

108TH CONGRESS  
1ST SESSION

# H. R. 3098

To amend title II of the Social Security Act to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits under such title, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 16, 2003

Mr. GREEN of Texas 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 remove the limitation upon the amount of outside income which an individual may earn while receiving benefits under such title, and for other purposes.

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 “Social Security Earnings  
5 Test Repeal Act of 2003”.

1 **SEC. 2. REPEAL OF PROVISIONS RELATING TO DEDUC-**  
2 **TIONS ON ACCOUNT OF WORK.**

3 (a) IN GENERAL.—Subsections (b), (c)(1), (d), (f),  
4 (h), (j), and (k) of section 203 of the Social Security Act  
5 (42 U.S.C. 403) are repealed.

6 (b) CONFORMING AMENDMENTS.—Section 203 of  
7 such Act (as amended by subsection (a)) is further amend-  
8 ed—

9 (1) in subsection (c), by redesignating such sub-  
10 section as subsection (b), and—

11 (A) by striking “Noncovered Work Outside  
12 the United States or” in the heading;

13 (B) by redesignating paragraphs (2), (3),  
14 and (4) as paragraphs (1), (2), and (3), respec-  
15 tively;

16 (C) by striking “For purposes of para-  
17 graphs (2), (3), and (4)” and inserting “For  
18 purposes of paragraphs (1), (2), and (3)”;

19 (D) by striking the last sentence;

20 (2) in subsection (e), by redesignating such sub-  
21 section as subsection (c), and by striking “sub-  
22 sections (c) and (d)” and inserting “subsection (b)”;

23 (3) in subsection (g), by redesignating such  
24 subsection as subsection (d), and by striking “sub-  
25 section (c)” each place it appears and inserting  
26 “subsection (b)”;

1 (4) in subsection (l), by redesignating such sub-  
2 section as subsection (e), and by striking “sub-  
3 section (g) or (h)(1)(A)” and inserting “subsection  
4 (d)”.

5 **SEC. 3. ADDITIONAL CONFORMING AMENDMENTS.**

6 (a) PROVISIONS RELATING TO BENEFITS TERMI-  
7 NATED UPON DEPORTATION.—Section 202(n)(1) of the  
8 Social Security Act (42 U.S.C. 402(n)(1)) is amended by  
9 striking “Section 203 (b), (c), and (d)” and inserting  
10 “Section 203(b)”.

11 (b) PROVISIONS RELATING TO EXEMPTIONS FROM  
12 REDUCTIONS BASED ON EARLY RETIREMENT.—

13 (1) Section 202(q)(5)(B) of such Act (42  
14 U.S.C. 402(q)(5)(B)) is amended by striking “sec-  
15 tion 203(c)(2)” and inserting “section 203(b)(1)”.

16 (2) Section 202(q)(7)(A) of such Act (42  
17 U.S.C. 402(q)(7)(A)) is amended by striking “de-  
18 ductions under section 203(b), 203(c)(1), 203(d)(1),  
19 or 222(b)” and inserting “deductions on account of  
20 work under section 203 or deductions under section  
21 222(b)”.

22 (c) PROVISIONS RELATING TO EXEMPTIONS FROM  
23 REDUCTIONS BASED ON DISREGARD OF CERTAIN ENTI-  
24 TLEMENTS TO CHILD’S INSURANCE BENEFITS.—

1           (1) Section 202(s)(1) of such Act (42 U.S.C.  
2           402(s)(1)) is amended by striking “paragraphs (2),  
3           (3), and (4) of section 203(c)” and inserting “para-  
4           graphs (1), (2), and (3) of section 203(b)”.

5           (2) Section 202(s)(3) of such Act (42 U.S.C.  
6           402(s)(3)) is amended by striking “The last sen-  
7           tence of subsection (c) of section 203, subsection  
8           (f)(1)(C) of section 203, and subsections” and in-  
9           serting “Subsections”.

10          (d) PROVISIONS RELATING TO SUSPENSION OF  
11 ALIENS’ BENEFITS.—Section 202(t)(7) of such Act (42  
12 U.S.C. 402(t)(7)) is amended by striking “Subsections  
13 (b), (c), and (d)” and inserting “Subsection (b)”.

14          (e) PROVISIONS RELATING TO REDUCTIONS IN BEN-  
15 EFITS BASED ON MAXIMUM BENEFITS.—Section  
16 203(a)(3)(B)(iii) of such Act (42 U.S.C.  
17 403(a)(3)(B)(iii)) is amended by striking “and subsections  
18 (b), (c), and (d)” and inserting “and subsection (b)”.

19          (f) PROVISIONS RELATING TO PENALTIES FOR MIS-  
20 REPRESENTATIONS CONCERNING EARNINGS FOR PERI-  
21 ODS SUBJECT TO DEDUCTIONS ON ACCOUNT OF WORK.—  
22 Section 208(a)(1)(C) of such Act (42 U.S.C.  
23 408(a)(1)(C)) is amended by striking “under section  
24 203(f) of this title for purposes of deductions from bene-

1 fits” and inserting “under section 203 for purposes of de-  
2 ductions from benefits on account of work”.

3 (g) PROVISIONS TAKING INTO ACCOUNT EARNINGS  
4 IN DETERMINING BENEFIT COMPUTATION YEARS.—  
5 Clause (I) in the next to last sentence of section  
6 215(b)(2)(A) of such Act (42 U.S.C. 415(b)(2)(A)) is  
7 amended by striking “no earnings as described in section  
8 203(f)(5) in such year” and inserting “no wages, and no  
9 net earnings from self-employment (in excess of net loss  
10 from self-employment), in such year”.

11 (h) PROVISIONS RELATING TO ROUNDING OF BENE-  
12 FITS.—Section 215(g) of such Act (42 U.S.C. 415(g)) is  
13 amended by striking “and any deduction under section  
14 203(b)”.

15 (i) PROVISIONS RELATING TO EARNINGS TAKEN  
16 INTO ACCOUNT IN DETERMINING SUBSTANTIAL GAINFUL  
17 ACTIVITY OF BLIND INDIVIDUALS.—The second sentence  
18 of section 223(d)(4)(A) of such Act (42 U.S.C.  
19 423(d)(4)(A)) is amended by striking “if section 102 of  
20 the Senior Citizens’ Right to Work Act of 1996 had not  
21 been enacted” and inserting the following: “if the amend-  
22 ments to section 203 made by section 102 of the Senior  
23 Citizens’ Right to Work Act of 1996 and by the Social  
24 Security Earnings Test Repeal Act of 2003 had not been  
25 enacted”.

1 (j) PROVISIONS DEFINING INCOME FOR PURPOSES  
2 OF SSI.—Section 1612(a) of such Act (42 U.S.C.  
3 1382a(a)) is amended—

4 (1) by striking “as determined under section  
5 203(f)(5)(C)” in paragraph (1)(A) and inserting “as  
6 defined in the last two sentences of this subsection”;  
7 and

8 (2) by adding at the end (after and below para-  
9 graph (2)(G)) the following new sentences:

10 “For purposes of paragraph (1)(A), the term ‘wages’  
11 means wages as defined in section 209, but computed  
12 without regard to the limitations as to amounts of remu-  
13 neration specified in paragraphs (1), (6)(B), (6)(C),  
14 (7)(B), and (8) of section 209(a). In making the computa-  
15 tion under the preceding sentence, (A) services which do  
16 not constitute employment as defined in section 210, per-  
17 formed within the United States by an individual as an  
18 employee or performed outside the United States in the  
19 active military or naval services of the United States, shall  
20 be deemed to be employment as so defined if the remu-  
21 neration for such services is not includible in computing  
22 the individual’s net earnings or net loss from self-employ-  
23 ment for purposes of title II, and (B) the term ‘wages’  
24 shall be deemed not to include (i) the amount of any pay-  
25 ment made to, or on behalf of, an employee or any of his

1 or her dependents (including any amount paid by an em-  
2 ployer for insurance or annuities, or into a fund, to pro-  
3 vide for any such payment) on account of retirement, or  
4 (ii) any payment or series of payments by an employer  
5 to an employee or any of his or her dependents upon or  
6 after the termination of the employee's employment rela-  
7 tionship because of retirement after attaining an age spec-  
8 ified in a plan referred to in section 209(a)(11)(B) or in  
9 a pension plan of the employer.”.

10 (k) REPEAL OF DEDUCTIONS ON ACCOUNT OF WORK  
11 UNDER THE RAILROAD RETIREMENT PROGRAM.—

12 (1) IN GENERAL.—Section 2 of the Railroad  
13 Retirement Act of 1974 (45 U.S.C. 231a) is amend-  
14 ed—

15 (A) by striking subsections (f); and

16 (B) by striking subsection (g)(2) and by  
17 redesignating subsection (g)(1) as subsection  
18 (g).

19 (2) CONFORMING AMENDMENTS.—

20 (A) Section 3(f)(1) of such Act (45 U.S.C.  
21 231b(f)(1)) is amended in the first sentence by  
22 striking “before any reductions under the provi-  
23 sions of section 2(f) of this Act,”.

24 (B) Section 4(g)(2) of such Act (45 U.S.C.  
25 231c(g)(2)) is amended—

1 (i) in clause (i), by striking “shall, be-  
2 fore any deductions under section 2(g) of  
3 this Act,” and inserting “shall”; and

4 (ii) in clause (ii), by striking “any de-  
5 ductions under section 2(g) of this Act and  
6 before”.

7 **SEC. 4. EFFECTIVE DATE.**

8 The amendments and repeals made by this Act shall  
9 apply with respect to taxable years ending on or after the  
10 date of the enactment of this Act.

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