

Public Law 98-604
98th Congress

An Act

To ensure the payment in 1985 of cost-of-living increases under the OASDI program in title II of the Social Security Act, and to provide for a study of certain changes which might be made in the provisions authorizing cost-of-living adjustments under that program.

Oct. 30, 1984
[H.R. 6299]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in determining whether the base quarter ending on September 30, 1984, is a cost-of-living computation quarter for the purposes of the cost-of-living increases under sections 215(i) and 1617 of the Social Security Act, the phrase "is 3 percent or more" appearing in section 215(i)(1)(B) of such Act shall be deemed to read "is greater than zero" (and the phrase "exceeds, by not less than 3 per centum, such Index" appearing in section 215(i)(1)(B) of such Act as in effect in December 1978 shall be deemed to read "exceeds such Index").

Aged persons.
42 USC 415 note.

97 Stat. 73.
42 USC 415.
42 USC 1382f.

(b) For purposes of section 215(i) of such Act, the provisions of subsection (a) shall not constitute a "general benefit increase".

SEC. 2. The Office of the Actuary of the Social Security Administration shall conduct a study of improvements which might be made in the application and operation of the cost-of-living adjustment provisions in section 215(i) of the Social Security Act, giving particular attention to—

Study.

(1) the long-term effects of altogether eliminating the COLA trigger (the provision which requires that the CPI increase percentage (or the wage increase percentage) reach a specified level in order to trigger a cost-of-living adjustment in benefits);

(2) the long-term effects of reducing the level of the COLA trigger from 3 per centum to 1 per centum;

(3) long-term assumptions (explained in detail) concerning the frequency of instances in which the applicable increase percentage would be less than 3 per centum, the frequency of instances in which such percentage would be less than 1 per centum, and the frequency of deflationary periods in which there would be no increase in such percentage; and

(4) an analysis of the period currently being used to measure CPI and wage increases, and the long-term effects of changing such period so as to make it noncumulative or to use different calendar quarters.

Report.

The Office of the Actuary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, on or before September 1, 1985, a full and complete report of the study conducted under this section.

Approved October 30, 1984.

LEGISLATIVE HISTORY—H.R. 6299:

HOUSE REPORT No. 98-1099 (Comm. on Ways and Means).

CONGRESSIONAL RECORD, Vol. 130 (1984):

Oct. 2, considered and passed House.

Oct. 11, considered and passed Senate.