Public Law 85-839

AN ACT

To prohibit trading in onion futures on commodity exchanges.

August 28, 1958
[H. R. 376]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no contract for the sale of onions for future delivery shall be made on or subject to the rules of any board of trade in the United States. The terms used in this Act shall have the same meaning as when used in the Commodity Exchange Act.

Onions.

(b) Any person who shall violate the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof be fined not more than $5,000.

Penalty.

SEC. 2. This Act shall take effect thirty days after its enactment.

Effective date.

Approved August 28, 1958.

Public Law 85-840

AN ACT

To increase benefits under the Federal Old-Age, Survivors, and Disability Insurance System, to improve the actuarial status of the Trust Funds of such System, and otherwise improve such System; to amend the public assistance and maternal and child health and welfare provisions of the Social Security Act; and for other purposes.

August 28, 1958
[H. R. 13549]

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 Amendments of 1958".

Social Security Amendments of 1958.
Ante, p. 964.

TITLE I—INCREASE IN BENEFITS UNDER TITLE II OF THE SOCIAL SECURITY ACT

INCREASE IN BENEFIT AMOUNTS

Primary Insurance Amount

SEC. 101. (a) Subsection (a) of section 215 of the Social Security Act is amended to read as follows:

64 Stat. 506.
42 USC 415.

"Primary Insurance Amount

"(a) Subject to the conditions specified in subsections (b), (c), and (d) of this section, the primary insurance amount of an insured individual shall be whichever of the following is the largest:

"(1) The amount in column IV on the line on which in column III of the following table appears his average monthly wage (as determined under subsection (b));

"(2) The amount in column IV on the line on which in column II of the following table appears his primary insurance amount (as determined under subsection (c));

"(3) The amount in column IV on the line on which in column I of the following table appears his primary insurance benefit (as determined under subsection (d)); or

"(4) In the case of an individual who was entitled to a disability insurance benefit for the month before the month in which he became entitled to old-age insurance benefits or died, the amount in column IV which is equal to his disability insurance benefit.

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"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

"I "(Primary insurance benefit under 1939 Act, as modified)		II (Primary insurance amount under 1954 Act)		III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
"If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—		Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203 (a)) on the basis of his wages and self-employment income shall be—
"At least—	But not more than—	At least—	But not more than—	At least—	But not more than—		
----------	$10.00	----------	$30.00	----------	$54	$33	$53.00
"$10.01	10.48	$30.10	31.00	$55	56	34	54.00
10.49	11.00	31.10	32.00	57	58	35	55.00
11.01	11.48	32.10	33.00	59	60	36	56.00
11.49	12.00	33.10	34.00	61	61	37	57.00
12.01	12.48	34.10	35.00	62	63	38	58.00
12.49	13.00	35.10	36.00	64	65	39	59.00
13.01	13.48	36.10	37.00	66	67	40	60.00
13.49	14.00	37.10	38.00	68	69	41	61.50
14.01	14.48	38.10	39.00	70	70	42	63.00
14.49	15.00	39.10	40.00	71	72	43	64.50
15.01	15.60	40.10	41.00	73	74	44	66.00
15.61	16.20	41.10	42.00	75	76	45	67.50
16.21	16.84	42.10	43.00	77	78	46	69.00
16.85	17.60	43.10	44.00	79	80	47	70.50
17.61	18.40	44.10	45.00	81	81	48	72.00
18.41	19.24	45.10	46.00	82	83	49	73.50
19.25	20.00	46.10	47.00	84	85	50	75.00
20.01	20.64	47.10	48.00	86	87	51	76.50
20.65	21.28	48.10	49.00	88	89	52	78.00
21.29	21.88	49.10	50.00	90	90	53	79.50
21.89	22.28	50.10	50.90	91	92	54	81.00
22.29	22.68	51.00	51.80	93	94	55	82.50
22.69	23.08	51.90	52.80	95	96	56	84.00
23.09	23.44	52.90	53.70	97	97	57	85.50
23.45	23.76	53.80	54.60	98	99	58	87.00
23.77	24.20	54.70	55.60	100	101	59	88.50
24.21	24.60	55.70	56.50	102	102	60	90.00
24.61	25.00	56.60	57.40	103	104	61	91.50
25.01	25.48	57.50	58.40	105	106	62	93.00
25.49	25.92	58.50	59.30	107	107	63	94.50
25.93	26.40	59.40	60.20	108	109	64	96.00
26.41	26.94	60.30	61.20	110	113	65	97.50
26.95	27.46	61.30	62.10	114	118	66	99.00
27.47	28.00	62.20	63.00	119	122	67	100.50
28.01	28.68	63.10	64.00	123	127	68	102.00
28.69	29.25	64.10	64.90	128	132	69	105.60
29.26	29.68	65.00	65.80	133	136	70	108.80
29.69	30.36	65.90	66.80	137	141	71	112.80
30.37	30.92	66.90	67.70	142	146	72	116.80
30.93	31.36	67.80	68.60	147	150	73	120.00
31.37	32.00	68.70	69.60	151	155	74	124.00
32.01	32.60	69.70	70.50	156	160	75	128.00
32.61	33.20	70.60	71.40	161	164	76	131.20
33.21	33.88	71.50	72.40	165	169	77	135.20
33.89	34.50	72.50	73.30	170	174	78	139.20
34.51	35.00	73.40	74.20	175	178	79	142.40
35.01	35.80	74.30	75.20	179	183	80	146.40
35.81	36.40	75.30	76.10	184	188	81	150.40
36.41	37.08	76.20	77.10	189	193	82	154.40
37.09	37.60	77.20	78.00	194	197	83	157.60
37.61	38.20	78.10	78.90	198	202	84	161.60
38.21	30.12	79.00	79.90	203	207	85	165.60
39.13	39.68	80.00	80.80	208	211	86	168.80
39.69	40.33	80.90	81.70	212	216	87	172.80
40.34	41.12	81.80	82.70	217	221	88	176.80
41.13	41.76	82.80	83.60	222	225	89	180.00
41.77	42.44	83.70	84.50	226	230	90	184.00
42.45	43.20	84.60	85.50	231	235	91	188.00
43.21	43.76	85.60	86.40	236	239	92	191.20
43.77	44.44	86.50	87.30	240	244	93	195.20
44.45	44.88	87.40	88.30	245	249	94	199.20
44.89	45.60	88.40	89.20	250	253	95	202.40
		89.30	90.10	254	258	96	206.40
		90.20	91.10	259	263	97	210.40
		91.20	92.00	264	267	98	213.60
		92.10	92.90	268	272	99	217.60
		93.00	93.90	273	277	100	221.60
		94.00	94.80	278	281	101	224.80
		94.90	95.80	282	286	102	228.80

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"I		II		III		IV	V
"(Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount under 1954 Act)		(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
"If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—		Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203 (a)) on the basis of his wages and self-employment income shall be—
"At least—	But not more than—	At least—	But not more than—	At least—	But not more than—		
		"$95.90	$96.70	$287	$291	$103	$232.80
		96.80	97.60	292	295	104	236.00
		97.70	98.60	296	300	105	240.00
		98.70	99.50	301	305	106	244.00
		99.60	100.40	306	309	107	247.20
		100.50	101.40	310	314	108	251.20
		101.50	102.30	315	319	109	254.00
		102.40	103.20	320	323	110	254.00
		103.30	104.20	324	328	111	254.00
		104.30	105.10	329	333	112	254.00
		105.20	106.00	334	337	113	254.00
		106.10	107.00	338	342	114	254.00
		107.10	107.90	343	347	115	254.00
		108.00	108.50	348	351	116	254.00
				352	356	117	254.00
				357	361	118	254.00
				362	365	119	254.00
				366	370	120	254.00
				371	375	121	254.00
				376	379	122	254.00
				380	384	123	254.00
				385	389	124	254.00
				390	393	125	254.00
				394	398	126	254.00
				399	400	127	254.00"

Average Monthly Wage

(b) (1) Section 215 (b) (1) of such Act is amended by striking out "An" and inserting in lieu thereof the following: "For the purposes of column III of the table appearing in subsection (a) of this section, an". 42 USC 415.

(2) Such section 215 (b) is further amended by adding at the end thereof the following paragraph:

"(5) The provisions of this subsection shall be applicable only in the case of an individual with respect to whom not less than six of the quarters elapsing after 1950 are quarters of coverage, and—

"(A) who becomes entitled to benefits under section 202 (a) or section 223 after December 1958, or 42 USC 402, 423. *Post*, pp. 1020, 1021.

"(B) who dies after such month without being entitled to benefits under such section 202 (a) or section 223, or

"(C) who files an application for a recomputation under section 215 (f) (2) (A) after such month and is (or would, but for the provisions of section 215 (f) (6), be) entitled to have his primary insurance amount recomputed under such section, or

"(D) who dies after such month and whose survivors are (or would, but for the provisions of section 215 (f) (6), be) entitled to a recomputation of his primary insurance amount under section 215 (f) (4); or

"(E) who files an application for a recomputation under subparagraph (B) of section 102 (f) (2) of the Social Security Amendments of 1954 after such month and is (or would, but for the fact that such recomputation would not result in a higher primary insurance amount for such individual, be) entitled to have his primary insurance amount recomputed under such subparagraph." 68 Stat. 1062. 42 USC 415 note.

Primary Insurance Amount Under 1954 Act

42 USC 415.

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

"Primary Insurance Amount Under 1954 Act

"(c) (1) For the purposes of column II of the table appearing in subsection (a) of this section, an individual's primary insurance amount shall be computed as provided in, and subject to the limitations specified in, (A) this section as in effect prior to the enactment of the Social Security Amendments of 1958, and (B) the applicable provisions of the Social Security Amendments of 1954.

68 Stat. 1052.

"(2) The provisions of this subsection shall be applicable only in the case of an individual—

"(A) who became entitled to benefits under section 202 (a) or section 223 or died prior to January 1959, and

42 USC 402, 423. Post, pp. 1020, 1021.

"(B) to whom the provisions of paragraph (5) of subsection (b) are not applicable."

Primary Insurance Benefit Under 1939 Act

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

"Primary Insurance Benefit Under 1939 Act

"(d) (1) For the purposes of column I of the table appearing in subsection (a) of this section, an individual's primary insurance benefit shall be computed as provided in this title as in effect prior to the enactment of the Social Security Act Amendments of 1950, except that—

64 Stat. 477. 42 USC 301 note. Post, p. 1051. 42 USC 409.

"(A) In the computation of such benefit, such individual's average monthly wage shall (in lieu of being determined under section 209 (f) of such title as in effect prior to the enactment of such amendments) be determined as provided in subsection (b) of this section (but without regard to paragraph (5) thereof), except that his starting date shall be December 31, 1936.

"(B) For purposes of such computation, the date he became entitled to old-age insurance benefits shall be deemed to be the date he became entitled to primary insurance benefits.

"(C) The 1 per centum addition provided for in section 209 (e) (2) of this Act as in effect prior to the enactment of the Social Security Act Amendments of 1950 shall be applicable only with respect to calendar years prior to 1951, except that any wages paid in any year prior to such year any part of which was included in a period of disability shall not be counted. Notwithstanding the preceding sentence, the wages paid in the year in which such period of disability began shall be counted if the counting of such wages would result in a higher primary insurance amount.

"(D) The provisions of subsection (e) shall be applicable to such computation.

"(2) The provisions of this subsection shall be applicable only in the case of an individual—

"(A) with respect to whom at least one of the quarters elapsing prior to 1951 is a quarter of coverage;

"(B) who meets the requirements of any of the subparagraphs of paragraph (5) of subsection (b) of this section; and

"(C) who attained age 22 after 1950 and with respect to whom less than six of the quarters elapsing after 1950 are quarters of coverage, or who attained such age before 1951."

Minimum Survivors or Dependents Benefit

(e) Section 202 (m) of the Social Security Act is amended by striking out "$30" wherever it occurs and inserting in lieu thereof "the first figure in column IV of the table in section 215 (a)". 68 Stat. 1073. 42 USC 402.

Maximum Benefits

(f) Subsection (a) of section 203 of the Social Security Act is amended to read as follows: 42 USC 403.

"Maximum Benefits

"(a) Whenever the total of monthly benefits to which individuals are entitled under sections 202 and 223 for a month on the basis of the wages and self-employment income of an insured individual is greater than the amount appearing in column V of the table in section 215 (a) on the line on which appears in column IV such insured individual's primary insurance amount, such total of benefits shall be reduced to such amount; except that— 42 USC 402, 423. *Post*, pp. 1020-1024. *Ante*, pp. 1013, 1015, 1016. *Post*, pp. 1020, 1025.

"(1) when any of such individuals so entitled would (but for the provisions of section 202 (k) (2) (A)) be entitled to child's insurance benefits on the basis of the wages and self-employment income of one or more other insured individuals, such total of benefits shall not be reduced to less than the smaller of: (A) the sum of the maximum amounts of benefits payable on the basis of the wages and self-employment income of all such insured individuals, or (B) the last figure in column V of the table appearing in section 215 (a), or

"(2) when any of such individuals was entitled (without the application of section 202 (j) (1) and section 223 (b)) to monthly benefits under section 202 or section 223 for December 1958, and the primary insurance amount of the insured individual on the basis of whose wages and self-employment income such monthly benefits are payable is determined under the provisions of section 215 (a) (2), then such total benefits shall not be reduced to less than the larger of—

"(A) the amount determined under this subsection without regard to this paragraph, or

"(B) the amount determined under this subsection as in effect prior to the enactment of the Social Security Amendments of 1958 or the amount determined under section 102 (h) of the Social Security Amendments of 1954, as the case may be, plus the excess of— 68 Stat. 1072. 42 USC 403 note.

"(i) the primary insurance amount of such insured individual in column IV of the table appearing in section 215 (a), over *Ante*, p. 1016.

"(ii) his primary insurance amount determined under section 215 (c), or

"(3) when any of such individuals is entitled (without the application of section 202 (j) (1) and section 223 (b)) to monthly benefits based on the wages and self-employment income of an insured individual with respect to whom a period of disability (as defined in section 216 (i)) began prior to January 1959 and continued until— 42 USC 416. *Post*, pp. 1020, 1021.

"(A) he became entitled to benefits under section 202 or 223, or

"(B) he died, which ever first occurred,

42 USC 415. *Ante*, p. 1013.

and the primary insurance amount of such insured individual is determined under the provisions of section 215 (a) (1) or (3) and is not less than $68, then such total of benefits shall not be reduced to less than the smaller of—

"(C) the last figure in column V of the table appearing in section 215 (a), or

"(D) the amount in column V of such table on the same line on which, in column IV, appears his primary insurance amount, plus the excess of—

"(i) such primary insurance amount, over

"(ii) the smaller amount in column II of the table on the line on which appears such primary insurance amount.

In any case in which benefits are reduced pursuant to the preceding provisions of this subsection, such reduction shall be made after any deductions under this section and after any deductions under section 222 (b). Whenever a reduction is made under this subsection, each benefit, except the old-age or disability insurance benefit, shall be proportionately decreased."

42 USC 422. *Post*, pp. 1025, 1032.

Effective Date

(g) The amendments made by this section shall be applicable in the case of monthly benefits under title II of the Social Security Act, for months after December 1958, and in the case of the lump-sum death payments under such title, with respect to deaths occurring after such month.

42 USC 401-425.

Primary Insurance Amount for Certain Disability Insurance Beneficiaries

(h) If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act for December 1958, and became entitled to old-age insurance benefits under section 202 (a) of such Act, or died, in January 1959, then, for purposes of paragraph (4) of section 215 (a) of the Social Security Act, as amended by this Act, the amount in column IV of the table appearing in such section 215 (a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under subsection (c) of such section 215) instead of the amount in column IV equal to his disability insurance benefit.

Post, pp. 1020, 1021.

42 USC 402.

Saving Provision

(i) In the case of any individual to whom the provisions of subsection (b) (5) of section 215 of the Social Security Act, as amended by this Act, are applicable and on the basis of whose wages and self-employment income benefits are payable for months prior to January 1959, his primary insurance amount for purposes of benefits for such prior months shall, if based on an application for such benefits or for a recomputation of such amount, as the case may be, filed after December 1958, be determined under such section 215, as in effect prior to the enactment of this Act, and, if such individual's primary insurance amount as so determined is larger than the primary insurance amount determined for him under section 215 as amended by this Act, such larger primary insurance amount (increased to the next higher dollar if it is not a multiple of a dollar) shall, for months after December 1958, be his primary insurance amount for purposes of such section

42 USC 415.

215 (and of the other provisions) of the Social Security Act as amended by this Act in lieu of the amount determined without regard to this subsection.

INCREASE IN EARNINGS BASE FROM $4,200 TO $4,800

Definition of Wages

SEC. 102. (a) (1) Paragraph (2) of section 209 (a) of the Social Security Act is amended to read as follows: 42 USC 409.

"(2) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $4,200 with respect to employment has been paid to an individual during any calendar year after 1954 and prior to 1959, is paid to such individual during such calendar year;".

(2) Section 209 (a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(3) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $4,800 with respect to employment has been paid to an individual during any calendar year after 1958, is paid to such individual during such calendar year;".

Definition of Self-Employment Income

(b) Paragraph (1) of section 211 (b) of the Social Security Act is amended to read as follows: 42 USC 411.

"(1) That part of the net earnings from self-employment which is in excess of—

"(A) For any taxable year ending prior to 1955, (i) $3,600, minus (ii) the amount of the wages paid to such individual during the taxable year; and

"(B) For any taxable year ending after 1954 and prior to 1959, (i) $4,200, minus (ii) the amount of the wages paid to such individual during the taxable year; and

"(C) For any taxable year ending after 1958, (i) $4,800, minus (ii) the amount of the wages paid to such individual during the taxable year; or".

Definitions of Quarter and Quarter of Coverage

(c) Clauses (ii) and (iii) of section 213 (a) (2) (B) of the Social Security Act are amended to read as follows: 42 USC 413.

"(ii) if the wages paid to any individual in any calendar year equal $3,600 in the case of a calendar year after 1950 and before 1955, or $4,200 in the case of a calendar year after 1954 and before 1959, or $4,800 in the case of a calendar year after 1958, each quarter of such year shall (subject to clause (i)) be a quarter of coverage;

"(iii) if an individual has self-employment income for a taxable year, and if the sum of such income and the wages paid to him during such year equals $3,600 in the case of a taxable year beginning after 1950 and ending before 1955, or $4,200 in the case of a taxable year ending after 1954 and before 1959, or $4,800 in the case of a taxable year ending after 1958, each quarter any part of which falls in such year shall (subject to clause (i)) be a quarter of coverage;".

Average Monthly Wage

42 USC 415.

(d) (1) Paragraph (1) of section 215 (e) of such Act is amended to read as follows:

"(1) in computing an individual's average monthly wage there shall not be counted the excess over $3,600 in the case of any calendar year after 1950 and before 1955, the excess over $4,200 in the case of any calendar year after 1954 and before 1959, and the excess over $4,800 in the case of any calendar year after 1958, of (A) the wages paid to him in such year, plus (B) the self-employment income credited to such year (as determined under section 212);".

(2) Section 215 (e) of such Act is further amended by striking out "(d) (4)" each place it appears and inserting in lieu thereof "(d)".

TITLE II—AMENDMENTS RELATING TO DISABILITY FREEZE AND DISABILITY INSURANCE BENEFITS

APPLICATION FOR DISABILITY DETERMINATION

42 USC 416.

SEC. 201. Section 216 (i) (2) of the Social Security Act is amended—

(1) by striking out "while under a disability," in the second sentence and inserting in lieu thereof "while under such disability,"; and

(2) by striking out "one-year" in clause (ii) of subparagraph (A) and inserting in lieu thereof "eighteen-month".

RETROACTIVE PAYMENT OF DISABILITY INSURANCE BENEFITS

42 USC 423.

SEC. 202. (a) Section 223 (b) of such Act is amended by adding at the end thereof the following new sentence: "An individual who would have been entitled to a disability insurance benefit for any month after June 1957 had he filed application therefor prior to the end of such month shall be entitled to such benefit for such month if he files application therefor prior to the end of the twelfth month immediately succeeding such month."

(b) The first sentence of section 223 (c) (3) of such Act (defining the term "waiting period" for purposes of applications for disability insurance benefits) is amended to read as follows:

"(3) The term 'waiting period' means, in the case of any application for disability insurance benefits, the earliest period of six consecutive calendar months—

"(A) throughout which the individual who files such application has been under a disability which continues until such application is filed, and

"(B) (i) which begins not earlier than with the first day of the eighteenth month before the month in which such application is filed if such individual is insured for disability insurance benefits in such eighteenth month, or (ii) if he is not so insured in such month, which begins not earlier than with the first day of the first month after such eighteenth month in which he is so insured."

RETROACTIVE EFFECT OF APPLICATIONS FOR DISABILITY DETERMINATION

SEC. 203. Paragraph (4) of section 216 (i) of such Act is amended by striking out "July 1957" and inserting in lieu thereof "July 1960", by striking out "July 1958" and inserting in lieu thereof "July 1961", and by striking out ", if such individual does not die prior to July 1, 1955,". 42 USC 416.

INSURED STATUS REQUIREMENTS

Disability Freeze

SEC. 204. (a) Paragraph (3) of section 216 (i) of such Act is amended to read as follows:

"(3) The requirements referred to in clauses (A) and (B) of paragraphs (2) and (4) are satisfied by an individual with respect to any quarter only if—

"(A) he would have been a fully insured individual (as defined in section 214) had he attained retirement age and filed application for benefits under section 202 (a) on the first day of such quarter; and 42 USC 414. 42 USC 402.

"(B) he had not less than twenty quarters of coverage during the forty-quarter period which ends with such quarter, not counting as part of such forty-quarter period any quarter any part of which was included in a prior period of disability unless such quarter was a quarter of coverage;

except that the provisions of subparagraph (A) of this paragraph shall not apply in the case of any individual with respect to whom a period of disability would, but for such subparagraph, begin prior to 1951."

Disability Insurance Benefits

(b) Section 223 (c) (1) (A) of such Act is amended by striking out "fully and currently insured" and inserting in lieu thereof "fully insured". 42 USC 423.

BENEFITS FOR THE DEPENDENTS OF DISABILITY INSURANCE BENEFICIARIES

Payments from Disability Insurance Trust Fund

SEC. 205. (a) The first sentence of section 201 (h) of such Act is amended by inserting ", and benefit payments required to be made under subsection (b), (c), or (d) of section 202 to individuals entitled to benefits on the basis of the wages and self-employment income of an individual entitled to disability insurance benefits," after "section 223". 42 USC 401. 42 USC 402,423.

Wife's Insurance Benefits

(b) (1) Subsection (b) of section 202 of such Act is amended by inserting "or disability" after "old-age" wherever it appears therein. 42 USC 402.

(2) So much of paragraph (1) of such subsection as follows the colon is amended by striking out "or" the first time it appears and inserting immediately before the period at the end of such paragraph ", or her husband is not entitled to disability insurance benefits and is not entitled to old-age insurance benefits".

Husband's Insurance Benefits

42 USC 402.

(c) (1) Subparagraph (C) of subsection (c) (1) of such section 202 is amended to read as follows:

"(C) was receiving at least one-half of his support, as determined in accordance with regulations prescribed by the Secretary, from such individual—

"(i) if she had a period of disability which did not end prior to the month in which she became entitled to old-age or disability insurance benefits, at the beginning of such period or at the time she became entitled to such benefits, or

"(ii) if she did not have such a period of disability, at the time she became entitled to such benefits,

and filed proof of such support within two years after the month in which she filed application with respect to such period of disability or after the month in which she became entitled to such benefits, as the case may be, or, if she did not have such a period, two years after the month in which she became entitled to such benefits, and".

(2) The remainder of such subsection (c) (1) is amended by inserting "or disability" after "old-age" wherever it appears therein.

(3) So much of such subsection (c) (1) as follows the colon is further amended by striking out "or" the first time it appears and inserting immediately before the period at the end thereof ", or his wife is not entitled to disability insurance benefits and is not entitled to old-age insurance benefits".

Child's Insurance Benefits

42 USC 402.
Post, p. 1028.

(d) Section 202 (d) (1) of such Act is amended to read as follows:

"(d) (1) Every child (as defined in section 216 (e)) of an individual entitled to old-age or disability insurance benefits, or of an individual who dies a fully or currently insured individual after 1939, if such child—

"(A) has filed application for child's insurance benefits,

"(B) at the time such application was filed was unmarried and either (i) had not attained the age of eighteen or (ii) was under a disability (as defined in section 223 (c)) which began before he attained the age of eighteen, and

Ante, p. 1020.

"(C) was dependent upon such individual—

"(i) if such individual had a period of disability which did not end prior to the month in which he became entitled to old-age or disability insurance benefits or (if he has died) prior to the month in which he died, at the beginning of such period or at the time he became entitled to such benefits or died,

"(ii) if such individual did not have such a period and is living, at the time such application was filed, or

"(iii) if such individual did not have such a period and has died, at the time of such death,

shall be entitled to a child's insurance benefit for each month, beginning with the first month after August 1950 in which such child becomes so entitled to such insurance benefits and ending with the month preceding the first month in which any of the following occurs: such child dies, marries, is adopted (except for adoption by a stepparent, grandparent, aunt, or uncle subsequent to the death of such fully or currently insured individual), attains the age of eighteen and is not under a disability (as defined in section 223 (c)) which began before he attained such age, or ceases to be under a disability (as so defined) on or after the day on which he attains age eighteen.

Entitlement of any child to benefits under this subsection on the basis of the wages and self-employment income of an individual entitled to disability insurance benefits shall also end with the month before the first month for which such individual is not entitled to such benefits unless such individual is, for such later month, entitled to old-age insurance benefits or unless he dies in such month."

Widower's Insurance Benefits

(e) Subparagraph (D) of section 202 (f) (1) of such Act is amended to read as follows: 42 USC 402.

"(D) (i) was receiving at least one-half of his support, as determined in accordance with regulations prescribed by the Secretary, from such individual at the time of her death or, if such individual had a period of disability which did not end prior to the month in which she died, at the time such period began or at the time of her death, and filed proof of such support within two years after the date of such death, or, if she had such a period of disability, within two years after the month in which she filed application with respect to such period of disability or two years after the date of such death, as the case may be, or (ii) was receiving at least one-half of his support, as determined in accordance with regulations prescribed by the Secretary, from such individual, and she was a currently insured individual, at the time she became entitled to old-age or disability insurance benefits or, if such individual had a period of disability which did not end prior to the month in which she became so entitled, at the time such period began or at the time she became entitled to such benefits, and filed proof of such support within two years after the month in which she became entitled to such benefits, or, if she had such a period of disability, within two years after the month in which she filed application with respect to such period of disability or two years after the month in which she became entitled to such benefits, as the case may be, and".

Mother's Insurance Benefits

(f) Section 202 (g) (1) (F) of such Act is amended by inserting "or, if such individual had a period of disability which did not end prior to the month in which he died, at the time such period began or at the time of such death" after "death". 42 USC 402.

Parent's Insurance Benefits

(g) Subparagraph (B) of section 202 (h) (1) of such Act is amended to read as follows: 42 USC 402.

"(B) (i) was receiving at least one-half of his support from such individual at the time of such individual's death or, if such individual had a period of disability which did not end prior to the month in which he died, at the time such period began or at the time of such death, and (ii) filed proof of such support within two years after the date of such death, or, if such individual had such a period of disability, within two years after the month in which such individual filed application with respect to such period of disability or two years after the date of such death, as the case may be,".

Simultaneous Entitlement to Benefits

(h) Section 202 (k) of such Act is amended by inserting "or disability" after "old-age" each time it appears therein. 42 USC 402.

Adjustment of Benefits of Female Beneficiaries

42 USC 402.

(i) (1) Subparagraph (B) of paragraph (5) of section 202 (q) of such Act is amended to read as follows:

"(B) the number equal to the number of months for which the wife's insurance benefit was reduced under such paragraph (2), but for which such benefit was subject to deductions under paragraph (1) or (2) of section 203 (b), under section 203 (c), or under section 222 (b),".

42 USC 403.
Post, pp. 1025, 1032.

(2) Such paragraph is further amended by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", by striking out "(A), (B), and (C)" in the material following subparagraph (C) and inserting in lieu thereof "(A), (B), (C), and (D)", and by adding after subparagraph (C) the following new subparagraph:

"(D) the number equal to the number of months for which such wife's insurance benefit was reduced under such paragraph (2), but in or after which her entitlement to wife's insurance benefits was terminated because her husband ceased to be under a disability, not including in such number of months any month after such termination in which she was entitled to wife's insurance benefits.".

(3) Subparagraph (A) of paragraph (6) of such section 202 (q) is amended to read as follows:

"(A) the number equal to the number of months for which such benefit was reduced under such paragraph, but for which such benefit was subject to deductions under section 203 (b) (1) or (2), under section 203 (c), or under section 222 (b),".

(4) Such paragraph is further amended by striking out "(A), (B), and (C)" in the material following subparagraph (C) and inserting in lieu thereof "(A), (B), (C), and (D)", by redesignating subparagraph (C) as subparagraph (D), by inserting "and" at the end of subparagraph (B) and by adding after such subparagraph (B) the following new subparagraph:

"(C) the number equal to the number of months for which such benefit was reduced under such paragraph, but in or after which her entitlement to wife's insurance benefits was terminated because her husband ceased to be under a disability, not including in such number of months any month after such termination in which she was entitled to wife's insurance benefits,".

Deduction Provision

42 USC 403.

(j) Section 203 (c) of such Act is amended by inserting a comma and "based on the wages and self-employment income of an individual entitled to old-age insurance benefits," after "child's insurance benefit" the first time it appears therein.

Circumstances Under Which Deductions Not Required

(k) Section 203 (h) of such Act is amended to read as follows:

"Circumstances Under Which Deductions Not Required

"(h) In the case of any individual, deductions by reason of the provisions of subsection (b), (f), or (g) of this section, or the provisions of section 222 (b), shall, notwithstanding such provisions, be made from the benefits to which such individual is entitled only to the extent that such deductions reduce the total amount which would otherwise be paid, on the basis of the same wages and self-employment income, to such individual and the other individuals living in the same household."

Post, pp. 1025, 1032.

Currently Insured Individual

(l) Section 214 (b) of such Act is amended by striking out "or" immediately preceding "(3)" and by inserting "or (4) in the case of any individual entitled to disability insurance benefits, the quarter in which he most recently became entitled to disability insurance benefits," immediately after "section,". 42 USC 414.

Rounding of Benefits

(m) Section 215 (g) of such Act is amended by striking out "sections 203 (a) and 224" and inserting in lieu thereof "section 203 (a)". 42 USC 415.

Deductions on Account of Refusal To Accept Rehabilitation Services

(n) Section 222 (b) of such Act is amended by inserting after paragraph (2) (added by section 307 (g) of this Act) the following new paragraph: *Post*, p. 1032.

"(3) Deductions shall be made from any wife's, husband's, or child's insurance benefit, based on the wages and self-employment income of an individual entitled to disability insurance benefits, to which a wife, husband, or child is entitled, until the total of such deductions equal such wife's, husband's, or child's insurance benefit or benefits under section 202 for any month in which the individual, on the basis of whose wages and self-employment income such benefit was payable, refuses to accept rehabilitation services and deductions, on account of such refusal, are imposed under paragraph (1)." *Ante*, pp. 1017, 1021, 1022-1024. *Post*, pp. 1026, 1027, 1029-1032.

Suspension of Benefits Based on Disability

(o) Section 225 of such Act is amended by adding at the end thereof the following new sentence: "Whenever the benefits of an individual entitled to a disability insurance benefit are suspended for any month, the benefits of any individual entitled thereto under subsection (b), (c), or (d) of section 202, on the basis of the wages and self-employment income of such individual, shall be suspended for such month." 42 USC 425. 42 USC 402.

REPEAL OF REDUCTION OF BENEFITS BASED ON DISABILITY

SEC. 206. Section 224 of such Act is hereby repealed. 42 USC 424.

EFFECTIVE DATES

SEC. 207. (a) The amendments made by section 201 shall apply with respect to applications for a disability determination under section 216 (i) of the Social Security Act filed after June 1961. The amendments made by section 202 shall apply with respect to applications for disability insurance benefits under section 223 of such Act filed after December 1957. The amendments made by section 203 shall apply with respect to applications for a disability determination under such section 216 (i) filed after June 1958. The amendments made by section 204 shall apply with respect to (1) applications for disability insurance benefits under such section 223 or for a disability determination under such section 216 (i) filed on or after the date of enactment of this Act, and (2) applications for such benefits or for such a determination filed after 1957 and prior to such date of enactment if the applicant has not died prior to such date of enactment and if notice to the applicant of the Secretary's decision with respect thereto has not been given to him on or prior to such date, except that (A) no benefits under title II of the Social Security Act for the month in which this Act is enacted or any prior month shall be payable or *Ante*, pp. 1020, 1021. *Ante*, pp. 1017, 1020-1024. *Post*, pp. 1026, 1027, 1029-1032. 42 USC 401-425.

increased by reason of the amendments made by section 204 of this Act, and (B) the provisions of section 215 (f) (1) of the Social Security Act shall not prevent recomputation of monthly benefits under section 202 of such Act (but no such recomputation shall be regarded as a recomputation for purposes of section 215 (f) of such Act). The amendments made by section 205 (other than by subsections (k) and (m)) shall apply with respect to monthly benefits under title II of the Social Security Act for months after the month in which this Act is enacted, but only if an application for such benefits is filed on or after the date of enactment of this Act. The amendments made by section 206 and by subsections (k) and (m) of section 205 shall apply with respect to monthly benefits under title II of the Social Security Act for the month in which this Act is enacted and succeeding months.

42 USC 415, 402.

42 USC 401-425.

(b) In the case of any husband, widower, or parent who would not be entitled to benefits under section 202 (c), section 202 (f), and section 202 (h), respectively, of the Social Security Act except for the enactment of section 205 of this Act, the requirement in such section 202 (c), section 202 (f), or section 202 (h), as the case may be, that proof of support be filed within a two-year period shall not apply if such proof is filed within two years after the month in which this Act is enacted.

Ante, pp. 1022, 1023. *Post*, 1027, 1029, 1031, 1032.

TITLE III—PROVISIONS RELATING TO ELIGIBILITY OF CLAIMANTS FOR SOCIAL SECURITY BENEFITS, AND MISCELLANEOUS PROVISIONS

ELIGIBILITY OF SPOUSE FOR DEPENDENTS OR SURVIVORS BENEFITS

Husband's Insurance Benefits

Ante, p. 1022.

SEC. 301. (a) (1) Section 202 (c) of the Social Security Act is amended by redesignating paragraph (2) as paragraph (3) and adding after paragraph (1) the following new paragraph:

"(2) The requirement in paragraph (1) that the individual entitled to old-age or disability insurance benefits be a currently insured individual, and the provisions of subparagraph (C) of such paragraph, shall not be applicable in the case of any husband who—

"(A) in the month prior to the month of his marriage to such individual was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under subsection (f) or (h); or

"(B) in the month prior to the month of his marriage to such individual had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d)."

42 USC 416.

(2) Section 216 (f) of such Act is amended to read as follows:

"(f) The term 'husband' means the husband of an individual, but only if (1) he is the father of her son or daughter, (2) he was married to her for a period of not less than three years immediately preceding the day on which his application is filed, or (3) in the month prior to the month of his marriage to her (A) he was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under subsection (f) or (h) of section 202, or (B) he had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of such section."

Ante, p. 1023. *Post*, pp. 1027, 1029, 1031, 1032.

Widow's Insurance Benefits

(b) (1) Subparagraph (B) of section 202 (e) (3) of such Act is amended by striking out "but she is not his widow (as defined in section 216 (c))" and inserting in lieu thereof "which occurs within one year after such marriage and he did not die a fully insured individual". 42 USC 402. 42 USC 416.

(2) Section 216 (c) of such Act is amended to read as follows:

"(c) The term 'widow' (except when used in section 202 (i)) means the surviving wife of an individual, but only if (1) she is the mother of his son or daughter, (2) she legally adopted his son or daughter while she was married to him and while such son or daughter was under the age of eighteen, (3) he legally adopted her son or daughter while she was married to him and while such son or daughter was under the age of eighteen, (4) she was married to him at the time both of them legally adopted a child under the age of eighteen, (5) she was married to him for a period of not less than one year immediately prior to the day on which he died, or (6) in the month prior to the month of her marriage to him (A) she was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under subsection (e) or (h) of section 202, or (B) she had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of such section." *Post*, p. 1030. *Ante*, p. 1023. *Post*, pp. 1029, 1031, 1032.

Widower's Insurance Benefits

(c) (1) Section 202 (f) of such Act is amended by redesignating paragraph (2) as paragraph (3) and by adding after paragraph (1) the following new paragraph: *Ante*, p. 1023. *Post*, p. 1031.

"(2) The requirement in paragraph (1) that the deceased fully insured individual also be a currently insured individual, and the provisions of subparagraph (D) of such paragraph, shall not be applicable in the case of any individual who—

"(A) in the month prior to the month of his marriage to such individual was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under this subsection or subsection (h); or

"(B) in the month prior to the month of his marriage to such individual had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d)."

(2) Section 216 (g) of such Act is amended to read as follows: 42 USC 416.

"(g) The term 'widower' (except when used in section 202 (i)) means the surviving husband of an individual. but only if (1) he is the father of her son or daughter, (2) he legally adopted her son or daughter while he was married to her and while such son or daughter was under the age of eighteen, (3) she legally adopted his son or daughter while he was married to her and while such son or daughter was under the age of eighteen, (4) he was married to her at the time both of them legally adopted a child under the age of eighteen, (5) he was married to her for a period of not less than one year immediately prior to the day on which she died, or (6) in the month before the month of his marriage to her (A) he was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under subsection (f) or (h) of section 202, or (B) he had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of such section."

Definition of Wife

42 USC 416.

(d) Section 216 (b) of such Act is amended by striking out "or" at the end of the clause (1), and by inserting before the period at the end thereof: ", or (3) in the month prior to the month of her marriage to him (A) was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under subsection (e) or (h) of section 202, or (B) had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of such section".

Ante, pp. 1023, 1027.
Post, pp. 1029, 1031, 1032.

Definition of Former Wife Divorced

42 USC 416.

(e) Section 216 (d) of such Act is amended to read as follows:

"(d) The term 'former wife divorced' means a woman divorced from an individual, but only if (1) she is the mother of his son or daughter, (2) she legally adopted his son or daughter while she was married to him and while such son or daughter was under the age of eighteen, (3) he legally adopted her son or daughter while she was married to him and while such son or daughter was under the age of eighteen, or (4) she was married to him at the time both of them legally adopted a child under the age of eighteen."

Effective Date

(f) The amendments made by this section shall apply with respect to monthly benefits under section 202 of the Social Security Act for months beginning after the date of enactment of this Act, but only if an application for such benefits is filed on or after such date.

Ante, pp. 1017, 1021-1024, 1026, 1027.
Post, pp. 1029-1032.

ELIGIBILITY OF CHILD FOR DEPENDENTS OR SURVIVORS BENEFITS

Definition of Child

42 USC 416.

SEC. 302. (a) Section 216 (e) of such Act is amended to read as follows:

"(e) The term 'child' means (1) the child or legally adopted child of an individual, and (2) in the case of a living individual, a stepchild who has been such stepchild for not less than three years immediately preceding the day on which application for child's benefits is filed, and (3) in the case of a deceased individual, a stepchild who has been such stepchild for not less than one year immediately preceding the day on which such individual died. For purposes of clause (1), a person shall be deemed, as of the date of death of an individual, to be the legally adopted child of such individual if such person was at the time of such individual's death living in such individual's household and was legally adopted by such individual's surviving spouse after such individual's death but before the end of two years after the day on which such individual died or the date of enactment of this Act; except that this sentence shall not apply if at the time of such individual's death such person was receiving regular contributions toward his support from someone other than such individual or his spouse, or from any public or private welfare organization which furnishes services or assistance for children."

Effective Date

(b) The amendment made by this section shall apply with respect to monthly benefits under section 202 of the Social Security Act for months beginning after the date of enactment of this Act, but only if an application for such benefits is filed on or after such date.

Ante, pp. 1017, 1021-1024, 1026, 1027.
Post, 1029-1032.

ELIGIBILITY OF REMARRIED WIDOWS FOR MOTHER'S INSURANCE BENEFITS

SEC. 303. (a) Section 202 (g) of the Social Security Act is amended by adding at the end thereof the following new paragraph: 42 USC 402.

"(3) In the case of any widow or former wife divorced of an individual—

"(A) who marries another individual, and

"(B) whose marriage to the individual referred to in subparagraph (A) is terminated by his death but she is not, and upon filing application therefor in the month in which he died would not be, entitled to benefits for such month on the basis of his wages and self-employment income,

the marriage to the individual referred to in clause (A) shall, for the purpose of paragraph (1), be deemed not to have occurred. No benefits shall be payable under this subsection by reason of the preceding sentence for any month prior to whichever of the following is the latest: (i) the month in which the death referred to in subparagraph (B) of the preceding sentence occurs, (ii) the twelfth month before the month in which such widow or former wife divorced files application for purposes of this paragraph, or (iii) the month following the month in which this paragraph is enacted."

(b) The paragraph (3) added to such section 202 (g) by H. R. 5411, Eighty-fifth Congress, is hereby repealed effective with respect to benefits payable for any month following the month in which this Act is enacted.

ELIGIBILITY FOR PARENT'S INSURANCE BENEFITS

Provisions Relating to Eligibility

SEC. 304. (a) (1) So much of section 202 (h) (1) of the Social Security Act as precedes subparagraph (A) is amended to read as follows: 42 USC 402.

"(1) Every parent (as defined in this subsection) of an individual who died a fully insured individual after 1939, if such parent—".

(2) The amendment made by this subsection shall apply with respect to monthly benefits under section 202 of the Social Security Act for months beginning after the date of enactment of this Act, but only if an application for such benefits is filed on or after such date.

Deaths Before Effective Date

(b) Where—

(1) one or more persons were entitled (without the application of section 202 (j) (1) of the Social Security Act) to monthly benefits under section 202 of such Act for the month in which this Act is enacted on the basis of the wages and self-employment income of an individual; and 42 USC 402. *Ante*, pp. 1017, 1021-1024, 1026, 1027. *Post*, pp. 1030-1032.

(2) a person is entitled to a parent's insurance benefit under section 202 (h) of the Social Security Act for any subsequent month on the basis of such wages and self-employment income and such person would not be entitled to such benefit but for the enactment of this section; and *Ante*, p. 1023. *Post*, p. 1032.

(3) the total of the benefits to which all persons are entitled under section 202 of the Social Security Act on the basis of such wages and self-employment income for such subsequent month are reduced by reason of the application of section 203 (a) of such Act, 42 USC 403.

then the amount of the benefit to which each such person referred to in paragraph (1) of this subsection is entitled for such subsequent month shall be increased, after the application of such section 203 (a), *Ante*, p. 1017.

to the amount it would have been if no person referred to in paragraph (2) of this subsection was entitled to a parent's insurance benefit for such subsequent month on the basis of such wages and self-employment income.

Proof of Support in Cases of Deaths Before Effective Date

(c) In the case of any parent who would not be entitled to parent's benefits under section 202 (h) of the Social Security Act except for the enactment of this section, the requirement in such section 202 (h) that proof of support be filed within two years of the date of death of the insured individual referred to therein shall not apply if such proof is filed within the two-year period beginning with the first day of the month after the month in which this Act is enacted.

Ante, pp. 1023, 1029.
Post, p. 1032.

ELIGIBILITY FOR LUMP-SUM DEATH PAYMENTS

Requirement That Surviving Spouse Be a Member of Deceased's Household

42 USC 402.

SEC. 305. (a) The first sentence of section 202 (i) of the Social Security Act is amended by inserting "in the same household" after "living".

Provisions Relating to Widows and Widowers

42 USC 416.

(b) Section 216 (h) of such Act is amended by striking out paragraph (3).

Effective Date

42 USC 402.

(c) The amendments made by this section shall apply in the case of lump-sum death payments under such section 202 (i) on the basis of the wages and self-employment income of any individual who dies after the month in which this Act is enacted.

ELIGIBILITY OF DISABLED PERSONS FOR CHILD'S INSURANCE BENEFITS

Provisions Relating to Dependency

42 USC 402.

SEC. 306. (a) Section 202 (d) of the Social Security Act is amended by striking out "who has not attained the age of eighteen" each place it appears in paragraphs (3), (4), and (5) thereof, and by striking out paragraph (6).

Effective Date

(b) The amendments made by this section shall apply with respect to monthly benefits under section 202 of the Social Security Act for months beginning after the date of enactment of this Act, but only if an application for such benefits is filed on or after such date.

Ante, pp. 1017, 1021-1024, 1026, 1027, 1029.
Post, pp. 1030-1032.

ELIMINATION OF MARRIAGE AS BASIS FOR TERMINATING CERTAIN SURVIVORS BENEFITS

Child's Insurance Benefits

Ante, p. 1022.

SEC. 307. (a) Section 202 (d) of the Social Security Act is amended by inserting immediately after paragraph (5) thereof the following new paragraph:

"(6) In the case of a child who has attained the age of eighteen and who marries—

42 USC 423.

"(A) an individual entitled to benefits under subsection (a), (e), (f), (g), or (h) of this section or under section 223 (a), or

"(B) another individual who has attained the age of eighteen and is entitled to benefits under this subsection,

such child's entitlement to benefits under this subsection shall, notwithstanding the provisions of paragraph (1), not be terminated by reason of such marriage; except that, in the case of such a marriage to a male individual entitled to benefits under section 223 (a) or this subsection, the preceding provisions of this paragraph shall not apply with respect to benefits for months after the last month for which such individual is entitled to such benefits under section 223 (a) or this subsection unless (i) he ceases to be so entitled by reason of his death, or (ii) in the case of an individual who was entitled to benefits under section 223 (a), he is entitled, for the month following such last month, to benefits under subsection (a) of this section."

Widow's Insurance Benefits

(b) Section 202 (e) of such Act is amended by inserting at the end thereof the following new paragraph: *Ante*, p. 1027.

"(4) In the case of a widow who marries—

"(A) an individual entitled to benefits under subsection (f) or (h) of this section, or

"(B) an individual who has attained the age of eighteen and is entitled to benefits under subsection (d),

such widow's entitlement to benefits under this subsection shall, notwithstanding the provisions of paragraph (1), not be terminated by reason of such marriage; except that, in the case of such a marriage to an individual entitled to benefits under subsection (d), the preceding provisions of this paragraph shall not apply with respect to benefits for months after the last month for which such individual is entitled to such benefits under subsection (d) unless he ceases to be so entitled by reason of his death."

Widower's Insurance Benefits

(c) Section 202 (f) of such Act is amended by adding at the end thereof the following new paragraph: *Ante*, pp. 1023, 1027.

"(4) In the case of a widower who marries—

"(A) an individual entitled to benefits under subsection (e), (g), or (h), or

"(B) an individual who has attained the age of eighteen and is entitled to benefits under subsection (d),

such widower's entitlement to benefits under this subsection shall, notwithstanding the provisions of paragraph (1), not be terminated by reason of such marriage."

Mother's Insurance Benefits

(d) Section 202 (g) of such Act is amended by adding after paragraph (3) (added by section 303 of this Act) the following new paragraph: *Ante*, pp. 1023, 1029.

"(4) In the case of a widow or former wife divorced who marries—

"(A) an individual entitled to benefits under subsection (a), (f), or (h), or under section 223 (a), or 42 USC 423.

"(B) an individual who has attained the age of eighteen and is entitled to benefits under subsection (d),

the entitlement of such widow or former wife divorced to benefits under this subsection shall, notwithstanding the provisions of paragraph (1), not be terminated by reason of such marriage; except that, in the case of such a marriage to an individual entitled to benefits under section 223 (a) or subsection (d) of this section, the preceding pro-

visions of this paragraph shall not apply with respect to benefits for months after the last month for which such individual is entitled to such benefits under section 223 (a) or subsection (d) of this section unless (i) he ceases to be so entitled by reason of his death, or (ii) in the case of an individual who was entitled to benefits under section 223 (a), he is entitled, for the month following such last month, to benefits under subsection (a) of this section."

Parent's Insurance Benefits

Ante, pp. 1023, 1029.

(e) Section 202 (h) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) In the case of a parent who marries—

"(A) an individual entitled to benefits under this subsection or subsection (e), (f), or (g), or

"(B) an individual who has attained the age of eighteen and is entitled to benefits under subsection (d),

such parent's entitlement to benefits under this subsection shall, notwithstanding the provisions of paragraph (1), not be terminated by reason of such marriage; except that, in the case of such a marriage to a male individual entitled to benefits under subsection (d), the preceding provisions of this paragraph shall not apply with respect to benefits for months after the last month for which such individual is entitled to such benefits under subsection (d) unless he ceases to be so entitled by reason of his death."

Deduction Provisions

42 USC 403.

(f) Subsection (c) of section 203 of such Act is amended by inserting "(1)" after "(c)", by redesignating subparagraphs (1) and (2) as subparagraphs (A) and (B), respectively, by striking out "paragraph (1)" and inserting in lieu thereof "subparagraph (A)", and by adding at the end of such subsection the following new paragraph:

"(2) Deductions shall be made from any child's insurance benefit to which a child who has attained the age of eighteen is entitled or from any mother's insurance benefit to which a person is entitled, until the total of such deductions equals such child's insurance benefit or benefits or mother's insurance benefit or benefits under section 202 for any month—

Ante, pp. 1017, 1021-1024, 1026, 1027, 1029-1031.

"(A) in which such child or person entitled to mother's insurance benefit is married to an individual entitled to old-age insurance benefits under section 202 (a) who is under the age of seventy-two and for which month such individual is charged with any earnings under the provisions of subsection (e) of this section, or

Post, p. 1033.

"(B) in which such child or person entitled to mother's insurance benefits is married to the individual referred to in subparagraph (A) and on seven or more different calendar days of which such individual engaged in noncovered remunerative activity outside the United States."

Deductions on Account of Refusal To Accept Rehabilitation Services

Ante, p. 1025.

(g) Section 222 (b) of such Act is amended by inserting "(1)" after "(b)", and by adding at the end thereof the following new paragraph:

"(2) Deductions shall be made from any child's insurance benefit to which a child who has attained the age of eighteen is entitled or from any mother's insurance benefit to which a person is entitled, until the total of such deductions equals such child's insurance benefit or benefits or such mother's insurance benefit or benefits under section 202

Ante, pp. 1017, 1021-1024, 1026, 1027, 1029-1031.

for any month in which such child or person entitled to mother's insurance benefits is married to an individual who is entitled to disability insurance benefits and in which such individual refuses to accept rehabilitation services and a deduction, on account of such refusal, is imposed under paragraph (1). If both this paragraph and paragraph (3) are applicable to a child's insurance benefit for any month, only an amount equal to such benefit shall be deducted."

Effective Date

(h) (1) The amendments made by this section (other than by subsections (f) and (g)) shall apply with respect to monthly benefits under section 202 of the Social Security Act for months following the month in which this Act is enacted; except that in any case in which benefits were terminated with the close of the month in which this Act is enacted or any prior month and, if the amendments made by this section had been in effect for such month, such benefits would not have been terminated, the amendments made by this section shall apply with respect to monthly benefits under section 202 of the Social Security Act for months beginning after the date of enactment of this Act, but only if an application for such benefits is filed after such date.

Ante, pp. 1017, 1022-1024, 1026, 1027, 1029-1032.

(2) The amendments made by subsection (f) shall apply with respect to monthly benefits under subsection (d) or (g) of section 202 of the Social Security Act for months in any taxable year, of the individual to whom the person entitled to such benefits is married, beginning after the month in which this Act is enacted.

(3) The amendments made by subsection (g) shall apply with respect to monthly benefits under section 202 of the Social Security Act for months, occurring after the month in which this Act is enacted, in which a deduction is incurred under paragraph (1) of section 222 (b) of the Social Security Act.

Ante, pp. 1025, 1032.

AMOUNT WHICH MAY BE EARNED WITHOUT LOSS OF BENEFITS

SEC. 308. (a) Section 203 (e) (2) of such Act is amended by striking out "last month" and "preceding month" wherever they appear and substituting in lieu thereof "first month" and "succeeding month", respectively.

42 USC 403.

(b) Section 203 (e) (3) (A) of such Act is amended by striking out "the term 'last month of such taxable year' means the latest month" and substituting in lieu thereof "the term 'first month of such taxable year' means the earliest month".

(c) Subsections (e) (2) (D) and (e) (3) (B) (ii) of section 203 of such Act are each amended by striking out "$80" and inserting in lieu thereof "$100".

(d) Section 203 (g) (1) of such Act is amended to read as follows:

"(g) (1) (A) If an individual is entitled to any monthly insurance benefit under section 202 during any taxable year in which he has earnings or wages, as computed pursuant to paragraph (4) of subsection (e), in excess of the product of $100 times the number of months in such year, such individual (or the individual who is in receipt of such benefit on his behalf) shall make a report to the Secretary of his earnings (or wages) for such taxable year. Such report shall be made on or before the fifteenth day of the fourth month following the close of such year, and shall contain such information and be made in such manner as the Secretary may by regulations prescribe. Such report need not be made for any taxable year (i) beginning with or after the month in which such individual attained the age of 72, or (ii) if benefit payments for all months (in such taxable

Ante, pp. 1017, 1022-1024, 1026, 1029-1032.

year) in which such individual is under age 72 have been suspended under the provisions of the first sentence of paragraph (3) of this subsection.

"(B) If the benefit payments of an individual have been suspended for all months in any taxable year under the provisions of the first sentence of paragraph (3) of subsection (g), no benefit payment shall be made to such individual for any such month in such taxable year after the expiration of the period of three years, three months, and fifteen days following the close of such taxable year unless within such period the individual, or some other person entitled to benefits under this title on the basis of the same wages and self-employment income, files with the Secretary information showing that a benefit for such month is payable to such individual."

42 USC 403.

(e) Section 203 (l) of such Act is amended by striking out "(g)" and inserting in lieu thereof "(g) (1) (A)".

(f) The amendments made by this section shall be applicable with respect to taxable years beginning after the month in which this Act is enacted.

REPRESENTATION OF CLAIMANTS BEFORE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

42 USC 406.

SEC. 309. The second sentence of section 206 of the Social Security Act is amended by striking out "upon filing with the Administrator a certificate of his right to so practice from the presiding judge or clerk of any such court".

OFFENSES UNDER TITLE II OF THE SOCIAL SECURITY ACT

42 USC 408.

SEC. 310. Section 208 of the Social Security Act is amended to read as follows:

"PENALTIES

"SEC. 208. Whoever—

"(a) for the purpose of causing an increase in any payment authorized to be made under this title, or for the purpose of causing any payment to be made where no payment is authorized under this title, shall make or cause to be made any false statement or representation (including any false statement or representation in connection with any matter arising under subchapter E of chapter 1, or subchapter A or E of chapter 9 of the Internal Revenue Code of 1939, or chapter 2 or 21 or subtitle F of the Internal Revenue Code of 1954) as to—

26 USC app. 1400-1426.

26 USC 1401-1403; 3101-3125; 6001-7852.

Post, pp. 1041-1044; 1046, 1047.

"(1) whether wages were paid or received for employment (as said terms are defined in this title and the Internal Revenue Code), or the amount of wages or the period during which paid or the person to whom paid; or

"(2) whether net earnings from self-employment (as such term is defined in this title and in the Internal Revenue Code) were derived, or as to the amount of such net earnings or the period during which or the person by whom derived; or

"(3) whether a person entitled to benefits under this title had earnings in or for a particular period (as determined under section 203 (e) of this title for purposes of deductions from benefits), or as to the amount thereof; or

"(b) makes or causes to be made any false statement or representation of a material fact in any application for any payment or for a disability determination under this title; or

"(c) at any time makes or causes to be made any false statement or representation of a material fact for use in determining rights to payment under this title; or

"(d) having knowledge of the occurrence of any event affecting (1) his initial or continued right to any payment under this title, or (2) the initial or continued right to any payment of any other individual in whose behalf he has applied for or is receiving such payment, conceals or fails to disclose such event with an intent fraudulently to secure payment either in a greater amount than is due or when no payment is authorized; or

"(e) having made application to receive payment under this title for the use and benefit of another and having received such a payment, knowingly and willfully converts such a payment, or any part thereof, to a use other than for the use and benefit of such other person;

shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both."

EXTENSION OF COVERAGE IN CONNECTION WITH GUM RESIN PRODUCTS

SEC. 311. (a) Section 210 (a) (1) of the Social Security Act is amended to read as follows: 42 USC 410.

"(1) Service performed by foreign agricultural workers (A) under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended, or (B) lawfully admitted to the United States from the Bahamas, Jamaica, and the other British West Indies, or from any other foreign country or possession thereof, on a temporary basis to perform agricultural labor;". 65 Stat. 119. 7 USC 1461-1468.

(b) The amendment made by subsection (a) shall apply with respect to service performed after 1958.

EMPLOYMENT FOR NONPROFIT ORGANIZATION

SEC. 312. (a) Section 210 (a) (8) (B) of title II of the Social Security Act is amended to read as follows: 42 USC 410.

"(B) Service performed in the employ of a religious, charitable, educational, or other organization described in section 501 (c) (3) of the Internal Revenue Code of 1954, which is exempt from income tax under section 501 (a) of such Code, but this subparagraph shall not apply to service performed during the period for which a certificate, filed pursuant to section 3121 (k) of the Internal Revenue Code of 1954, is in effect if such service is performed by an employee— 68A Stat. 163. 26 USC 501. Post, p. 1044.

"(i) whose signature appears on the list filed by such organization under such section 3121 (k),

"(ii) who became an employee of such organization after the calendar quarter in which the certificate (other than a certificate referred to in clause (iii)) was filed, or

"(iii) who, after the calendar quarter in which the certificate was filed with respect to a group described in paragraph (1) (E) of such section 3121 (k), became a member of such group,

except that this subparagraph shall apply with respect to service performed by an employee as a member of a group described in such paragraph (1) (E) with respect to which no certificate is in effect;".

(b) The amendment made by subsection (a) shall apply with respect to certificates filed under section 3121 (k) (1) of the Internal Revenue Code of 1954 after the date of enactment of this Act.

PARTNER'S TAXABLE YEAR ENDING AS RESULT OF DEATH

Ante, p. 1019.

SEC. 313. (a) Section 211 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Partner's Taxable Year Ending as Result of Death

"(f) In computing a partner's net earnings from self-employment for his taxable year which ends as a result of his death (but only if such taxable year ends within, and not with, the taxable year of the partnership), there shall be included so much of the deceased partner's distributive share of the partnership's ordinary income or loss for the partnership taxable year as is not attributable to an interest in the partnership during any period beginning on or after the first day of the first calendar month following the month in which such partner died. For purposes of this subsection—

"(1) in determining the portion of the distributive share which is attributable to any period specified in the preceding sentence, the ordinary income or loss of the partnership shall be treated as having been realized or sustained ratably over the partnership taxable year; and

"(2) the term 'deceased partner's distributive share' includes the share of his estate or of any other person succeeding, by reason of his death, to rights with respect to his partnership interest."

(b) The amendment made by subsection (a) shall apply—

(1) with respect to individuals who die after the date of the enactment of this Act, and

(2) with respect to any individual who died after 1955 and on or before the date of the enactment of this Act, but only if the requirements of section 403 (b) (2) of this Act are met.

42 USC 603.

GRATUITOUS WAGE CREDITS FOR AMERICAN CITIZENS WHO SERVED IN THE ARMED FORCES OF ALLIED COUNTRIES

General Rule

Post, p. 1037.

SEC. 314. (a) Section 217 of such Act is amended by adding at the end thereof the following new subsection:

"(h) (1) For the purposes of this section, any individual who the Secretary finds—

"(A) served during World War II (as defined in subsection (d) (1)) in the active military or naval service of a country which was on September 16, 1940, at war with a country with which the United States was at war during World War II;

"(B) entered into such active service on or before December 8, 1941;

"(C) was a citizen of the United States throughout such period of service or lost his United States citizenship solely because of his entrance into such service;

"(D) had resided in the United States for a period or periods aggregating four years during the five-year period ending on the day of, and was domiciled in the United States on the day of, such entrance into such active service; and

"(E) (i) was discharged or released from such service 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, or

"(ii) died while in such service,

shall be considered a World War II veteran (as defined in subsection (d) (2)) and such service shall be considered to have been performed in the active military or naval service of the United States.

"(2) In the case of any individual to whom paragraph (1) applies, proof of support required under section 202 (f) or (h) may be filed at any time prior to the expiration of two years after the date of such individual's death or the date of the enactment of this subsection, whichever is the later."

Ante, pp. 1023, 1027, 1029, 1031, 1032.

Reimbursement to Disability Insurance Trust Fund

(b) (1) Section 217 (g) (1) of the Social Security Act is amended by deleting "Trust Fund" and inserting in lieu thereof "Trust Funds".

42 USC 417.

(2) Section 217 (g) (2) of the Social Security Act is amended by deleting "the Trust Fund" each time it appears therein and inserting in lieu thereof "the Federal Old-Age and Survivors Insurance Trust Fund" the first time and "such Trust Fund" the other times.

Effective Date

(c) (1) The amendment made by subsection (a) shall apply only with respect to (A) monthly benefits under sections 202 and 223 of the Social Security Act for months after the month in which this Act is enacted, (B) lump-sum death payments under such section 202 in the case of deaths occurring after the month in which this Act is enacted, and (C) periods of disability under section 216 (i) in the case of applications for a disability determination filed after the month in which this Act is enacted.

Ante, pp. 1017, 1020, 1021, 1024, 1026, 1027, 1029-1032.

Ante, pp. 1020, 1021.

(2) In the case of any individual—

(A) who is a World War II veteran (as defined in section 217 (d) (2) of the Social Security Act) wholly or partly by reason of service described in section 217 (h) (1) (A) of such Act; and

42 USC 417.
Ante, p. 1036.

(B) who (i) became entitled to old-age insurance benefits under section 202 (a) of the Social Security Act or to disability insurance benefits under section 223 of such Act prior to the first day of the month following the month in which this Act is enacted, or (ii) died prior to such first day, and whose widow, former wife divorced, widower, child, or parent is entitled for the month in which this Act is enacted, on the basis of his wages and self-employment income, to a monthly benefit under section 202 of such Act; and

Ante, pp. 1017, 1021, 1022-1024, 1026, 1027, 1029-1032.

(C) any part of whose service described in section 217 (h) (1) (A) of the Social Security Act was not included in the computation of his primary insurance amount under section 215 of such Act but would have been included in such computation if the amendment made by subsection (a) of this section had been effective prior to the date of such computation,

Ante, pp. 1013, 1015, 1016, 1020, 1025.

the Secretary of Health, Education, and Welfare shall, notwithstanding the provisions of section 215 (f) (1) of the Social Security Act, recompute the primary insurance amount of such individual upon the filing of an application, after the month in which this Act is enacted, by him or (if he has died without filing such an application) by any person entitled to monthly benefits under section 202 of the Social Security Act on the basis of his wages and self-employment income. Such recomputation shall be made only in the manner provided in title II of the Social Security Act as in effect at the time of the last previous computation or recomputation of such individual's primary insurance amount, and as though application therefor was filed in the month in which application for such last previous computation or recomputation was filed. No recomputation made under this subsection shall be regarded as a recomputation under section 215 (f) of the Social Security Act. Any such recomputation shall be effective for

42 USC 401-425.

and after the twelfth month before the month in which the application is filed, but in no case for the month in which this Act is enacted or any prior month.

POSITIONS COVERED BY STATE AND LOCAL RETIREMENT SYSTEMS

Division of Retirement Systems

42 USC 418.

SEC. 315. (a) (1) Section 218 (d) (6) of the Social Security Act is amended to read as follows:

"(6) (A) If a retirement system covers positions of employees of the State and positions of employees of one or more political subdivisions of the State, or covers positions of employees of two or more political subdivisions of the State, then, for purposes of the preceding paragraphs of this subsection, there shall, if the State so desires, be deemed to be a separate retirement system with respect to any one or more of the political subdivisions concerned and, where the retirement system covers positions of employees of the State, a separate retirement system with respect to the State or with respect to the State and any one or more of the political subdivisions concerned.

"(B) If a retirement system covers positions of employees of one or more institutions of higher learning, then, for purposes of such preceding paragraphs there shall, if the State so desires, be deemed to be a separate retirement system for the employees of each such institution of higher learning. For the purposes of this subparagraph, the term 'institutions of higher learning' includes junior colleges and teachers colleges.

"(C) For the purposes of this subsection, any retirement system established by the State of California, Connecticut, Florida, Georgia, Massachusetts, Minnesota, New York, North Dakota, Pennsylvania, Rhode Island, Tennessee, Vermont, Washington, Wisconsin, or the Territory of Hawaii, or any political subdivision of any such State or Territory, which, on, before, or after the date of enactment of this subparagraph, is divided into two divisions or parts, one of which is composed of positions of members of such system who desire coverage under an agreement under this section and the other of which is composed of positions of members of such system who do not desire such coverage, shall, if the State or Territory so desires and if it is provided that there shall be included in such division or part composed of members desiring such coverage the positions of individuals who become members of such system after such coverage is extended, be deemed to be a separate retirement system with respect to each such division or part.

"(D) The position of any individual which is covered by any retirement system to which subparagraph (C) is applicable shall, if such individual is ineligible to become a member of such system on August 1, 1956, or, if later, the day he first occupies such position, be deemed to be covered by the separate retirement system consisting of the positions of members of the division or part who do not desire coverage under the insurance system established under this title.

"(E) An individual who is in a position covered by a retirement system to which subparagraph (C) is applicable and who is not a member of such system but is eligible to become a member thereof shall, for purposes of this subsection (other than paragraph (8)), be regarded as a member of such system; except that, in the case of any retirement system a division or part of which is covered under the agreement (either in the original agreement or by a modification thereof), which coverage is agreed to prior to 1960, the preceding provisions of this subparagraph shall apply only if the State so requests and any such individual referred to in such preceding pro-

visions shall, if the State so requests, be treated, after division of the retirement system pursuant to such subparagraph (C), the same as individuals in positions referred to in subparagraph (F).

"(F) In the case of any retirement system divided pursuant to subparagraph (C), the position of any member of the division or part composed of positions of members who do not desire coverage may be transferred to the separate retirement system composed of positions of members who desire such coverage if it is so provided in a modification of such agreement which is mailed, or delivered by other means, to the Secretary prior to 1960 or, if later, the expiration of one year after the date on which such agreement, or the modification thereof making the agreement applicable to such separate retirement system, as the case may be, is agreed to, but only if, prior to such modification or such later modification, as the case may be, the individual occupying such position files with the State a written request for such transfer.

"(G) For the purposes of this subsection, in the case of any retirement system of the State of Florida, Georgia, Minnesota, North Dakota, Pennsylvania, Washington, or the Territory of Hawaii which covers positions of employees of such State or Territory who are compensated in whole or in part from grants made to such State or Territory under title III, there shall be deemed to be, if such State or Territory so desires, a separate retirement system with respect to any of the following:

"(i) the positions of such employees;

"(ii) the positions of all employees of such State or Territory covered by such retirement system who are employed in the department of such State or Territory in which the employees referred to in clause (i) are employed; or

"(iii) employees of such State or Territory covered by such retirement system who are employed in such department of such State or Territory in positions other than those referred to in clause (i)."

(2) Paragraph (7) of section 218 (d) of such Act is amended by striking out "(created under the fourth sentence of paragraph (6))" and inserting in lieu thereof "(created under subparagraph (C) of paragraph (6) or the corresponding provision of prior law)"; and by striking out "the fourth and fifth sentences of paragraph (6)" and inserting in lieu thereof "subparagraphs (C) and (D) of paragraph (6) or the corresponding provision of prior law". 42 USC 418.

(3) The second sentence of paragraph (2) of section 218 (k) of such Act is amended by striking out "the preceding sentence" and inserting in lieu thereof "the first sentence of this paragraph". The last sentence of such paragraph is amended by striking out "the fourth sentence of subsection (d) (6)" and inserting in lieu thereof "subparagraph (C) of subsection (d) (6) or the corresponding provision of prior law". Such paragraph is further amended by inserting after the first sentence the following new sentence: "An individual who is in a position covered by a retirement system divided pursuant to the preceding sentence and who is not a member of such system but is eligible to become a member thereof shall, for purposes of this subsection, be regarded as a member of such system. Coverage under the agreement of any such individual shall be provided under the same conditions, to the extent practicable, as are applicable in the case of the States to which the provisions of subsection (d) (6) (C) apply." 42 USC 418.

Coverage Under Other Retirement Systems

Ante, pp. 1038, 1039.

(b) Section 218 (d) of such Act is amended by adding at the end thereof the following new paragraph:

"(8) (A) Notwithstanding paragraph (1), if under the provisions of this subsection an agreement is, after December 31, 1958, made applicable to service performed in positions covered by a retirement system, service performed by an individual in a position covered by such a system may not be excluded from the agreement because such position is also covered under another retirement system.

"(B) Subparagraph (A) shall not apply to service performed by an individual in a position covered under a retirement system if such individual, on the day the agreement is made applicable to service performed in positions covered by such retirement system, is not a member of such system and is a member of another system.

"(C) If an agreement is made applicable, prior to 1959, to service in positions covered by any retirement system, the preceding provisions of this paragraph shall be applicable in the case of such system if the agreement is modified to so provide.

"(D) Except in the case of agreements with the States named in subsection (p) and agreements with interstate instrumentalities, nothing in this paragraph shall authorize the application of an agreement to service in any policeman's or fireman's position."

Retroactive Coverage

42 USC 418.

(c) (1) Section 218 (f) of such Act is amended by inserting "(1)" immediately after "(f)", by redesignating clauses (1), (2), (3), and (4) thereof as clauses (A), (B), (C), and (D), respectively, and by adding at the end thereof the following new paragraph:

"(2) In the case of service performed by members of any coverage group—

"(A) to which an agreement under this section is made applicable, and

"(B) with respect to which the agreement, or modification thereof making the agreement so applicable, specifies an effective date earlier than the date of execution of such agreement and such modification, respectively,

the agreement shall, if so requested by the State, be applicable to such services (to the extent the agreement was not already applicable) performed before such date of execution and after such effective date by any individual as a member of such coverage group if he is such a member on a date, specified by the State, which is earlier than such date of execution, except that in no case may the date so specified be earlier than the date such agreement or such modification, as the case may be, is mailed, or delivered by other means, to the Secretary."

Ante, pp. 1038-1040.

(2) The amendment made by this subsection shall apply in the case of any agreement, or modification of an agreement, under section 218 of the Social Security Act, which is executed after the date of enactment of this Act.

TEACHERS IN THE STATE OF MAINE

Ante, pp. 1038-1040.

SEC. 316. For the purposes of any modification which might be made after the date of enactment of this Act and prior to July 1, 1960, by the State of Maine of its existing agreement made under section 218 of the Social Security Act, any retirement system of such State which covers positions of teachers and positions of other employees shall, if such State so desires, be deemed (notwithstanding the provi-

sions of subsection (d) of such section) to consist of a separate retirement system with respect to the positions of such teachers and a separate retirement system with respect to the positions of such other employees; and for the purposes of this sentence, the term "teacher" shall mean any teacher, principal, supervisor, school nurse, school dietitian, school secretary or superintendent employed in any public school, including teachers in unorganized territory.

TITLE IV—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

CHANGES IN TAX SCHEDULES

Self-Employment Income Tax

SEC. 401. (a) Section 1401 of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income) is amended to read as follows: 68A Stat. 353. 26 USC 1401.

"SEC. 1401. RATE OF TAX.

"In addition to other taxes, there shall be imposed for each taxable year, on the self-employment income of every individual, a tax as follows:

"(1) in the case of any taxable year beginning after December 31, 1958, and before January 1, 1960, the tax shall be equal to 3¾ percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1959, and before January 1, 1963, the tax shall be equal to 4½ percent of the amount of the self-employment income for such taxable year;

"(3) in the case of any taxable year beginning after December 31, 1962, and before January 1, 1966, the tax shall be equal to 5¼ percent of the amount of the self-employment income for such taxable year;

"(4) in the case of any taxable year beginning after December 31, 1965, and before January 1, 1969, the tax shall be equal to 6 percent of the amount of the self-employment income for such taxable year; and

"(5) in the case of any taxable year beginning after December 31, 1968, the tax shall be equal to 6¾ percent of the amount of the self-employment income for such taxable year."

Tax on Employees

(b) Section 3101 of such Code (relating to rate of tax on employees under the Federal Insurance Contributions Act) is amended to read as follows: 26 USC 3101.

"SEC. 3101. RATE OF TAX.

"In addition to other taxes, there is hereby imposed on the income of every individual a tax equal to the following percentages of the wages (as defined in section 3121 (a)) received by him with respect to employment (as defined in section 3121 (b))— Post, p. 1042. Post, pp. 1044-1046.

"(1) with respect to wages received during the calendar year 1959, the rate shall be 2½ percent;

"(2) with respect to wages received during the calendar years 1960 to 1962, both inclusive, the rate shall be 3 percent;

"(3) with respect to wages received during the calendar years 1963 to 1965, both inclusive, the rate shall be 3½ percent;

"(4) with respect to wages received during the calendar years 1966 to 1968, both inclusive, the rate shall be 4 percent; and

"(5) with respect to wages received after December 31, 1968, the rate shall be 4½ percent."

Tax on Employers

26 USC 3111.

(c) Section 3111 of such Code (relating to rate of tax on employers under the Federal Insurance Contributions Act) is amended to read as follows:

"SEC. 3111. RATE OF TAX.

"In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the following percentages of the wages (as defined in section 3121 (a)) paid by him with respect to employment (as defined in section 3121 (b))—

Post, pp. 1044, 1046.

"(1) with respect to wages paid during the calendar year 1959, the rate shall be 2½ percent;

"(2) with respect to wages paid during the calendar years 1960 to 1962, both inclusive, the rate shall be 3 percent;

"(3) with respect to wages paid during the calendar years 1963 to 1965, both inclusive, the rate shall be 3½ percent;

"(4) with respect to wages paid during the calendar years 1966 to 1968, both inclusive, the rate shall be 4 percent; and

"(5) with respect to wages paid after December 31, 1968, the rate shall be 4½ percent."

Effective Dates

(d) The amendment made by subsection (a) shall apply with respect to taxable years beginning after December 31, 1958. The amendments made by subsections (b) and (c) shall apply with respect to remuneration paid after December 31, 1958.

INCREASE IN TAX BASE

Definition of Self-Employment Income

26 USC 1402.

SEC. 402. (a) (1) Subparagraph (B) of section 1402 (b) (1) of the Internal Revenue Code of 1954 is amended to read as follows:

"(B) for any taxable year ending after 1954 and before 1959, (i) $4,200, minus (ii) the amount of the wages paid to such individual during the taxable year; and".

(2) Paragraph (1) of section 1402 (b) of such Code is further amended by adding at the end thereof the following new subparagraph:

"(C) for any taxable year ending after 1958, (i) $4,800, minus (ii) the amount of the wages paid to such individual during the taxable year; or".

Definition of Wages

26 USC 3121.

(b) Section 3121 (a) of such Code (relating to the definition of wages) is amended by striking out "$4,200" wherever it appears and inserting in lieu thereof "$4,800".

Federal Service

26 USC 3122.

(c) Section 3122 of such Code (relating to Federal service) is amended by striking out "$4,200" wherever it appears and inserting in lieu thereof "$4,800".

Refunds

(d) (1) Paragraph (1) of section 6413 (c) of such Code is amended to read as follows: 26 USC 6413.

"(1) IN GENERAL.—If by reason of an employee receiving wages from more than one employer during a calendar year after the calendar year 1950 and prior to the calendar year 1955, the wages received by him during such year exceed $3,600, the employee shall be entitled (subject to the provisions of section 31 (b)) to a credit or refund of any amount of tax, with respect to such wages, imposed by section 1400 of the Internal Revenue Code of 1939 and deducted from the employee's wages (whether or not paid to the Secretary or his delegate), which exceeds the tax with respect to the first $3,600 of such wages received; or if by reason of an employee receiving wages from more than one employer (A) during any calendar year after the calendar year 1954 and prior to the calendar year 1959, the wages received by him during such year exceed $4,200, or (B) during any calendar year after the calendar year 1958, the wages received by him during such year exceed $4,800, the employee shall be entitled (subject to the provisions of section 31 (b)) to a credit or refund of any amount of tax, with respect to such wages, imposed by section 3101 and deducted from the employee's wages (whether or not paid to the Secretary or his delegate), which exceeds the tax with respect to the first $4,200 of such wages received in such calendar year after 1954 and before 1959, or which exceeds the tax with respect to the first $4,800 of such wages received in such calendar year after 1958." 26 USC app. 1400. 26 USC 3101.

(2) Subparagraph (A) of section 6413 (c) (2) of such Code is amended to read as follows: 26 USC 6413.

"(A) FEDERAL EMPLOYEES.—In the case of remuneration received from the United States or a wholly owned instrumentality thereof during any calendar year, each head of a Federal agency or instrumentality who makes a return pursuant to section 3122 and each agent, designated by the head of a Federal agency or instrumentality, who makes a return pursuant to such section shall, for purposes of this subsection, be deemed a separate employer, and the term 'wages' includes for purposes of this subsection the amount, not to exceed $3,600 for the calendar year 1951, 1952, 1953, or 1954, $4,200 for the calendar year 1955, 1956, 1957, or 1958, or $4,800 for any calendar year after 1958, determined by each such head or agent as constituting wages paid to an employee." *Ante*, p. 1042.

Effective Date

(e) The amendments made by subsections (b) and (c) shall be applicable only with respect to remuneration paid after 1958.

PARTNER'S TAXABLE YEAR ENDING AS RESULT OF DEATH

General Rule

SEC. 403. (a) Section 1402 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection: *Ante*, p. 1042.

"(f) PARTNER'S TAXABLE YEAR ENDING AS THE RESULT OF DEATH.—In computing a partner's net earnings from self-employment for his taxable year which ends as a result of his death (but only if such taxable year ends within, and not with, the taxable year of the partnership), there shall be included so much of the deceased partner's

distributive share of the partnership's ordinary income or loss for the partnership taxable year as is not attributable to an interest in the partnership during any period beginning on or after the first day of the first calendar month following the month in which such partner died. For purposes of this subsection—

"(1) in determining the portion of the distributive share which is attributable to any period specified in the preceding sentence, the ordinary income or loss of the partnership shall be treated as having been realized or sustained ratably over the partnership taxable year; and

"(2) the term 'deceased partner's distributive share' includes the share of his estate or of any other person succeeding, by reason of his death, to rights with respect to his partnership interest."

Effective Date

(b) (1) Except as provided in paragraph (2), the amendment made by subsection (a) shall apply only with respect to individuals who die after the date of the enactment of this Act.

(2) In the case of an individual who died after 1955 and on or before the date of the enactment of this Act, the amendment made by subsection (a) shall apply only if—

(A) before January 1, 1960, there is filed a return (or amended return) of the tax imposed by chapter 2 of the Internal Revenue Code of 1954 for the taxable year ending as a result of his death, and

Ante, pp. 1041-1043.

(B) in any case where the return is filed solely for the purpose of reporting net earnings from self-employment resulting from the amendment made by subsection (a), the return is accompanied by the amount of tax attributable to such net earnings.

In any case described in the preceding sentence, no interest or penalty shall be assessed or collected on the amount of any tax due under chapter 2 of such Code solely by reason of the operation of section 1402 (f) of such Code.

Ante, p. 1043.

SERVICE IN CONNECTION WITH GUM RESIN PRODUCTS

26 USC 3121.

SEC. 404. (a) Section 3121 (b) (1) of the Internal Revenue Code of 1954 (relating to definition of employment) is amended to read as follows:

"(1) service performed by foreign agricultural workers (A) under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended (65 Stat. 119; 7 U. S. C. 1461-1468), or (B) lawfully admitted to the United States from the Bahamas, Jamaica, and the other British West Indies, or from any other foreign country or possession thereof, on a temporary basis to perform agricultural labor;".

(b) The amendment made by subsection (a) shall apply with respect to service performed after 1958.

NONPROFIT ORGANIZATION'S WAIVER CERTIFICATES

26 USC 3121.

SEC. 405. (a) Section 3121 (k) (1) of the Internal Revenue Code of 1954 is amended to read as follows:

"(1) WAIVER OF EXEMPTION BY ORGANIZATION.—

26 USC 501.

"(A) An organization described in section 501 (c) (3) which is exempt from income tax under section 501 (a) may file a certificate (in such form and manner, and with such official, as may be prescribed by regulations made under this chapter) certifying that it desires to have the insurance sys-

tem established by title II of the Social Security Act extended to service performed by its employees and that at least two-thirds of its employees concur in the filing of the certificate. Such certificate may be filed only if it is accompanied by a list containing the signature, address, and social security account number (if any) of each employee who concurs in the filing of the certificate. Such list may be amended at any time prior to the expiration of the twenty-fourth month following the calendar quarter in which the certificate is filed by filing with the prescribed official a supplemental list or lists containing the signature, address, and social security account number (if any) of each additional employee who concurs in the filing of the certificate. The list and any supplemental list shall be filed in such form and manner as may be prescribed by regulations made under this chapter.

42 USC 401-425.

"(B) The certificate shall be in effect (for purposes of subsection (b) (8) (B) and for purposes of section 210 (a) (8) (B) of the Social Security Act) for the period beginning with whichever of the following may be designated by the organization:

Post, p. 1046.
Ante, p. 1035.

"(i) the first day of the calendar quarter in which the certificate is filed,

"(ii) the first day of the calendar quarter succeeding such quarter, or

"(iii) the first day of any calendar quarter preceding the calendar quarter in which the certificate is filed, except that, in the case of a certificate filed prior to January 1, 1960, such date may not be earlier than January 1, 1956, and in the case of a certificate filed after 1959, such date may not be earlier than the first day of the fourth calendar quarter preceding the quarter in which such certificate is filed.

"(C) In the case of service performed by an employee whose name appears on a supplemental list filed after the first month following the calendar quarter in which the certificate is filed, the certificate shall be in effect (for purposes of subsection (b) (8) (B) and for purposes of section 210 (a) (8) (B) of the Social Security Act) only with respect to service performed by such individual for the period beginning with the first day of the calendar quarter in which such supplemental list is filed.

"(D) The period for which a certificate filed pursuant to this subsection or the corresponding subsection of prior law is effective may be terminated by the organization, effective at the end of a calendar quarter, upon giving 2 years' advance notice in writing, but only if, at the time of the receipt of such notice, the certificate has been in effect for a period of not less than 8 years. The notice of termination may be revoked by the organization by giving, prior to the close of the calendar quarter specified in the notice of termination, a written notice of such revocation. Notice of termination or revocation thereof shall be filed in such form and manner, and with such official, as may be prescribed by regulations made under this chapter.

"(E) If an organization described in subparagraph (A) employs both individuals who are in positions covered by a pension, annuity, retirement, or similar fund or system established by a State or by a political subdivision thereof and

individuals who are not in such positions, the organization shall divide its employees into two separate groups. One group shall consist of all employees who are in positions covered by such a fund or system and (i) are members of such fund or system, or (ii) are not members of such fund or system but are eligible to become members thereof; and the other group shall consist of all remaining employees. An organization which has so divided its employees into two groups may file a certificate pursuant to subparagraph (A) with respect to the employees in one of the groups if at least two-thirds of the employees in such group concur in the filing of the certificate. The organization may also file such a certificate with respect to the employees in the other group if at least two-thirds of the employees in such other group concur in the filing of such certificate.

"(F) An organization which filed a certificate under this subsection after 1955 but prior to the enactment of this subparagraph may file a request at any time before 1960 to have such certificate effective, with respect to the service of individuals who concurred in the filing of such certificate (initially or through the filing of a supplemental list) prior to enactment of this subparagraph and who concur in the filing of such new request, for the period beginning with the first day of any calendar quarter preceding the first calendar quarter for which it was effective and following the last calendar quarter of 1955. Such request shall be filed with such official and in such form and manner as may be prescribed by regulations made under this chapter. If a request is filed pursuant to this subparagraph—

26 USC 6651.

"(i) for purposes of computing interest and for purposes of section 6651 (relating to addition to tax for failure to file tax return), the due date for the return and payment of the tax for any calendar quarter resulting from the filing of such request shall be the last day of the calendar month following the calendar quarter in which the request is filed; and

"(ii) the statutory period for the assessment of such tax shall not expire before the expiration of 3 years from such due date.

"(G) If a certificate filed pursuant to this paragraph is effective for one or more calendar quarters prior to the quarter in which the certificate is filed, then—

26 USC 6651.

"(i) for purposes of computing interest and for purposes of section 6651 (relating to addition to tax for failure to file tax return), the due date for the return and payment of the tax for such prior calendar quarters resulting from the filing of such certificate shall be the last day of the calendar month following the calendar quarter in which the certificate is filed; and

"(ii) the statutory period for the assessment of such tax shall not expire before the expiration of 3 years from such due date."

26 USC 3121.

(b) Section 3121 (b) (8) (B) of the Internal Revenue Code of 1954 is amended to read as follows:

"(B) service performed in the employ of a religious, charitable, educational, or other organization described in section 501 (c) (3) which is exempt from income tax under section 501 (a), but this subparagraph shall not apply to service performed during the period for which a certificate, filed

26 USC 501.

pursuant to subsection (k) (or the corresponding subsection of prior law), is in effect if such service is performed by an employee—

"(i) whose signature appears on the list filed by such organization under subsection (k) (or the corresponding subsection of prior law),

"(ii) who became an employee of such organization after the calendar quarter in which the certificate (other than a certificate referred to in clause (iii)) was filed, or

"(iii) who, after the calendar quarter in which the certificate was filed with respect to a group described in section 3121 (k) (1) (E), became a member of such group,

except that this subparagraph shall apply with respect to service performed by an employee as a member of a group described in section 3121 (k) (1) (E) with respect to which no certificate is in effect;".

Ante, p. 1044.

(c) The amendments made by subsections (a) and (b) shall apply with respect to certificates filed under section 3121 (k) (1) of the Internal Revenue Code of 1954 after the date of enactment of this Act and requests filed under subparagraph (F) of such section after such date.

EXEMPTION OF UNEMPLOYMENT BENEFITS FROM LEVY

SEC. 406. Section 6334 (a) of the Internal Revenue Code of 1954 (relating to enumeration of property exempt from levy) is amended by adding at the end thereof the following new paragraph:

26 USC 6334.

"(4) UNEMPLOYMENT BENEFITS.—Any amount payable to an individual with respect to his unemployment (including any portion thereof payable with respect to dependents) under an unemployment compensation law of the United States, of any State or Territory, or of the District of Columbia or of the Commonwealth of Puerto Rico."

TITLE V—AMENDMENTS RELATING TO PUBLIC ASSISTANCE

OLD-AGE ASSISTANCE

SEC. 501. Subsection (a) of section 3 of the Social Security Act is amended to read as follows:

42 USC 303.

"(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, 1958, (1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as old-age assistance under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof)—

"(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of recipients of old-age assistance for such month (which total number, for purposes of this subsection, means (i) the number of individuals who received old-age assistance in the form of money payments for such month, plus (ii) the number of other individuals with respect to whom expenditures were made in such month as old-age assistance in the form of medical or any other type of remedial care); plus

"(B) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of $65 multiplied by the total number of such recipients of old-age assistance for such month;

and (2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds $35 multiplied by the total number of recipients of old-age assistance for such month; 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 Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of old-age assistance to help them attain self-care."

AID TO DEPENDENT CHILDREN

42 USC 603.

SEC. 502. Subsection (a) of section 403 of the Social Security Act is amended to read as follows:

"(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, 1958, (1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an amount 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 (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof)—

"(A) fourteen-seventeenths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $17 multiplied by the total number of recipients of aid to dependent children for such month (which total number, for purposes of this subsection, means (i) the number of individuals with respect to whom aid to dependent children in the form of money payments is paid for such month, plus (ii) the number of other individuals with respect to whom expenditures were made in such month as aid to dependent children in the form of medical or any other type of remedial care); plus

"(B) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of recipients of aid to dependent children for such month;

and (2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to one-half of the total of the sums expended during such quarter as aid to dependent children under the State plan (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds $18 multiplied by the total number of recipients of aid to dependent children for such month; 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 Secretary of Health, Education, and Wel-

fare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to relatives with whom such children (applying for or receiving such aid) are living, in order to help such relatives attain self-support or self-care, or which are provided to maintain and strengthen family life for such children."

AID TO THE BLIND

SEC. 503. Subsection (a) of section 1003 of the Social Security Act is amended to read as follows: 42 USC 1203.

"(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, 1958, (1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an amount 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 (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof)—

"(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multipled by the total number of recipients of aid to the blind for such month (which total number, for purposes of this subsection, means (i) the number of individuals who received aid to the blind in the form of money payments for such month, plus (ii) the number of other individuals with respect to whom expenditures were made in such month as aid to the blind in the form of medical or any other type of remedial care); plus

"(B) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of $65 multiplied by the total number of such recipients of aid to the blind for such month;

and (2) in the case of Puerto Rico, the Virgin Islands, and Guam, 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 (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds $35 multiplied by the total number of recipients of aid to the blind for such month; 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 Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of aid to the blind to help them attain self-support or self-care."

AID TO THE PERMANENTLY AND TOTALLY DISABLED

SEC. 504. Subsection (a) of section 1403 of the Social Security Act is amended to read as follows: 42 USC 1353.

"(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, 1958, (1) in the case of any State other than Puerto Rico, the Virgin Islands, and Guam, an

amount 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 (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof)—

"(A) four-fifths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of recipients of aid to the permanently and totally disabled for such month (which total number, for purposes of this subsection, means (i) the number of individuals who received aid to the permanently and totally disabled in the form of money payments for such month, plus (ii) the number of other individuals with respect to whom expenditures were made in such month as aid to the permanently and totally disabled in the form of medical or any other type of remedial care); plus

"(B) the Federal percentage of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of $65 multiplied by the total number of such recipients of aid to the permanently and totally disabled for such month;

and (2) in the case of Puerto Rico, the Virgin Islands, and Guam, an amount 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 (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds $35 multiplied by the total number of recipients of aid to the permanently and totally disabled for such month; 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 Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan, including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of aid to the permanently and totally disabled to help them attain self-support or self-care."

FEDERAL MATCHING PERCENTAGE

42 USC 1301.

SEC. 505. Subsection (a) of section 1101 of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(8) (A) The 'Federal percentage' for any State (other than Puerto Rico, the Virgin Islands, and Guam) shall be 100 per centum less the State percentage; and the State percentage shall be that percentage which bears the same ratio to 50 per centum as the square of the per capita income of such State bears to the square of the per capita income of the continental United States (excluding Alaska); except that (i) the Federal percentage shall in no case be less than 50 per centum or more than 65 per centum, and (ii) the Federal percentage shall be 50 per centum for Alaska and Hawaii.

"(B) The Federal percentage for each State (other than Puerto Rico, the Virgin Islands, and Guam) shall be promulgated by the Secretary between July 1 and August 31 of each even-numbered year, on the basis of the average per capita income of each State and of the continental United States (excluding Alaska) for the three most recent calendar years for which satisfactory data are available from the Department of Commerce. Such

promulgation shall be conclusive for each of the eight quarters in the period beginning July 1 next succeeding such promulgation: *Provided*, That the Secretary shall promulgate such percentages as soon as possible after the enactment of the Social Security Amendments of 1958, which promulgation shall be conclusive for each of the eleven quarters in the period beginning October 1, 1958, and ending with the close of June 30, 1961."

EXTENSION TO GUAM

SEC. 506. Section 1101 (a) (1) of the Social Security Act is amended by striking out "Puerto Rico and the Virgin Islands" and inserting in lieu thereof "Puerto Rico, the Virgin Islands, and Guam". *Ante*, p. 1050.

INCREASE IN LIMITATIONS ON PUBLIC ASSISTANCE PAYMENTS TO PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 507. (a) Section 1108 of the Social Security Act is amended by striking out "$5,312,500" and "$200,000" and inserting in lieu thereof "$8,500,000" and "$300,000", respectively, by striking out "and" immediately following the semicolon, and by adding immediately before the period at the end thereof "; and the total amount certified by the Secretary under such titles for payment to Guam with respect to any fiscal year shall not exceed $400,000". 70 Stat. 855. 42 USC 1308.

(b) The heading of such section is amended to read

"LIMITATION ON PAYMENTS TO PUERTO RICO, THE VIRGIN ISLANDS, AND GUAM".

MATERNAL AND CHILD WELFARE GRANTS FOR GUAM

SEC. 508. Such section 1108 is further amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of sections 502 (a) (2), 512 (a) (2), and 522 (a), and until such time as the Congress may by appropriation or other law otherwise provide, the Secretary shall, in lieu of the $60,000, $60,000, and $60,000, respectively, specified in such sections, allot such smaller amounts to Guam as he may deem appropriate." 42 USC 1308. *Post*, pp. 1055, 1053.

TEMPORARY EXTENSION OF CERTAIN SPECIAL PROVISIONS RELATING TO STATE PLANS FOR AID TO THE BLIND

SEC. 509. Section 344 (b) of the Social Security Act Amendments of 1950 (Public Law 734, Eighty-first Congress), as amended, is amended by striking out "June 30, 1959" and inserting in lieu thereof "June 30, 1961". 64 Stat. 554. 42 USC 1202a note.

TECHNICAL AMENDMENT

SEC. 510. Section 2 (a) (11) of the Social Security Act is amended by inserting before the period at the end thereof ", including a description of the steps taken to assure, in the provision of such services, maximum utilization of other agencies providing similar or related services". 42 USC 302.

PAYMENTS TO LEGAL REPRESENTATIVES

SEC. 511. (a) Title XI of the Social Security Act is amended by adding after section 1110 the following new section: 42 USC 1310.

"PUBLIC ASSISTANCE PAYMENTS TO LEGAL REPRESENTATIVES

42 USC 301-306, 601-606, 1201-1206, 1351-1355.

"SEC. 1111. For purposes of titles I, IV, X, and XIV, payments on behalf of an individual, made to another person who has been judicially appointed, under the law of the State in which such individual resides, as legal representative of such individual for the purpose of receiving and managing such payments (whether or not he is such individual's legal representative for other purposes), shall be regarded as money payments to such individual."

(b) The amendment made by subsection (a) shall be applicable in the case of payments to legal representatives by any State made after June 30, 1958; and to such payments by any State made after December 31, 1955, and prior to July 1, 1958, if certifications for payment to such State have been made by the Secretary of Health, Education, and Welfare with respect thereto, or such State has presented to the Secretary a claim (and such other data as the Secretary may require) with respect thereto, prior to July 1, 1959.

EFFECTIVE DATES

70 Stat. 848, 854. 42 USC 303 note.

SEC. 512. Notwithstanding the provisions of sections 305 and 345 of the Social Security Amendments of 1956, as amended, the amendments made by sections 501, 502, 503, 504, 505, and 506 shall be effective—

42 USC 301-306, 601-606, 1201-1206, 1351-1355.

(1) in the case of money payments, under a State plan approved under title I, IV, X, or XIV of the Social Security Act, for months after September 1958, and

(2) in the case of assistance in the form of medical or any other type of remedial care, under such a plan, with respect to expenditures made after September 1958.

42 USC 701-731.

The amendment made by section 506 shall also become effective, for purposes of title V of the Social Security Act, for fiscal years ending after June 30, 1959. The amendments made by section 507 shall be effective for fiscal years ending after June 30, 1958. The amendment made by section 508 shall be effective for fiscal years ending after June 30, 1959. The amendment made by section 510 shall become effective October 1, 1958.

TITLE VI—MATERNAL AND CHILD WELFARE

CHILD WELFARE SERVICES

64 Stat. 551. 42 USC 701 *et seq.*

SEC. 601. Part 3 of title V of the Social Security Act is amended to read as follows:

"PART 3—CHILD-WELFARE SERVICES

"APPROPRIATION

"SEC. 521. For the purpose of enabling the United States, through the Secretary, to cooperate with State public-welfare agencies in establishing, extending, and strengthening public-welfare services (hereinafter in this title referred to as 'child-welfare services') for the protection and care of homeless, dependent, and neglected children, and children in danger of becoming delinquent, there is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1959, the sum of $17,000,000.

"ALLOTMENTS TO STATES

"SEC. 522. (a) The sums appropriated for each fiscal year under section 521 shall be allotted by the Secretary for use by cooperating State public-welfare agencies which have plans developed jointly by the State agency and the Secretary, as follows: He shall allot to each State such portion of $60,000 as the amount appropriated under section 521 for such year bears to the amount authorized to be so appropriated; and he shall allot to each State an amount which bears the same ratio to the remainder of the sums so appropriated for such year as the product of (1) the population of such State under the age of 21 and (2) the allotment percentage of such State (as determined under section 524) bears to the sum of the corresponding products of all the States.

"(b) (1) If the amount allotted to a State under subsection (a) for any fiscal year is less than such State's base allotment, it shall be increased to such base allotment, the total of the increases thereby required being derived by proportionately reducing the amount allotted under subsection (a) to each of the remaining States, but with such adjustments as may be necessary to prevent the allotment of any such remaining State under subsection (a) from being thereby reduced to less than its base allotment.

"(2) For purposes of paragraph (1) the base allotment of any State for any fiscal year means the amount which would be allotted to such State for such year under the provisions of section 521, as in effect prior to the enactment of the Social Security Amendments of 1958, as applied to an appropriation of $12,000,000.

"PAYMENT TO STATES

"SEC. 523. (a) From the sums appropriated therefor and the allotment available under this part, the Secretary shall from time to time pay to each State with a plan for child-welfare services developed as provided in this part an amount equal to the Federal share (as determined under section 524) of the total sum expended under such plan (including the cost of administration of the plan) in meeting the costs of district, county, or other local child-welfare services, in developing State services for the encouragement and assistance of adequate methods of community child-welfare organization, in paying the costs of returning any runaway child who has not attained the age of eighteen to his own community in another State, and of maintaining such child until such return (for a period not exceeding fifteen days), in cases in which such costs cannot be met by the parents of such child or by any person, agency, or institution legally responsible for the support of such child: *Provided*, That in developing such services for children the facilities and experience of voluntary agencies shall be utilized in accordance with child-care programs and arrangements in the States and local communities as may be authorized by the State.

"(b) The method of computing and paying such amounts shall be as follows:

"(1) The Secretary shall, prior to the beginning of each period for which a payment is to be made, estimate the amount to be paid to the State for such period under the provisions of subsection (a).

"(2) From the allotment available therefor, the Secretary shall pay the amount so estimated, reduced or increased, as the case may be, by any sum (not previously adjusted under this section) by which he finds that his estimate of the amount to be paid the State for any prior period under this section was greater or less than the amount which should have been paid thereunder to the State for such prior period.

"ALLOTMENT PERCENTAGE AND FEDERAL SHARE

"SEC. 524. (a) The 'allotment percentage' for any State shall be 100 per centum less the State percentage; and the State percentage shall be that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the continental United States (excluding Alaska); except that (A) the allotment percentage shall in no case be less than 30 per centum or more than 70 per centum, and (B) the allotment percentage shall be 50 per centum in the case of Alaska and 70 per centum in the case of Puerto Rico, the Virgin Islands, and Guam.

"(b) For the fiscal year ending June 30, 1960, and each year thereafter, the 'Federal share' for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the continental United States (excluding Alaska), except that (1) in no case shall the Federal share be less than 33⅓ per centum or more than 66⅔ per centum, and (2) the Federal share shall be 50 per centum in the case of Alaska and 66⅔ per centum in the case of Puerto Rico, the Virgin Islands, and Guam. For the fiscal year ending June 30, 1959, the Federal share shall be determined pursuant to the provisions of section 521 as in effect prior to the enactment of the Social Security Amendments of 1958.

"(c) The Federal share and the allotment percentage for each State shall be promulgated by the Secretary between July 1 and August 31 of each even-numbered year, on the basis of the average per capita income of each State and of the continental United States (excluding Alaska) for the three most recent calendar years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such promulgation: *Provided*, That the Secretary shall promulgate such Federal shares and allotment percentages as soon as possible after the enactment of the Social Security Amendments of 1958, which promulgation shall be conclusive for each of the 3 fiscal years in the period ending June 30, 1961.

"REALLOTMENT

"SEC. 525. The amount of any allotment to a State under section 522 for any fiscal year which the State certifies to the Secretary will not be required for carrying out the State plan developed as provided in such section shall be available for reallotment from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines (1) have need in carrying out their State plans so developed for sums in excess of those previously allotted to them under that section and (2) will be able to use such excess amounts during such fiscal year. Such reallotments shall be made on the basis of the State plans so developed, after taking into consideration the population under the age of twenty-one, and the per capita income of each such State as compared with the population under the age of twenty-one, and the per capita income of all such States with respect to which such a determination by the Secretary has been made. Any amount so reallotted to a State shall be deemed part of its allotment under section 522."

MATERNAL AND CHILD HEALTH

42 USC 701.

SEC. 602. (a) Section 501 of such Act is amended by striking out "for the fiscal year ending June 30, 1951, the sum of $15,000,000, and for each fiscal year beginning after June 30, 1951, the sum of $16,500,000" and inserting in lieu thereof "for each fiscal year beginning after June 30, 1958, the sum of $21,500,000".

(b) Section 502 (a) (2) of such Act is amended by striking out "for each fiscal year beginning after June 30, 1951, the Federal Security Administrator shall allot $8,250,000 as follows: He shall allot to each State $60,000 and shall allot to each State such part of the remainder of the $8,250,000" and inserting in lieu thereof "for each fiscal year beginning after June 30, 1958, the Secretary shall allot $10,750,000 as follows: He shall allot to each State $60,000 (even though the amount appropriated for such year is less than $21,500,000), and shall allot each State such part of the remainder of the $10,750,000". 42 USC 702.

(c) Section 502 (b) of such Act is amended by striking out "the fiscal year ending June 30, 1951, the sum of $7,500,000, and for each fiscal year beginning after June 30, 1951, the sum of $8,250,000" and inserting in lieu thereof "each fiscal year beginning after June 30, 1958, the sum of $10,750,000".

CRIPPLED CHILDREN'S SERVICES

SEC. 603. (a) Section 511 of such Act is amended by striking out "for the fiscal year ending June 30, 1951, the sum of $12,000,000, and for each fiscal year beginning after June 30, 1951, the sum of $15,000,000" and inserting in lieu thereof "for each fiscal year beginning after June 30, 1958, the sum of $20,000,000". 42 USC 711.

(b) Section 512 (a) (2) of such Act is amended by striking out "for each fiscal year beginning after June 30, 1951, the Federal Security Administrator shall allot $7,500,000 as follows: He shall allot to each State $60,000, and shall allot the remainder of the $7,500,000" and inserting in lieu thereof "for each fiscal year beginning after June 30, 1958, the Secretary shall allot $10,000,000 as follows: He shall allot to each State $60,000 (even though the amount appropriated for such year is less than $20,000,000) and shall allot the remainder of the $10,000,000". 42 USC 712.

(c) Section 512 (b) of such Act is amended by striking out "the fiscal year ending June 30, 1951, the sum of $6,000,000, and for each fiscal year beginning after June 30, 1951, the sum of $7,500,000" and inserting in lieu thereof "each fiscal year beginning after June 30, 1958, the sum of $10,000,000".

TITLE VII—MISCELLANEOUS PROVISIONS

FURNISHING OF SERVICES BY DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SEC. 701. Section 1106 (b) of the Social Security Act is amended to read as follows: 42 USC 1306.

"(b) Requests for information, disclosure of which is authorized by regulations prescribed pursuant to subsection (a) of this section, and requests for services, may, subject to such limitations as may be prescribed by the Secretary to avoid undue interference with his functions under this Act, be complied with if the agency, person, or organization making the request agrees to pay for the information or services requested in such amount, if any (not exceeding the cost of furnishing the information or services), as may be determined by the Secretary. Payments for information or services furnished pursuant to this section shall be made in advance or by way of reimbursement, as may be requested by the Secretary, and shall be deposited in the Treasury as a special deposit to be used to reimburse the appropriations (including authorizations to make expenditures from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability

Insurance Trust Fund) for the unit or units of the Department of Health, Education, and Welfare which furnished the information or services."

MEANING OF TERM "SECRETARY"

SEC. 702. As used in the provisions of the Social Security Act amended by this Act, the term "Secretary", unless the context otherwise requires, means the Secretary of Health, Education, and Welfare.

AMENDMENT PRESERVING RELATIONSHIP BETWEEN RAILROAD RETIREMENT AND OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE

71 Stat. 520.
45 USC 228a.

SEC. 703. Section 1 (q) of the Railroad Retirement Act of 1937, as amended, is amended by striking out "1957" and inserting in lieu thereof "1958".

ADVISORY COUNCIL ON PUBLIC ASSISTANCE

SEC. 704. (a) There is hereby established an Advisory Council on Public Assistance for the purpose of reviewing the status of the public assistance program in relation to the old-age, survivors, and disability insurance program, the fiscal capacities of the States and the Federal Government, and any other factors bearing on the amount and proportion of the Federal and State shares in the public assistance program.

(b) The Council shall be appointed by the Secretary before January 1959 without regard to the civil-service laws and shall consist of the Commissioner of Social Security, as chairman, and of twelve other persons who shall, to the extent possible, represent employers and employees in equal numbers, persons concerned with the administration or financing of the State and Federal programs, other persons with special knowledge, experience, or qualifications with respect to the program, and the public.

(c) (1) The Council is authorized to engage such technical assistance, as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Council such secretarial, clerical, and other assistance and such other pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out such functions.

(2) Members of the Council, while serving on business of the Council (inclusive of travel time), shall receive compensation at rates fixed by the Secretary, but not exceeding $50 per day; and shall be entitled to receive actual and necessary traveling expenses and per diem in lieu of subsistence while so serving away from their places of residence.

Report to Congress.

42 USC 303, 603, 1203, 1353.

(d) The Council shall make a report of its findings and recommendations (including recommendations for changes in the provisions of sections 3, 403, 1003, and 1403 of the Social Security Act) to the Secretary and the Congress, such report to be submitted not later than January 1, 1960, after which date such Council shall cease to exist.

ADVISORY COUNCIL ON CHILD WELFARE SERVICES

SEC. 705. (a) There is hereby established an Advisory Council on Child-Welfare Services for the purpose of making recommendations and advising the Secretary of Health, Education, and Welfare in connection with the effectuation of the provisions of part 3 of title V of the Social Security Act, as amended by the Social Security Amendments of 1958.

Ante, p. 1052.

(b) The Council shall be appointed by the Secretary before January 1959, without regard to the civil-service laws, and shall consist of twelve persons representative of public, voluntary, civic, religious, and professional welfare organizations and groups, or other persons with special knowledge, experience, or qualifications with respect to child-welfare services, and the public.

(c) (1) The Secretary shall make available to the Council such secretarial, clerical, and other assistance and such other pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out such functions.

(2) Members of the Council, while serving on business of the Council (inclusive of travel time), shall receive compensation at rates fixed by the Secretary, but not exceeding $50 per day; and shall be entitled to receive actual and necessary traveling expenses and per diem in lieu of subsistence while so serving away from their places of residence.

(d) The Council shall make a report of its findings and recommendations (including recommendations for changes in the provisions of part 3 of title V of the Social Security Act) to the Secretary and to the Congress on or before January 1, 1960, after which date such Council shall cease to exist.

Final report.

Ante, p. 1052.

Approved August 28, 1958.

Public Law 85-841

AN ACT

August 28, 1958
[H. R. 12632]

Authorizing Gus A Guerra, his heirs, legal representatives and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Texas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act authorizing Gus A Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Texas," approved June 28, 1955 (69 Stat. 186), is revived and reenacted, except that this Act shall be null and void unless the actual construction of the bridge authorized in such Act of June 28, 1955, is commenced within one year and completed within two years from the date of enactment of this Act.

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

Approved August 28, 1958.

Public Law 85-842

AN ACT

August 28, 1958
[S. 3776]

To extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at or near Miami, Missouri.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 2 of the Act of January 16, 1936 (49 Stat. 1093), as amended, is hereby amended by striking out "twenty years" and inserting in lieu thereof "thirty-five years".

Approved August 28, 1958.