

107TH CONGRESS
2^D SESSION

H. R. 5404

To amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and to increase the lump sum death payment to reflect changes in the cost of living.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2002

Mr. PLATTS (for himself, Mr. GILMAN, Mr. PAUL, and Mr. PETERSON of Pennsylvania) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and to increase the lump sum death payment to reflect changes in the cost of living.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Social Security Fair-
3 ness Act of 2002”.

4 **SEC. 2. COMPUTATION AND PAYMENT OF LAST MONTHLY**
5 **PAYMENT.**

6 (a) OLD-AGE AND SURVIVORS INSURANCE BENE-
7 FITS.—Section 202 of the Social Security Act (42 U.S.C.
8 402) is amended by adding at the end the following new
9 subsection:

10 “Last Payment of Monthly Insurance Benefit
11 Terminated by Death

12 “(z)(1) In any case in which an individual dies during
13 the first 15 days of a calendar month, the amount of such
14 individual’s monthly insurance benefit under this section
15 paid for such month shall be an amount equal to 50 per-
16 cent of the amount of such benefit (as determined without
17 regard to this subsection), rounded, if not a multiple of
18 \$1, to the next higher multiple of \$1. This subsection shall
19 apply with respect to such benefit after all other adjust-
20 ments with respect to such benefit provided by this title
21 have been made.

22 “(2) Any payment of an individual’s benefit under
23 this section for the month in which such individual dies
24 shall be made in accordance with section 204(d).”.

25 (b) DISABILITY INSURANCE BENEFITS.—Section 223
26 of such Act (42 U.S.C. 423) is amended—

1 (1) by redesignating subsection (j) as sub-
2 section (k); and

3 (2) by inserting after subsection (i) the fol-
4 lowing new subsection:

5 “Last Payment of Benefit Terminated by Death

6 “(j)(1) In any case in which an individual dies during
7 the first 15 days of a calendar month, the amount of such
8 individual’s monthly insurance benefit under this section
9 paid for such month shall be an amount equal to 50 per-
10 cent of the amount of such benefit (as determined without
11 regard to this subsection), rounded, if not a multiple of
12 \$1, to the next higher multiple of \$1. This subsection shall
13 apply with respect to such benefit after all other adjust-
14 ments with respect to such benefit provided by this title
15 have been made.

16 “(2) Any payment of an individual’s benefit under
17 this section for the month in which such individual dies
18 shall be made in accordance with section 204(d).”.

19 (c) BENEFITS AT AGE 72 FOR CERTAIN UNINSURED
20 INDIVIDUALS.—Section 228 of such Act (42 U.S.C. 428)
21 is amended by adding at the end the following new sub-
22 section:

23 “Last Payment of Benefit Terminated by Death

24 “(i)(1) In any case in which an individual dies during
25 the first 15 days of a calendar month, the amount of such

1 individual's monthly insurance benefit under this section
2 paid for such month shall be an amount equal to 50 per-
3 cent of the amount of such benefit (as determined without
4 regard to this subsection), rounded, if not a multiple of
5 \$1, to the next higher multiple of \$1. This subsection shall
6 apply with respect to such benefit after all other adjust-
7 ments with respect to such benefit provided by this title
8 have been made.

9 “(2) Any payment of an individual's benefit under
10 this section for the month in which such individual dies
11 shall be made in accordance with section 204(d).”.

12 (d) CONFORMING AMENDMENTS REGARDING PAY-
13 MENT OF BENEFITS FOR MONTH OF RECIPIENT'S
14 DEATH.—

15 (1) OLD-AGE INSURANCE BENEFITS.—Section
16 202(a) of the Social Security Act (42 U.S.C. 402(a))
17 is amended by striking “the month preceding” in the
18 matter following subparagraph (B).

19 (2) WIFE'S INSURANCE BENEFITS.—

20 (A) IN GENERAL.—Section 202(b)(1) of
21 such Act (42 U.S.C. 402(b)(1)) is amended—

22 (i) by striking “and ending with the
23 month” in the matter immediately fol-
24 lowing clause (ii) and inserting “and end-

1 ing with the month in which she dies or (if
2 earlier) with the month”;

3 (ii) by striking subparagraph (E); and

4 (iii) by redesignating subparagraphs
5 (F) through (K) as subparagraphs (E)
6 through (J), respectively.

7 (B) CONFORMING AMENDMENT.—Section
8 202(b)(5)(B) of such Act (42 U.S.C.
9 402(b)(5)(B)) is amended by striking “(E),
10 (F), (H), or (J)” and inserting “(E), (G), or
11 (I)”.

12 (3) HUSBAND’S INSURANCE BENEFITS.—

13 (A) IN GENERAL.—Section 202(c)(1) of
14 such Act (42 U.S.C. 402(c)(1)) is amended—

15 (i) by striking “and ending with the
16 month” in the matter immediately fol-
17 lowing clause (ii) and inserting “and end-
18 ing with the month in which he dies or (if
19 earlier) with the month”;

20 (ii) by striking subparagraph (E); and

21 (iii) by redesignating subparagraphs
22 (F) through (K) as subparagraphs (E)
23 through (J), respectively.

24 (B) CONFORMING AMENDMENT.—Section
25 202(c)(5)(B) of such Act (42 U.S.C.

1 402(c)(5)(B)) is amended by striking “(E), (F),
2 (H), or (J)” and inserting “(E), (G), or (I)”.

3 (4) CHILD’S INSURANCE BENEFITS.—Section
4 202(d)(1) of such Act (42 U.S.C. 402(d)(1)) is
5 amended—

6 (A) by striking “and ending with the
7 month” in the matter immediately preceding
8 subparagraph (D) and inserting “and ending
9 with the month in which such child dies or (if
10 earlier) with the month”; and

11 (B) by striking “dies, or” in subparagraph
12 (D).

13 (5) WIDOW’S INSURANCE BENEFITS.—Section
14 202(e)(1) of such Act (42 U.S.C. 402(e)(1)) is
15 amended by striking “ending with the month pre-
16 ceding the first month in which any of the following
17 occurs: she remarries, dies,” in the matter following
18 subparagraph (F) and inserting “ending with the
19 month in which she dies or (if earlier) with the
20 month preceding the first month in which any of the
21 following occurs: she remarries, or”.

22 (6) WIDOWER’S INSURANCE BENEFITS.—Sec-
23 tion 202(f)(1) of such Act (42 U.S.C. 402(f)(1)) is
24 amended by striking “ending with the month pre-
25 ceding the first month in which any of the following

1 occurs: he remarries, dies,” in the matter following
2 subparagraph (F) and inserting “ending with the
3 month in which he dies or (if earlier) with the month
4 preceding the first month in which any of the fol-
5 lowing occurs: he remarries,”.

6 (7) MOTHER’S AND FATHER’S INSURANCE BEN-
7 EFITS.—Section 202(g)(1) of such Act (42 U.S.C.
8 402(g)(1)) is amended—

9 (A) by inserting “with the month in which
10 he or she dies or (if earlier)” after “and end-
11 ing” in the matter following subparagraph (F);
12 and

13 (B) by striking “he or she remarries, or he
14 or she dies” and inserting “or he or she remar-
15 ries”.

16 (8) PARENT’S INSURANCE BENEFITS.—Section
17 202(h)(1) of such Act (42 U.S.C. 402(h)(1)) is
18 amended by striking “ending with the month pre-
19 ceding the first month in which any of the following
20 occurs: such parent dies, marries,” in the matter fol-
21 lowing subparagraph (E) and inserting “ending with
22 the month in which such parent dies or (if earlier)
23 with the month preceding the first month in which
24 any of the following occurs: such parent marries,”.

1 (9) DISABILITY INSURANCE BENEFITS.—Sec-
2 tion 223(a)(1) of such Act (42 U.S.C. 423(a)(1)) is
3 amended by striking “ending with the month pre-
4 ceding whichever of the following months is the ear-
5 liest: the month in which he dies,” in the matter fol-
6 lowing subparagraph (D) and inserting the fol-
7 lowing: “ending with the month in which he dies or
8 (if earlier) with whichever of the following months is
9 the earliest.”.

10 (10) BENEFITS AT AGE 72 FOR CERTAIN UNIN-
11 SURED INDIVIDUALS.—Section 228(a) of such Act
12 (42 U.S.C. 428(a)) is amended by striking “the
13 month preceding” in the matter following paragraph
14 (4).

15 (11) EXEMPTION FROM MAXIMUM BENEFIT
16 CAP.—Section 203 of such Act (42 U.S.C. 403 is
17 amended by adding at the end the following new
18 subsection:

19 “Exemption From Maximum Benefit Cap
20 “(m) Notwithstanding any other provision of this sec-
21 tion, the application of this section shall be made without
22 regard to any benefit of an individual under section 202,
23 223, or 228 for the month in which such individual dies.”.

1 **SEC. 3. INCREASE IN LUMP-SUM DEATH PAYMENTS.**

2 Section 202(i) of the Social Security Act (42 U.S.C.
3 402(i)) is amended—

4 (1) by redesignating paragraphs (1) and (2) as
5 subparagraphs (A) and (B), respectively;

6 (2) in subparagraph (B) (as redesignated), by
7 striking “paragraph (1)” and inserting “subpara-
8 graph (A)”;

9 (3) by inserting “(1)” after “(i)”;

10 (4) by striking “three times” and all that fol-
11 lows through “smaller,” and inserting “the applica-
12 ble dollar amount for the calendar year in which the
13 death occurs (determined under paragraph (2))”;
14 and

15 (5) by adding at the end the following new
16 paragraph:

17 “(2)(A) Except as otherwise provided in subpara-
18 graph (B), the applicable dollar amount for any calendar
19 year is \$955.

20 “(B) In each calendar year after 2002, the Commis-
21 sioner of Social Security shall determine and publish in
22 the Federal Register, on or before November 1 of such
23 calendar year, the applicable dollar amount for the next
24 calendar year. Such dollar amount shall be equal to the
25 product derived by multiplying—

26 “(i) \$955, by

1 “(ii) the ratio of—

2 “(I) the national average wage index (as
3 defined in section 209(k)(1)) for the calendar
4 year before the calendar year in which the de-
5 termination is made, to

6 “(II) the national average wage index (as
7 so defined) for calendar year 2001.

8 If such product is not a multiple of \$5.00, such product
9 shall be rounded to the next higher multiple of \$5.00 in
10 any case in which such product is a multiple of \$2.50 but
11 not of \$5.00, and to the nearest multiple of \$5.00 in any
12 other case.”.

13 **SEC. 4. EFFECTIVE DATE.**

14 The amendments made by this Act shall apply with
15 respect to deaths occurring after 90 days after the date
16 of the enactment of this Act.

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