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(Original Signature of Member)

114TH CONGRESS
1ST SESSION

H. R. _____

To protect our Social Security system and improve benefits for current and future generations.

IN THE HOUSE OF REPRESENTATIVES

Mr. LARSON of Connecticut introduced the following bill; which was referred to the Committee on _____

A BILL

To protect our Social Security system and improve benefits for current and future generations.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Security 2100
5 Act”.

1 **TITLE I—STRENGTHENING**
2 **BENEFITS**

3 **SEC. 101. ACROSS-THE-BOARD BENEFIT INCREASE.**

4 (a) IN GENERAL.—Section 215(a)(1)(A)(i) of the So-
5 cial Security Act (42 U.S.C. 415(a)(1)(A)(i)) is amended
6 by striking “90 percent” and inserting “93 percent”.

7 (b) EFFECTIVE DATE.—

8 (1) IN GENERAL.—The amendment made by
9 subsection (a) shall apply with respect to monthly
10 insurance benefits payable for any month after De-
11 cember 2015.

12 (2) RECOMPUTATION OF PRIMARY INSURANCE
13 AMOUNTS.—Notwithstanding section 215(f) of the
14 Social Security Act, the Commissioner of Social Se-
15 curity shall recompute primary insurance amounts
16 originally computed for months prior to January
17 2016 to the extent necessary to carry out the
18 amendments made by this section.

19 **SEC. 102. COMPUTATION OF COST-OF-LIVING INCREASES.**

20 (a) IN GENERAL.—Section 215(i)(1) of the Social Se-
21 curity Act (42 U.S.C. 415(i)(1)) is amended by adding
22 at the end the following new subparagraph:

23 “(H) the term ‘Consumer Price Index’ means
24 the Consumer Price Index for Elderly Consumers

1 (CPI–E, as published by the Bureau of Labor Sta-
2 tistics of the Department of Labor).”.

3 (b) APPLICATION TO PRE-1979 LAW.—

4 (1) IN GENERAL.—Section 215(i)(1) of the So-
5 cial Security Act as in effect in December 1978, and
6 as applied in certain cases under the provisions of
7 such Act as in effect after December 1978, is
8 amended by adding at the end the following new
9 subparagraph:

10 “(D) the term ‘Consumer Price Index’ means
11 the Consumer Price Index for Elderly Consumers
12 (CPI–E, as published by the Bureau of Labor Sta-
13 tistics of the Department of Labor).”.

14 (2) CONFORMING CHANGE.—Section 215(i)(4)
15 of the Social Security Act (42 U.S.C. 415(i)(4)) is
16 amended by inserting “and by section 102 of the So-
17 cial Security 2100 Act” after “1986”.

18 (c) NO EFFECT ON ADJUSTMENTS UNDER OTHER
19 LAWS.—Section 215(i) of the Social Security Act (42
20 U.S.C. 415(i)) is amended by adding at the end the fol-
21 lowing:

22 “(6) Any provision of law (other than in this title,
23 title VIII, or title XVI) which provides for adjustment of
24 an amount based on a change in benefit amounts resulting
25 from a determination made under this subsection shall be

1 applied and administered without regard to the amend-
2 ments made by section 102 of the Social Security 2100
3 Act.”.

4 (d) PUBLICATION OF CONSUMER PRICE INDEX FOR
5 ELDERLY CONSUMERS.—The Bureau of Labor Statistics
6 of the Department of Labor shall prepare and publish the
7 index authorized by section 191 of the Older Americans
8 Amendments Act of 1987 (29 U.S.C. 2 note) for each cal-
9 endar month, beginning with July of the calendar year fol-
10 lowing the calendar year in which this Act is enacted, and
11 such index shall be known as the “Consumer Price Index
12 for Elderly Consumers”.

13 (e) EFFECTIVE DATE.—The amendments made by
14 subsection (a) shall apply to determinations made with re-
15 spect to cost-of-living computation quarters (as defined in
16 section 215(i)(1)(B) of the Social Security Act (42 U.S.C.
17 415(i)(1)(B))) ending on or after September 30 of the sec-
18 ond calendar year following the calendar year in which this
19 Act is enacted.

20 **SEC. 103. INCREASE IN MINIMUM BENEFIT FOR LIFETIME**
21 **LOW EARNERS BASED ON YEARS IN THE**
22 **WORKFORCE.**

23 (a) IN GENERAL.—Section 215(a)(1) of the Social
24 Security Act (42 U.S.C. 415(a)(1)) is amended—

1 (1) by redesignating subparagraph (D) as sub-
2 paragraph (E); and

3 (2) by inserting after subparagraph (C) the fol-
4 lowing new subparagraph:

5 “(D)(i) Effective with respect to the benefits of indi-
6 viduals who become eligible for old-age insurance benefits
7 or disability insurance benefits (or die before becoming so
8 eligible) after 2015, no primary insurance amount com-
9 puted under subparagraph (A) may be less than the great-
10 er of—

11 “(I) the minimum monthly amount computed
12 under subparagraph (C); or

13 “(II) in the case of an individual who has more
14 than 10 years of work (as defined in clause (iv)(I)),
15 the alternative minimum amount determined under
16 clause (ii).

17 “(ii)(I) The alternative minimum amount determined
18 under this clause is the applicable percentage of $\frac{1}{12}$ of
19 the annual dollar amount determined under clause (iii) for
20 the year in which the amount is determined.

21 “(II) For purposes of subclause (I), the applicable
22 percentage is the percentage specified in connection with
23 the number of years of work, as set forth in the following
24 table:

“If the number of years of work is:	The applicable percentage is:
11	6.25 percent
12	12.50 percent
13	18.75 percent
14	25.00 percent
15	31.25 percent
16	37.50 percent
17	43.75 percent
18	50.00 percent
19	56.25 percent
20	62.50 percent
21	68.75 percent
22	75.00 percent
23	81.25 percent
24	87.50 percent
25	93.75 percent
26	100.00 percent
27	106.25 percent
28	112.50 percent
29	118.75 percent
30 or more	125.00 percent.

1 “(iii) The annual dollar amount determined under
2 this clause is—

3 “(I) for calendar year 2016, the poverty guide-
4 line for 2015; and

5 “(II) for any calendar year after 2016, the an-
6 nual dollar amount for 2016 multiplied by the ratio
7 of—

8 “(aa) the national average wage index (as
9 defined in section 209(k)(1)) for the second cal-
10 endar year preceding the calendar year for
11 which the determination is made, to

12 “(bb) the national average wage index (as
13 so defined) for 2014.

14 “(iv) For purposes of this subparagraph—

1 “(I) the term ‘year of work’ means, with re-
2 spect to an individual, a year to which 4 quarters of
3 coverage have been credited based on such individ-
4 ual’s wages and self-employment income; and

5 “(II) the term ‘poverty guideline for 2015’
6 means the annual poverty guideline for 2015 (as up-
7 dated annually in the Federal Register by the De-
8 partment of Health and Human Services under the
9 authority of section 673(2) of the Omnibus Budget
10 Reconciliation Act of 1981) as applicable to a single
11 individual.”.

12 (b) RECOMPUTATION.—Notwithstanding section
13 215(f)(1) of the Social Security Act, the Commissioner of
14 Social Security shall recompute primary insurance
15 amounts originally computed for months prior to Novem-
16 ber 2015 to the extent necessary to carry out the amend-
17 ments made by this section.

18 (c) CONFORMING AMENDMENT.—Section 209(k)(1)
19 of such Act (42 U.S.C. 409(k)(1)) is amended by inserting
20 “215(a)(1)(E),” after “215(a)(1)(D),”.

1 **SEC. 104. INCREASE IN THRESHOLD AMOUNTS AND RATE**
2 **FOR INCLUSION OF SOCIAL SECURITY BENE-**
3 **FITS IN INCOME.**

4 (a) IN GENERAL.—Subsection (a) of section 86 of the
5 Internal Revenue Code of 1986 is amended to read as fol-
6 lows:

7 “(a) IN GENERAL.—Gross income for the taxable
8 year of any taxpayer described in subsection (b) (notwith-
9 standing section 207 of the Social Security Act) includes
10 social security benefits in an amount equal to the lesser
11 of—

12 “(1) 85 percent of the social security benefits
13 received during the taxable year, or

14 “(2) one-half of the excess described in sub-
15 section (b)(1).”.

16 (b) BASE AMOUNT.—Subsection (c) of section 86 of
17 such Code is amended to read as follows:

18 “(c) BASE AMOUNT.—For purposes of this section,
19 the term ‘base amount’ means—

20 “(1) except as otherwise provided in this para-
21 graph, \$50,000,

22 “(2) \$100,000 in the case of a joint return, and

23 “(3) zero in the case of a taxpayer who—

24 “(A) is married as of the close of the tax-
25 able year (within the meaning of section 7703)

1 but does not file a joint return for such year,
2 and

3 “(B) does not live apart from his spouse at
4 all times during the taxable year.”.

5 (c) HOSPITAL INSURANCE TRUST FUND HELD
6 HARMLESS.—Section 121(e)(1) of the Social Security
7 Amendments of 1986 (42 U.S.C. 401 note) is amended
8 by adding at the end the following new subparagraph:

9 “(C) The amounts appropriated to the hospital
10 insurance trust fund by subparagraph (B) shall be
11 determined, and transferred from the general fund,
12 at such times and in such manner so as to replicate,
13 to the extent possible, the appropriations and trans-
14 fers which would have occurred with respect to such
15 trust fund had subsections (a) and (b) of section
16 104 of the Social Security 2100 Act not been en-
17 acted.”.

18 (d) EFFECTIVE DATE.—The amendments made by
19 this section shall apply to taxable years beginning after
20 December 31, 2015.

1 **TITLE II—STRENGTHENING THE**
2 **TRUST FUND**

3 **SEC. 201. DETERMINATION OF WAGES AND SELF-EMPLOY-**
4 **MENT INCOME ABOVE CONTRIBUTION AND**
5 **BENEFIT BASE AFTER 2015.**

6 (a) DETERMINATION OF WAGES ABOVE CONTRIBU-
7 TION AND BENEFIT BASE AFTER 2015.—

8 (1) AMENDMENTS TO THE INTERNAL REVENUE
9 CODE.—

10 (A) IN GENERAL.—Paragraph (1) of sec-
11 tion 3121(a) of the Internal Revenue Code of
12 1986 is amended by inserting after “such cal-
13 endar year.” the following: “The preceding sen-
14 tence shall apply only to calendar years for
15 which the contribution and benefit base (as so
16 determined) is less than \$400,000, and, for
17 such calendar years, only to the extent remu-
18 neration paid to such employee by such em-
19 ployer with respect to employment does not ex-
20 ceed \$400,000.”.

21 (B) CONFORMING AMENDMENT.—Para-
22 graph (1) of section 3121(a) of the Internal
23 Revenue Code of 1986 is amended by striking
24 “Act) to” and inserting “Act), or in excess of
25 \$400,000, to”.

1 (2) AMENDMENT TO THE SOCIAL SECURITY
2 ACT.—Section 209(a)(1)(I) of the Social Security
3 Act (42 U.S.C. 409(a)(1)(I)) is amended by insert-
4 ing before the semicolon at the end the following:
5 “except that this subparagraph shall apply only to
6 calendar years for which the contribution and ben-
7 efit base (as so determined) is less than \$400,000,
8 and, for such calendar years, only to the extent re-
9 muneration paid to such employee by such employer
10 with respect to employment does not exceed
11 \$400,000”.

12 (3) EFFECTIVE DATE.—The amendments made
13 by this subsection shall apply with respect to remu-
14 neration paid in calendar years after 2015.

15 (b) DETERMINATION OF SELF-EMPLOYMENT IN-
16 COME ABOVE CONTRIBUTION AND BENEFIT BASE AFTER
17 2015.—

18 (1) AMENDMENTS TO THE INTERNAL REVENUE
19 CODE.—

20 (A) IN GENERAL.—Paragraph (1) of sec-
21 tion 1402(b) of the Internal Revenue Code of
22 1986 is amended to read as follows:

23 “(1) in the case of the tax imposed by section
24 1401(a), an amount equal to—

1 “(A) \$400,000, reduced (but not below
2 zero) by

3 “(B) the sum of—

4 “(i) the part of the net earnings from
5 self-employment (if any) which is not in
6 excess of—

7 “(I) the amount equal to the con-
8 tribution and benefit base (as deter-
9 mined under section 230 of the Social
10 Security Act) which is effective for the
11 calendar year in which such taxable
12 year begins, minus

13 “(II) the amount of the wages
14 paid to such individual during such
15 taxable year, plus

16 “(ii) the amount of the wages paid to
17 such individual during such taxable year
18 which is in excess of the amount in clause
19 (i)(I); or”.

20 (B) PHASEOUT.—Subsection (b) of section
21 1402 of the Internal Revenue Code of 1986 is
22 amended by adding at the end the following:
23 “Paragraph (1) shall apply only to taxable
24 years beginning in calendar years for which the
25 contribution and benefit base (as determined

1 under section 230 of the Social Security Act) is
2 less than \$400,000.”.

3 (2) AMENDMENTS TO THE SOCIAL SECURITY
4 ACT.—

5 (A) IN GENERAL.—Section 211(b)(1) of
6 the Social Security Act (42 U.S.C. 411(b)) is
7 amended—

8 (i) in subparagraph (I)—

9 (I) by inserting “and before
10 2015” after “1974”; and

11 (II) by striking “or” at the end;

12 and

13 (ii) by adding at the end the fol-
14 lowing:

15 “(J) For any taxable year beginning in any
16 calendar year after 2015, an amount equal to—

17 “(i) \$400,000, reduced (but not below
18 zero) by

19 “(ii) the sum of—

20 “(I) the part of the net earnings
21 from self-employment (if any) which is
22 not in excess of—

23 “(aa) the amount equal to
24 the contribution and benefit base
25 (as determined under section

1 230) which is effective for the
2 calendar year in which such tax-
3 able year begins, minus

4 “(bb) the amount of the
5 wages paid to such individual
6 during such taxable year, plus

7 “(II) the amount of the wages
8 paid to such individual during such
9 taxable year which is in excess of the
10 amount in subclause (I)(aa); or”.

11 (B) PHASEOUT.—Section 211(b) of the
12 Social Security Act (42 U.S.C. 411(b)) is
13 amended by adding at the end the following:
14 “Paragraph (1) shall apply only to taxable
15 years beginning in calendar years for which the
16 contribution and benefit base (as determined
17 under section 230) is less than \$400,000.”.

18 (3) EFFECTIVE DATE.—The amendments made
19 by this subsection shall apply to net earnings from
20 self-employment derived, and remuneration paid, in
21 calendar years after 2015.

22 **SEC. 202. INCLUSION OF EARNINGS OVER \$400,000 IN SO-**
23 **CIAL SECURITY BENEFIT FORMULA.**

24 (a) INCLUSION OF EARNINGS OVER \$400,000 IN DE-
25 TERMINATION OF PRIMARY INSURANCE AMOUNTS.—Sec-

1 tion 215(a)(1)(A) of the Social Security Act (42 U.S.C.
2 415(a)(1)(A)) is amended—

3 (1) in clause (ii), by striking “and” at the end;

4 (2) in clause (iii), by inserting “and” at the
5 end; and

6 (3) by inserting after clause (iii) the following:

7 “(iv) 2 percent of the individual’s excess aver-
8 age indexed monthly earnings (as defined in sub-
9 section (b)(5)(A)).”.

10 (b) DEFINITION OF EXCESS AVERAGE INDEXED
11 MONTHLY EARNINGS.—Section 215(b) of the Social Secu-
12 rity Act (42 U.S.C. 415(b)) is amended—

13 (1) by striking “wages” and “self-employment
14 income” each place such terms appear and inserting
15 “basic wages” and “basic self-employment income”,
16 respectively; and

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

18 “(5)(A) An individual’s excess average indexed
19 monthly earnings shall be equal to the amount of the indi-
20 vidual’s average indexed monthly earnings that would be
21 determined under this subsection by substituting ‘excess
22 wages’ for ‘basic wages’ and ‘excess self-employment in-
23 come’ for ‘basic self-employment income’ each place such
24 terms appear in this subsection (except in this paragraph).

25 “(B) For purposes of this subsection—

1 “(i) the term ‘basic wages’ means that portion
2 of the wages of an individual paid in a year that
3 does not exceed the contribution and benefit base for
4 the year;

5 “(ii) the term ‘basic self-employment income’
6 means that portion of the self-employment income of
7 an individual credited to a year that does not exceed
8 an amount equal to the contribution and benefit
9 base for the year minus the amount of the wages
10 paid to the individual in the year;

11 “(iii) the term ‘excess wages’ means that por-
12 tion of the wages of an individual paid in a year
13 after 2015 in excess of the higher of \$400,000 or
14 the contribution and benefit base for the year; and

15 “(iv) the term ‘excess self-employment income’
16 means that portion of the self-employment income of
17 an individual credited to a year after 2015 in excess
18 of the higher of \$400,000 or such contribution and
19 benefit base.”.

20 (c) CONFORMING AMENDMENT.—Section 215(e)(1)
21 of the Social Security Act (42 U.S.C. 415(e)(1)) is amend-
22 ed by inserting “and before 2016” after “1974”.

23 (d) EFFECTIVE DATE.—The amendments made by
24 this section shall apply with respect to individuals who ini-
25 tially become eligible (within the meaning of section

1 215(a)(3)(B) of the Social Security Act) for old-age or dis-
 2 ability insurance benefits under title II of the Social Secu-
 3 rity Act, or who die (before becoming eligible for such ben-
 4 efits), in any calendar year after 2015.

5 **SEC. 203. INCREASE IN SOCIAL SECURITY TAX RATE.**

6 (a) **TAX ON EMPLOYEES.**—The table in subsection
 7 (a) of section 3101 of the Internal Revenue Code of 1986
 8 is amended to read as follows:

“In cases of wages received during:	The rate of tax shall be:
1990 or any calendar year before 2018	6.20 percent
2018	6.25 percent
2019	6.30 percent
2020	6.35 percent
2021	6.40 percent
2022	6.45 percent
2023	6.50 percent
2024	6.55 percent
2025	6.60 percent
2026	6.65 percent
2027	6.70 percent
2028	6.75 percent
2029	6.80 percent
2030	6.85 percent
2031	6.90 percent
2032	6.95 percent
2033	7.00 percent
2034	7.05 percent
2035	7.10 percent
2036	7.15 percent
2037	7.20 percent
2038	7.25 percent
2039	7.30 percent
2040	7.35 percent
any calendar year after 2040 and before 2080	7.40 percent
2080	7.45 percent
2081	7.50 percent
2082	7.55 percent
2083	7.60 percent
2084	7.65 percent.”.

1 (b) TAX ON EMPLOYERS.—The table in subsection
 2 (a) of section 3111 of the Internal Revenue Code of 1986
 3 is amended to read as follows:

“In cases of wages received during:	The rate of tax shall be:
1990 or any calendar year before 2018	6.20 percent
2018	6.25 percent
2019	6.30 percent
2020	6.35 percent
2021	6.40 percent
2022	6.45 percent
2023	6.50 percent
2024	6.55 percent
2025	6.60 percent
2026	6.65 percent
2027	6.70 percent
2028	6.75 percent
2029	6.80 percent
2030	6.85 percent
2031	6.90 percent
2032	6.95 percent
2033	7.00 percent
2034	7.05 percent
2035	7.10 percent
2036	7.15 percent
2037	7.20 percent
2038	7.25 percent
2039	7.30 percent
2040	7.35 percent
any calendar year after 2040 and before 2080	7.40 percent
2080	7.45 percent
2081	7.50 percent
2082	7.55 percent
2083	7.60 percent
2084	7.65 percent.”.

4 (c) SELF-EMPLOYMENT INCOME.—The table in sub-
 5 section (a) of section 1401 of the Internal Revenue Code
 6 of 1986 is amended to read as follows:

“In cases of wages received during:	The rate of tax shall be:
1990 or any calendar year before 2018	12.40 percent
2018	12.50 percent
2019	12.60 percent
2020	12.70 percent
2021	12.80 percent
2022	12.90 percent
2023	13.00 percent

“In cases of wages received during:	The rate of tax shall be:
2024	13.10 percent
2025	13.20 percent
2026	13.30 percent
2027	13.40 percent
2028	13.50 percent
2029	13.60 percent
2030	13.70 percent
2031	13.80 percent
2032	13.90 percent
2033	14.00 percent
2034	14.10 percent
2035	14.20 percent
2036	14.30 percent
2037	14.40 percent
2038	14.50 percent
2039	14.60 percent
2040	14.70 percent
any calendar year after 2040 and before 2080	14.80 percent
2080	14.90 percent
2081	15.00 percent
2082	15.10 percent
2083	15.20 percent
2084	15.30 percent.”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to remuneration received, and tax-
3 able years beginning, after December 31, 2015.

4 **SEC. 204. REALLOCATION OF PAYROLL TAX REVENUE**
5 **FROM THE OLD-AGE AND SURVIVORS INSUR-**
6 **ANCE TRUST FUND TO THE FEDERAL DIS-**
7 **ABILITY INSURANCE TRUST FUND.**

8 (1) WAGES.—Section 201(b)(1) of the Social
9 Security Act (42 U.S.C. 401(b)(1)) is amended by
10 striking “and (R) 1.80 per centum of the wages (as
11 so defined) paid after December 31, 1999, and so
12 reported” and inserting “(R) 1.80 per centum of the
13 wages (as so defined) paid after December 31, 1999,
14 and before January 1, 2015, and so reported, (S)

1 2.8 per centum of the wages (as so defined) paid
2 after December 31, 2014, and before January 1,
3 2016, and so reported, (T) 2.4 per centum of the
4 wages (as so defined) paid after December 31, 2015,
5 and before January 1, 2017, and so reported, (U)
6 2.2 per centum of the wages (as so defined) paid
7 after December 31, 2016, and before January 1,
8 2020, and so reported, (V) 2.0 per centum of the
9 wages (as so defined) paid after December 31, 2019,
10 and before January 1, 2026, and so reported, and
11 (W) 1.8 per centum of the wages (as so defined)
12 paid after December 31, 2025, and so reported”.

13 (2) SELF-EMPLOYMENT INCOME.—Section
14 201(b)(2) of such Act (42 U.S.C. 401(b)(2)) is
15 amended by striking “and (R) 1.80 per centum of
16 the amount of self-employment income (as so de-
17 fined) so reported for any taxable year beginning
18 after December 31, 1999” and inserting “(R) 1.80
19 per centum of the amount of self-employment in-
20 come (as so defined) so reported for any taxable
21 year beginning after December 31, 1999, and before
22 January 1, 2015, (S) 2.8 per centum of the amount
23 of self-employment income (as so defined) so re-
24 ported for any taxable year beginning after Decem-
25 ber 31, 2014, and before January 1, 2016, (T) 2.4

1 per centum of the amount of self-employment in-
2 come (as so defined) so reported for any taxable
3 year beginning after December 31, 2015, and before
4 January 1, 2017, (U) 2.2 per centum of the amount
5 of self-employment income (as so defined) so re-
6 ported for any taxable year beginning after Decem-
7 ber 31, 2016, and before January 1, 2020, (V) 2.0
8 per centum of the amount of self-employment in-
9 come (as so defined) so reported for any taxable
10 year beginning after December 31, 2019, and before
11 January 1, 2026, and (W) 1.8 per centum of the
12 amount of self-employment income (as so defined) so
13 reported for any taxable year beginning after De-
14 cember 31, 2025”.

15 (3) EFFECTIVE DATE.—The amendments made
16 by this section shall apply with respect to wages paid
17 after December 31, 2014, and self-employment in-
18 come for taxable years beginning after such date.