

105TH CONGRESS  
2D SESSION

# H. R. 3912

To amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 20, 1998

Mr. SAM JOHNSON of Texas (for himself and Mr. BONILLA) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Senior Citizens’ Free-  
5       dom to Work Act of 1998”.

6       **SEC. 2. ELIMINATION OF EARNINGS TEST FOR INDIVID-**  
7                               **UALS WHO HAVE ATTAINED RETIREMENT**  
8                               **AGE.**

9       Section 203 of the Social Security Act (42 U.S.C.  
10     403) is amended—

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1           (1) in subsection (c)(1), by striking “the age of  
2       seventy” and inserting “retirement age (as defined  
3       in section 216(l))”;

4           (2) in paragraphs (1)(A) and (2) of subsection  
5       (d), by striking “the age of seventy” each place it  
6       appears and inserting “retirement age (as defined in  
7       section 216(l))”;

8           (3) in subsection (f)(1)(B), by striking “was  
9       age seventy or over” and inserting “was at or above  
10      retirement age (as defined in section 216(l))”;

11          (4) in subsection (f)(3)—

12               (A) by striking “33 $\frac{1}{3}$  percent” and all  
13              that follows through “any other individual,”  
14              and inserting “50 percent of such individual’s  
15              earnings for such year in excess of the product  
16              of the exempt amount as determined under  
17              paragraph (8),”; and

18               (B) by striking “age 70” and inserting  
19              “retirement age (as defined in section 216(l))”;

20          (5) in subsection (h)(1)(A), by striking “age  
21       70” each place it appears and inserting “retirement  
22       age (as defined in section 216(l))”; and

23          (6) in subsection (j)—

24               (A) in the heading, by striking “Age Sev-  
25       enty” and inserting “Retirement Age”; and

1 (B) by striking “seventy years of age” and  
 2 inserting “having attained retirement age (as  
 3 defined in section 216(l))”.

4 **SEC. 3. CONFORMING AMENDMENTS ELIMINATING THE**  
 5 **SPECIAL EXEMPT AMOUNT FOR INDIVIDUALS**  
 6 **WHO HAVE ATTAINED RETIREMENT AGE.**

7 (a) UNIFORM EXEMPT AMOUNT.—Section  
 8 203(f)(8)(A) of the Social Security Act (42 U.S.C.  
 9 403(f)(8)(A)) is amended by striking “the new exempt  
 10 amounts (separately stated for individuals described in  
 11 subparagraph (D) and for other individuals) which are to  
 12 be applicable” and inserting “a new exempt amount which  
 13 shall be applicable”.

14 (b) CONFORMING AMENDMENTS.—Section  
 15 203(f)(8)(B) of the Social Security Act (42 U.S.C.  
 16 403(f)(8)(B)) is amended—

17 (1) in the matter preceding clause (i), by strik-  
 18 ing “Except” and all that follows through “which-  
 19 ever” and inserting “The exempt amount which is  
 20 applicable for each month of a particular taxable  
 21 year shall be whichever”;

22 (2) in clauses (i) and (ii), by striking “cor-  
 23 responding” each place it appears; and

24 (3) in the last sentence, by striking “an exempt  
 25 amount” and inserting “the exempt amount”.

1 (c) REPEAL OF BASIS FOR COMPUTATION OF SPE-  
 2 CIAL EXEMPT AMOUNT.—Section 203(f)(8)(D) of the So-  
 3 cial Security Act (42 U.S.C. (f)(8)(D)) is repealed.

4 **SEC. 4. ADDITIONAL CONFORMING AMENDMENTS.**

5 (a) ELIMINATION OF REDUNDANT REFERENCES TO  
 6 RETIREMENT AGE.—Section 203 of the Social Security  
 7 Act (42 U.S.C. 403) is amended—

8 (1) in subsection (c), in the last sentence, by  
 9 striking “nor shall any deduction” and all that fol-  
 10 lows and inserting “nor shall any deduction be made  
 11 under this subsection from any widow’s or widower’s  
 12 insurance benefit if the widow, surviving divorced  
 13 wife, widower, or surviving divorced husband in-  
 14 volved became entitled to such benefit prior to at-  
 15 taining age 60.”; and

16 (2) in subsection (f)(1), by striking clause (D)  
 17 and inserting the following: “(D) for which such in-  
 18 dividual is entitled to widow’s or widower’s insurance  
 19 benefits if such individual became so entitled prior  
 20 to attaining age 60,”.

21 (b) CONFORMING AMENDMENT TO PROVISIONS FOR  
 22 DETERMINING AMOUNT OF INCREASE ON ACCOUNT OF  
 23 DELAYED RETIREMENT.—Section 202(w)(2)(B)(ii) of the  
 24 Social Security Act (42 U.S.C. 402(w)(2)(B)(ii)) is  
 25 amended—

1 (1) by striking “either”; and

2 (2) by striking “or suffered deductions under  
3 section 203(b) or 203(c) in amounts equal to the  
4 amount of such benefit”.

5 (c) PROVISIONS RELATING TO EARNINGS TAKEN  
6 INTO ACCOUNT IN DETERMINING SUBSTANTIAL GAINFUL  
7 ACTIVITY OF BLIND INDIVIDUALS.—The second sentence  
8 of section 223(d)(4) of such Act (42 U.S.C. 423(d)(4))  
9 is amended by striking “if section 102 of the Senior Citi-  
10 zens’ Right to Work Act of 1996 had not been enacted”  
11 and inserting the following: “if the amendments to section  
12 203 made by section 102 of the Senior Citizens’ Right  
13 to Work Act of 1996 and by the Senior Citizens’ Freedom  
14 to Work Act of 1998 had not been enacted”.

15 **SEC. 5. EFFECTIVE DATE.**

16 The amendments and repeals made by this Act shall  
17 apply with respect to taxable years ending after December  
18 31, 1997.

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