year which began in 1952 (and without the application of section 202 (j) (1)), or who died in 1952 or in a taxable year which began in 1952 but did not become entitled to such benefits prior to 1952, and who had self-employment income for a taxable year which ended within or with 1952 or which began in 1952, then upon application filed after the close of such taxable year by such individual or (if he died without filing such
application) by a person entitled to monthly benefits on the basis of such individual's wages and self-employment income, the Administrator shall recompute such individual's primary insurance amount. Such recomputation shall be made in the manner provided in the preceding subsections of this section (other than subsection (b) (4) (A) for computation of such amount, except that (A) the self-employment income closing date shall be the day following the quarter with or within which such taxable year ended, and (B) the self-employment income for any subsequent taxable year shall not be taken into account. Such recomputation shall be effective (A) in the case of an application filed by such individual, for and after the first month in which he became entitled to old-age insurance benefits, and (B) in the case of an application filed by any other person, for and after the month in which such person who filed such application for recomputation became entitled to such monthly benefits. No recomputation under this paragraph pursuant to an application filed after such individual's death shall affect the amount of the lump-sum death payment under subsection (i) of section 202, and no such recomputation shall render erroneous any such payment certified by the Administrator prior to the effective date of the recomputation.

(c) In the case of an individual who died or became (without the application of section 202 (j) (1) of the Social Security Act) entitled to old-age insurance benefits in 1952 and with respect to whom not less than six of the quarters elapsing after 1950 and prior to the quarter following the quarter in which he died or became entitled to old-age insurance benefits, whichever first occurred, are quarters of coverage, his wage closing date shall be the first day of such quarter of death or entitlement instead of the day specified in section 215 (b) (3) of such Act, but only if it would result in a higher primary insurance amount for such individual. The terms used in this paragraph shall have the same meaning as when used in title II of the Social Security Act.

(d) (1) Section 1 (q) of the Railroad Retirement Act of 1937, as amended, is amended by striking out "1950" and inserting in lieu thereof "1952".

(2) Section 5 (i) (1) (ii) of the Railroad Retirement Act of 1937, as amended, is amended to read as follows:

"(ii) will have rendered service for wages as determined under section 209 of the Social Security Act, without regard to subsection (a) thereof, of more than $75, or will have been charged under section 203 (e) of that Act with net earnings from self-employment of more than $75;"

(3) Section 5 (1) (6) of the Railroad Retirement Act of 1937, as amended, is amended by inserting "or (e)" after "section 217 (a)".

(e) In case the benefit of any individual for any month after August 1952 is computed under section 2 (c) (2) (A) of this Act through use of a benefit (after the application of sections 203 and 215 (g) of the Social Security Act as in effect prior to the enactment of this Act) for August 1952 which could have been derived from either of two (and not more than two) primary insurance amounts, and such primary insurance amounts differ from each other by not more than $0.10, then the benefit of such individual for such month of August 1952 shall, for the purposes of the last sentence of such section 2 (c) (2) (A), be deemed to have been derived from the larger of such two primary insurance amounts.
SEC. 7. Effective as of July 1, 1952, title XI of the Social Security Act (relating to general provisions) is amended by adding at the end thereof the following new section:

"EARNED INCOME OF BLIND RECIPIENTS"

"SEC. 1109. Notwithstanding the provisions of sections 2 (a) (7), 402 (a) (7), 1002 (a) (8), and 1402 (a) (8), a State plan approved under title I, IV, X, or XIV may until June 30, 1954, and thereafter shall provide that where earned income has been disregarded in determining the need of an individual receiving aid to the blind under a State plan approved under title X, the earned income so disregarded (but not in excess of the amount specified in section 1002 (a) (8)) shall not be taken into consideration in determining the need of any other individual for assistance under a State plan approved under title I, IV, X, or XIV."

SEC. 8. (a) Section 3 (a) of the Social Security Act is amended to read as follows:

"SEC. 3. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for old-age assistance, for each quarter, beginning with the quarter commencing October 1, 1952, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as old-age assistance, equal to the sum of the following proportions of the total amounts expended during such quarter as old-age assistance under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $55—

(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $25 multiplied by the total number of such individuals who received old-age assistance for such month; plus

(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as old-age assistance, equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30, and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose."

(b) Section 403 (a) of such Act is amended to read as follows:

"SEC. 403. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to dependent children, for each quarter, beginning with the quarter commencing October 1, 1952, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to dependent children, equal to the sum of the following proportions of the total amounts expended during such quarter as aid to dependent children under the State plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds $30, or if there is more than one dependent child in the same home, as exceeds $30 with respect to one such dependent child and $21 with respect to each of the other dependent children, and not counting so much of such expenditure for any month with
respect to a relative with whom any dependent child is living as exceeds $30—

"(A) four-fifths of such expenditures, not counting so much of the expenditures with respect to any month as exceeds the product of $15 multiplied by the total number of dependent children and other individuals with respect to whom aid to dependent children is paid for such month, plus

"(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to dependent children, equal to one-half of the total of the sums expended during such quarter as aid to dependent children under the State plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds $18, or if there is more than one dependent child in the same home, as exceeds $18 with respect to one such dependent child and $12 with respect to each of the other dependent children; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $55—

"(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $25 multiplied by the total number of such individuals who received aid to the blind for such month, plus

"(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the blind, equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan, which amount shall be used for paying the costs of administering the State plan or for aid to dependent children, or both, and for no other purpose.

(c) Section 1003 (a) of such Act is amended to read as follows:

"Sec. 1003. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the blind, for each quarter, beginning with the quarter commencing October 1, 1952, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the blind, equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $55—

"(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $25 multiplied by the total number of such individuals who received aid to the blind for such month, plus

"(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the blind, equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as aid to the blind under the State plan, which amount shall be used for paying the costs of administering the State plan or for aid to the blind, or both, and for no other purpose.

(d) Section 1403 (a) of such Act is amended to read as follows:

"Sec. 1403. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the permanently and totally disabled, for each quarter, beginning with the quarter commencing October 1, 1952, (1) in the case of any State other than Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the permanently and totally disabled, equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of
such expenditure with respect to any individual for any month as exceeds $55—

“(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $25 multiplied by the total number of such individuals who received aid to the permanently and totally disabled for such month, plus

“(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A);

and (2) in the case of Puerto Rico and the Virgin Islands, an amount, which shall be used exclusively as aid to the permanently and totally disabled, equal to one-half of the total of the sums expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of such expenditure with respect to any individual for any month as exceeds $30; and (3) in the case of any State, an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for aid to the permanently and totally disabled, or both, and for no other purpose.”

(e) The amendments made by this section shall be effective for the period beginning October 1, 1952, and ending with the close of September 30, 1954, and after such amendments cease to be in effect any provision of law amended thereby shall be in full force and effect as though this Act had not been enacted.

Approved July 18, 1952.