

118TH CONGRESS  
2D SESSION

# S. 5017

To improve the retirement security of American families by increasing Social Security benefits for current and future beneficiaries while making Social Security stronger for future generations.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 11, 2024

Mr. SCHATZ introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To improve the retirement security of American families by increasing Social Security benefits for current and future beneficiaries while making Social Security stronger for 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Safeguarding American Families and Expanding Social  
6 Security Act of 2024”.

7 (b) TABLE OF CONTENTS.—The table of contents for  
8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Determination of taxable wages and self-employment income above contribution and benefit base after 2024.
- Sec. 3. Adjustments to primary insurance amount formula and inclusion of surplus earnings for benefit determinations.
- Sec. 4. Increase in benefit amounts for long-term eligible individuals.
- Sec. 5. Computation of cost-of-living increases for Social Security benefits; consumer price index for elderly consumers.
- Sec. 6. Deemed wages for caregivers of dependent relatives.
- Sec. 7. Increase in minimum benefit for lifetime low earners based on years in the workforce.
- Sec. 8. Elimination of disability waiting period for disability insurance benefits and surviving spouse benefits.
- Sec. 9. Tax on investment gain.
- Sec. 10. Holding SSI, Medicaid, and CHIP beneficiaries harmless.

1 **SEC. 2. DETERMINATION OF TAXABLE WAGES AND SELF-**  
 2 **EMPLOYMENT INCOME ABOVE CONTRIBU-**  
 3 **TION AND BENEFIT BASE AFTER 2024.**

4 (a) DETERMINATION OF TAXABLE WAGES ABOVE  
 5 CONTRIBUTION AND BENEFIT BASE AFTER 2024.—

6 (1) AMENDMENTS TO THE INTERNAL REVENUE  
 7 CODE OF 1986.—Section 3121 of the Internal Rev-  
 8 enue Code of 1986 is amended—

9 (A) in subsection (a)(1), by inserting “the  
 10 applicable percentage (determined under sub-  
 11 section (c)(1)) of” before “that part of the re-  
 12 muneration”; and

13 (B) in subsection (c), by striking “(c) IN-  
 14 CLUDED AND EXCLUDED SERVICE.—For pur-  
 15 poses of this chapter, if” and inserting the fol-  
 16 lowing:

17 “(c) SPECIAL RULES FOR WAGES AND EMPLOY-  
 18 MENT.—

1           “(1) APPLICABLE PERCENTAGE OF REMUNERA-  
2           TION IN DETERMINING TAXABLE WAGES.—For pur-  
3           poses of subsection (a)(1), the applicable percentage  
4           for a calendar year shall be equal to—

5                   “(A) for 2025, 80 percent;

6                   “(B) for 2026 through 2028, the applica-  
7           ble percentage under this paragraph for the  
8           previous year, decreased by 20 percentage  
9           points; and

10                  “(C) for 2029 and each year thereafter, 0  
11           percent.

12           “(2) INCLUDED AND EXCLUDED SERVICE.—For  
13           purposes of this chapter, if”.

14           (2) AMENDMENTS TO THE SOCIAL SECURITY  
15           ACT.—Section 209 of the Social Security Act (42  
16           U.S.C. 409) is amended—

17                   (A) in subsection (a)(1)—

18                           (i) in subparagraph (I)—

19                                   (I) by inserting “and before  
20                                   2025” after “1974”; and

21                                   (II) by inserting “and” after the  
22                                   semicolon;

23                           (ii) by adding at the end the following  
24           new subparagraph:

1           “(J) The applicable percentage (deter-  
2           mined under subsection (I)) of that part of re-  
3           muneration which, after remuneration (other  
4           than remuneration referred to in the succeeding  
5           subsections of this section) equal to the con-  
6           tribution and benefit base (determined under  
7           section 230) with respect to employment has  
8           been paid to an individual during any calendar  
9           year after 2024 with respect to which such con-  
10          tribution and benefit base is effective, is paid to  
11          such individual during such calendar year;”;  
12          and

13                 (B) by adding at the end the following new  
14          subsection:

15          “(I) For purposes of subsection (a)(1)(J), the applica-  
16          ble percentage for a calendar year shall be equal to—

17                 “(1) for 2025, 80 percent;

18                 “(2) for 2026 through 2028, the applicable per-  
19          centage under this subsection for the previous year,  
20          decreased by 20 percentage points; and

21                 “(3) for 2029 and each year thereafter, 0 per-  
22          cent.”.

23                 (3) EFFECTIVE DATE.—The amendments made  
24          by this subsection shall apply with respect to remu-  
25          neration paid in calendar years after 2024.

1 (b) DETERMINATION OF TAXABLE SELF-EMPLOY-  
2 MENT INCOME ABOVE CONTRIBUTION AND BENEFIT  
3 BASE AFTER 2024.—

4 (1) AMENDMENTS TO THE INTERNAL REVENUE  
5 CODE OF 1986.—Section 1402 of the Internal Rev-  
6 enue Code of 1986 is amended—

7 (A) in subsection (b)(1), by striking “that  
8 part of the net earnings” and all that follows  
9 through “minus” and inserting the following:  
10 “an amount equal to the applicable percentage  
11 (as determined under subsection (d)(2)) of that  
12 part of the net earnings from self-employment  
13 which is in excess of the difference (not to be  
14 less than zero) between (i) an amount equal to  
15 the contribution and benefit base (as deter-  
16 mined under section 230 of the Social Security  
17 Act) which is effective for the calendar year in  
18 which such taxable year begins, and”;

19 (B) in subsection (d)—

20 (i) by striking “(d) EMPLOYEE AND  
21 WAGES.—The term” and inserting the fol-  
22 lowing:

23 “(d) RULES AND DEFINITIONS.—

24 “(1) EMPLOYEE AND WAGES.—The term”;

1 (ii) by adding at the end the fol-  
 2 lowing:

3 “(2) APPLICABLE PERCENTAGE OF NET EARN-  
 4 INGS FROM SELF-EMPLOYMENT IN DETERMINING  
 5 TAXABLE SELF-EMPLOYMENT INCOME.—For pur-  
 6 poses of subsection (b)(1), the applicable percentage  
 7 for a taxable year beginning in any calendar year re-  
 8 ferred to in such subsection shall be equal to—

9 “(A) for 2025, 80 percent;

10 “(B) for 2026 through 2028, the applica-  
 11 ble percentage under this paragraph for the  
 12 previous year, decreased by 20 percentage  
 13 points; and

14 “(C) for 2029 and each year thereafter, 0  
 15 percent.”.

16 (2) AMENDMENTS TO THE SOCIAL SECURITY  
 17 ACT.—Section 211 of the Social Security Act (42  
 18 U.S.C. 411) is amended—

19 (A) in subsection (b)—

20 (i) in paragraph (1)(I)—

21 (I) by striking “or” after the  
 22 semicolon; and

23 (II) by inserting “and before  
 24 2025” after “1974”;

1 (ii) by redesignating paragraph (2) as  
2 paragraph (3); and

3 (iii) by inserting after paragraph (1)  
4 the following:

5 “(2) For any taxable year beginning in any cal-  
6 endar year after 2024, an amount equal to the appli-  
7 cable percentage (as determined under subsection  
8 (l)) of that part of net earnings from self-employ-  
9 ment which is in excess of the difference (not to be  
10 less than zero) between—

11 “(A) an amount equal to the contribution  
12 and benefit base (as determined under section  
13 230) that is effective for such calendar year,  
14 and

15 “(B) the amount of the wages paid to such  
16 individual during such taxable year; or”;

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

18 “(l) For purposes of subsection (b)(2), the applicable  
19 percentage for a taxable year beginning in any calendar  
20 year referred to in such paragraph shall be equal to—

21 “(1) for 2025, 80 percent;

22 “(2) for 2026 through 2028, the applicable per-  
23 centage under this subsection for the previous year,  
24 decreased by 20 percentage points; and

1           “(3) for 2029 and each year thereafter, 0 per-  
2           cent.”.

3           (3) EFFECTIVE DATE.—The amendments made  
4           by this subsection shall apply with respect to taxable  
5           years beginning after calendar year 2024.

6 **SEC. 3. ADJUSTMENTS TO PRIMARY INSURANCE AMOUNT**  
7                                   **FORMULA AND INCLUSION OF SURPLUS**  
8                                   **EARNINGS FOR BENEFIT DETERMINATIONS.**

9           (a) INCREASE IN PERCENTAGE FACTOR FOR LOWEST  
10          PORTION OF EARNINGS USED TO DETERMINE PRIMARY  
11          INSURANCE AMOUNTS.—Section 215(a)(1)(A)(i) of the  
12          Social Security Act (42 U.S.C. 415(a)(1)(A)(i)) is amend-  
13          ed by striking “90 percent” and inserting “95 percent”.

14          (b) INCLUSION OF SURPLUS AVERAGE INDEXED  
15          MONTHLY EARNINGS IN DETERMINATION OF PRIMARY  
16          INSURANCE AMOUNTS.—

17                  (1) IN GENERAL.—Section 215(a)(1)(A) of the  
18          Social Security Act (42 U.S.C. 415(a)(1)(A)) is  
19          amended—

20                          (A) in clauses (i), (ii), and (iii), by insert-  
21                          ing “basic” before “average indexed monthly  
22                          earnings” each place it appears;

23                          (B) in clause (ii), by striking “and” at the  
24                          end;



1 (C) in clause (iii), by adding “and” at the  
2 end; and

3 (D) by inserting after clause (iii) the fol-  
4 lowing new clause:

5 “(iv) 5 percent of the individual’s surplus aver-  
6 age indexed monthly earnings,”.

7 (2) BEND POINT ADJUSTMENTS.—Section  
8 215(a)(1)(B) of such Act (42 U.S.C. 415(a)(1)(B))  
9 is amended—

10 (A) in clause (i), by inserting “For individ-  
11 uals who initially become eligible for old-age or  
12 disability insurance benefits, or who die (before  
13 becoming eligible for such benefits), in the cal-  
14 endar year 2025, the amount established for  
15 purposes of clause (ii) of subparagraph (A)  
16 shall be \$6,300.” after the period;

17 (B) in clause (ii)—

18 (i) by redesignating subclauses (I) and  
19 (II) as items (aa) and (bb), respectively;

20 (ii) by striking “For individuals” and  
21 inserting “(I) Subject to subclause (II), for  
22 individuals”; and

23 (iii) by adding at the end the fol-  
24 lowing new subclause:

1           “(II) For individuals who initially become eligi-  
2           ble for old-age or disability insurance benefits, or  
3           who die (before becoming eligible for such benefits),  
4           in any calendar year after 2025, the amount estab-  
5           lished for purposes of clause (ii) of subparagraph  
6           (A) shall equal the product of the amount estab-  
7           lished with respect to calendar year 2025 under  
8           clause (i) of this subparagraph and the quotient ob-  
9           tained by dividing—

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

14                   “(bb) the national average wage index (as  
15                   so defined) for 2023.”;

16                   (C) by redesignating clause (iii) as clause  
17                   (iv); and

18                   (D) by inserting after clause (ii) the fol-  
19                   lowing new clause:

20           “(iii) For individuals who initially become eligi-  
21           ble for old-age or disability insurance benefits, or  
22           who die (before becoming eligible for such benefits)  
23           in any calendar year after 2029, the amount deter-  
24           mined under clause (ii) of this subparagraph for

1 purposes of subparagraph (A)(i) for such calendar  
2 year shall be increased by—

3 “(I) for calendar year 2030, 1 percent;

4 “(II) for each of calendar years 2031  
5 through 2043, the percent determined under  
6 this clause for the preceding year increased by  
7 1 percentage point; and

8 “(III) for calendar year 2044 and each  
9 year thereafter, 15 percent.”.

10 (3) RECOMPUTATION OF BENEFITS FOR EXIST-  
11 ING BENEFICIARIES.—Section 215(f) of the Social  
12 Security Act (42 U.S.C. 415(f)) is amended by add-  
13 ing at the end the following new paragraph:

14 “(10) RECOMPUTATION OF PRIMARY INSUR-  
15 ANCE AMOUNT FOR INDIVIDUALS WHO BECAME ELI-  
16 GIBLE FOR BENEFITS BEFORE 2025.—

17 “(A) The Commissioner of Social Security  
18 shall recompute the primary insurance amounts  
19 applicable to beneficiaries whose benefits are  
20 based on a primary insurance amount that was  
21 computed under this section effective prior to  
22 January 2025. Such recomputation shall be ef-  
23 fective January 2025.

24 “(B) In recomputing the primary insur-  
25 ance amount applicable to a beneficiary under

1 this paragraph, the Commissioner of Social Se-  
2 curity shall calculate the primary insurance  
3 amount of the individual under subsection  
4 (a)(1) as in effect on the date that such pri-  
5 mary insurance amount was initially computed,  
6 except that the Commissioner shall substitute  
7 for the amount that applied under subpara-  
8 graph (B)(ii) of such subsection on such date  
9 an amount equal to the product of—

10 “(i) the amount that applied under  
11 such subparagraph on such date; and

12 “(ii) the ratio of—

13 “(I) 6,300; to

14 “(II) 6,002.

15 “(C) Each amount determined under sub-  
16 paragraph (B) shall be rounded to the nearest  
17 \$1, except that any amount so established  
18 which is a multiple of \$0.50 but not of \$1 shall  
19 be rounded to the next higher \$1.

20 “(D) If a primary insurance amount appli-  
21 cable to a beneficiary, as recomputed under this  
22 paragraph, is lower than the primary insurance  
23 amount applicable to such beneficiary as it was  
24 originally computed, such higher primary insur-

1           ance amount shall continue to apply to such  
2           beneficiary.”.

3           (c) BASIC AIME AND SURPLUS AIME.—

4           (1) BASIC AIME.—Section 215(b)(1) of such  
5           Act (42 U.S.C. 415(b)(1)) is amended—

6                   (A) by inserting “basic” before “average”;

7                   and

8                   (B) in subparagraph (A), by striking  
9                   “paragraph (3)” and inserting “paragraph  
10                   (3)(A)” and by inserting before the comma the  
11                   following: “to the extent such total does not ex-  
12                   ceed the contribution and benefit base for the  
13                   applicable year”.

14           (2) SURPLUS AIME.—

15                   (A) IN GENERAL.—Section 215(b)(1) of  
16                   such Act (as amended by paragraph (1)) is  
17                   amended—

18                           (i) by redesignating subparagraphs  
19                           (A) and (B) as clauses (i) and (ii), respec-  
20                           tively;

21                           (ii) by striking “An individual’s” and  
22                           inserting “(A) An individual’s”; and

23                           (iii) by adding at the end the fol-  
24                           lowing new subparagraph:

1       “(B)(i) An individual’s surplus average indexed  
2 monthly earnings shall be equal to the quotient obtained  
3 by dividing—

4           “(I) the total (after adjustment under para-  
5 graph (3)(B)) of such individual’s surplus earnings  
6 (determined under clause (ii)) for such individual’s  
7 benefit computation years (determined under para-  
8 graph (2)), by

9           “(II) the number of months in those years.

10       “(ii) For purposes of clause (i) and paragraph (3)(B),  
11 an individual’s surplus earnings for a benefit computation  
12 year are the total of such individual’s wages paid in and  
13 self-employment income credited to such benefit computa-  
14 tion year, to the extent such total (before adjustment  
15 under paragraph (3)(B)) exceeds the contribution and  
16 benefit base for such year.”.

17           (B) CONFORMING AMENDMENT.—The  
18 heading for section 215(b) of such Act is  
19 amended by striking “Average Indexed Monthly  
20 Earnings” and inserting “Basic Average In-  
21 dexed Monthly Earnings; Surplus Average In-  
22 dexed Monthly Earnings”.

23           (3) ADJUSTMENT OF SURPLUS EARNINGS FOR  
24 PURPOSES OF DETERMINING SURPLUS AIME.—Sec-

1 tion 215(b)(3) of such Act (42 U.S.C. 415(b)(3)) is  
2 amended—

3 (A) in subparagraph (A)—

4 (i) by striking “subparagraph (B)”  
5 and inserting “subparagraph (C)”; and

6 (ii) by inserting “and determination of  
7 basic average indexed monthly income  
8 under paragraph (1)(A)” after “paragraph  
9 (2)”;

10 (B) by redesignating subparagraph (B) as  
11 subparagraph (C); and

12 (C) by inserting after subparagraph (A)  
13 the following new subparagraph:

14 “(B) For purposes of determining under paragraph  
15 (1)(B) an individual’s surplus average indexed monthly  
16 earnings, the individual’s surplus earnings for a benefit  
17 computation year shall be deemed to be equal to the prod-  
18 uct of—

19 “(i) the individual’s surplus earnings for such  
20 year (as determined without regard to this subpara-  
21 graph), and

22 “(ii) the quotient described in subparagraph  
23 (A)(ii).”.

24 (d) EFFECTIVE DATE.—The amendments made by  
25 this section shall apply with respect to individuals who ini-

1 tially become eligible (within the meaning of section  
 2 215(a)(3)(B) of the Social Security Act) for old-age or dis-  
 3 ability insurance benefits under title II of the Social Secu-  
 4 rity Act, or who die (before becoming eligible for such ben-  
 5 efits), in any calendar year after 2029.

6 **SEC. 4. INCREASE IN BENEFIT AMOUNTS FOR LONG-TERM**  
 7 **ELIGIBLE INDIVIDUALS.**

8 (a) IN GENERAL.—Section 202 of the Social Security  
 9 Act (42 U.S.C. 402) is amended by adding at the end the  
 10 following new subsection:

11 “(aa) INCREASE IN BENEFIT AMOUNTS FOR LONG-  
 12 TERM ELIGIBLE INDIVIDUALS.—

13 “(1) IN GENERAL.—The amount of a monthly  
 14 benefit which is payable to an individual for a month  
 15 under subsections (a) through (h) or section 223(a)  
 16 (as determined without regard to this subsection)  
 17 shall be increased by 5 percent if the individual is  
 18 a long-term eligible individual during any part of  
 19 such month.

20 “(2) LONG-TERM ELIGIBLE INDIVIDUAL DE-  
 21 FINED.—

22 “(A) IN GENERAL.—The term ‘long-term  
 23 eligible individual’ means an individual who—



1           “(i) is entitled to a monthly benefit  
2           under subsections (a) through (h) or sec-  
3           tion 223(a); and

4           “(ii) has attained 82 years of age or  
5           240 benefit months (as defined in subpara-  
6           graph (B)), whichever is earlier.

7           “(B) BENEFIT MONTH.—

8           “(i) IN GENERAL.—For purposes of  
9           subparagraph (A), the term ‘benefit  
10           month’ means a month for which an indi-  
11           vidual—

12                   “(I) has attained age 19; and

13                   “(II) is entitled to a monthly  
14                   benefit under subsections (a) through  
15                   (h) of section 202 or section 223(a).

16           “(ii) EXCLUSIONS.—Such term ex-  
17           cludes any month in which an individual  
18           is—

19                   “(I) entitled to a benefit under  
20                   this section or section 223(a) that is  
21                   not payable or reduced to zero by ap-  
22                   plication of subsection (k), (n), (t),  
23                   (u), (v), or (x) of this section; or

24                   “(II) subject to a penalty under  
25                   section 1129A.

1           “(3) DISREGARD OF INCREASE FOR PURPOSES  
2           OF FAMILY MAXIMUM.—The amount of any increase  
3           under this subsection to a monthly benefit amount  
4           of a long-term eligible individual shall be disregarded  
5           for purposes of applying section 203(a).”.

6           (b) CONFORMING AMENDMENTS.—

7           (1) Section 202 of the Social Security Act (42  
8           U.S.C. 402) is amended—

9           (A) in subsection (a), by striking “sub-  
10           section (q) and subsection (w)” and inserting  
11           “subsections (q), (w), and (aa)”;

12           (B) in subsections (b)(2) and (c)(2), by  
13           striking “subsections (k)(5) and (q)” and in-  
14           serting “subsections (k)(5), (q), and (aa)”;

15           (C) in subsection (d)(2), by striking “Such  
16           child’s” each place it appears and inserting  
17           “Subject to subsection (aa), such child’s”;

18           (D) in subsections (e)(2)(A) and (f)(2)(A),  
19           by inserting “subsection (aa),” after “sub-  
20           section (q),”;

21           (E) in subsection (g)(2), by striking “Such  
22           mother’s or father’s” and inserting “Subject to  
23           subsection (aa), such mother’s or father’s”; and

1 (F) in subsection (h)(2)(A), by inserting  
 2 “subsection (aa) and” before “subparagraphs  
 3 (B) and (C)”.

4 (2) Section 223(a)(2) of the Social Security Act  
 5 (42 U.S.C. 423(a)(2)) is amended—

6 (A) in the matter preceding subparagraph  
 7 (A), by striking “section 202(q)” and inserting  
 8 “subsections (q) and (aa) of section 202”; and

9 (B) in subparagraph (B), by striking  
 10 “clause (ii)” and inserting “subdivision (ii) or  
 11 (iii) of the matter following subparagraph (E)”.

12 (c) EFFECTIVE DATE.—The amendments made by  
 13 this section shall apply to benefits payable for months in  
 14 any calendar year after 2029.

15 **SEC. 5. COMPUTATION OF COST-OF-LIVING INCREASES FOR**  
 16 **SOCIAL SECURITY BENEFITS; CONSUMER**  
 17 **PRICE INDEX FOR ELDERLY CONSUMERS.**

18 (a) COMPUTATION OF COST-OF-LIVING IN-  
 19 CREASES.—

20 (1) IN GENERAL.—Section 215(i) of the Social  
 21 Security Act (42 U.S.C. 415(i)) is amended—

22 (A) in paragraph (1)(G), by inserting be-  
 23 fore the period the following: “, and, with re-  
 24 spect to any monthly insurance benefit payable  
 25 under this title, effective for adjustments under

1           this subsection to the primary insurance  
2           amount on which such benefit is based (or to  
3           any such benefit under section 227 or 228), the  
4           applicable Consumer Price Index shall be the  
5           Consumer Price Index for Elderly Consumers  
6           and such primary insurance amount shall be  
7           adjusted under this subsection using such  
8           Index”; and

9                       (B) in paragraph (4)—

10                      (i) by striking “and by section 9001”  
11                      and inserting “, by section 9001”; and

12                      (ii) by striking “1986,” and inserting  
13                      “1986, and by section 5(a) of the Safe-  
14                      guarding American Families and Expand-  
15                      ing Social Security Act of 2024,”.

16           (2) CONFORMING AMENDMENTS IN APPLICABLE  
17           FORMER LAW.—Section 215(i)(1)(C) of the Social  
18           Security Act, as in effect in December 1978 and ap-  
19           plied in certain cases under the provisions of such  
20           Act in effect after December 1978, is amended by  
21           inserting before the period the following: “, and,  
22           with respect to any monthly insurance benefit pay-  
23           able under this title, effective for adjustments under  
24           this subsection to the primary insurance amount on  
25           which such benefit is based (or to any such benefit

1 under section 227 or 228), the applicable Consumer  
2 Price Index shall be the Consumer Price Index for  
3 Elderly Consumers and such primary insurance  
4 amount shall be adjusted under this subsection  
5 using such Index”.

6 (3) EFFECTIVE DATE.—The amendments made  
7 by this subsection shall apply to determinations  
8 made by the Commissioner of Social Security under  
9 section 215(i)(2) of the Social Security Act (42  
10 U.S.C. 415(i)(2)) with respect to cost-of-living com-  
11 putation quarters ending on or after September 30,  
12 2025.

13 (b) CONSUMER PRICE INDEX FOR ELDERLY CON-  
14 SUMERS.—

15 (1) IN GENERAL.—The Bureau of Labor Statis-  
16 tics of the Department of Labor shall prepare and  
17 publish an index for each calendar month to be  
18 known as the “Consumer Price Index for Elderly  
19 Consumers” that indicates changes over time in ex-  
20 penditures for consumption which are typical for in-  
21 dividuals in the United States who have attained  
22 early retirement age (as defined under section  
23 216(l)(2) of the Social Security Act (42 U.S.C.  
24 416(l)(2)) for purposes of an old-age, wife’s, or hus-  
25 band’s insurance benefit).

1           (2) EFFECTIVE DATE.—Paragraph (1) shall  
2           apply with respect to calendar months ending on or  
3           after June 30 of the calendar year in which this Act  
4           is enacted.

5           (3) AUTHORIZATION OF APPROPRIATIONS.—  
6           There are authorized to be appropriated such sums  
7           as are necessary to carry out the provisions of this  
8           subsection.

9   **SEC. 6. DEEMED WAGES FOR CAREGIVERS OF DEPENDENT**  
10                                   **RELATIVES.**

11           (a) IN GENERAL.—Title II of the Social Security Act  
12           is amended by adding after section 234 (42 U.S.C. 434)  
13           the following new section:

14           “DEEMED WAGES FOR CAREGIVERS OF DEPENDENT  
15                                   RELATIVES

16           “SEC. 235. (a) DEFINITIONS.—For purposes of this  
17           section—

18                   “(1)(A) Subject to subparagraph (B), the term  
19           ‘qualifying month’ means, in connection with an in-  
20           dividual, any month—

21                           “(i) beginning after the date of enactment  
22                           of the Safeguarding American Families and Ex-  
23                           panding Social Security Act of 2024; and

24                           “(ii) during which such individual was en-  
25                           gaged for not less than 80 hours in providing

1 care to a dependent relative without monetary  
2 compensation.

3 “(B) The term ‘qualifying month’ does not in-  
4 clude any month ending after the date on which  
5 such individual attains retirement age (as defined in  
6 section 216(l)).

7 “(C) For purposes of subparagraph (A)(ii), as-  
8 sistance provided to a family caregiver of an eligible  
9 veteran under section 1720G of title 38, United  
10 States Code, shall not be considered monetary com-  
11 pensation for providing care to such eligible veteran.

12 “(2) The term ‘dependent relative’ means, in  
13 connection with an individual—

14 “(A) a child, grandchild, sibling, niece, or  
15 nephew (of such individual or such individual’s  
16 spouse or domestic partner), or a child to which  
17 the individual or the individual’s spouse or do-  
18 mestic partner is standing in loco parentis, who  
19 is under the age of 16; or

20 “(B) a child, grandchild, niece, or nephew  
21 (of such individual or such individual’s spouse  
22 or domestic partner), a child to which the indi-  
23 vidual or the individual’s spouse or domestic  
24 partner is standing in loco parentis, a parent,  
25 grandparent, sibling, aunt, or uncle (of such in-

1           dividual or his or her spouse or domestic part-  
2           ner), or such individual’s spouse or domestic  
3           partner, if such child, grandchild, niece, neph-  
4           ew, parent, grandparent, sibling, aunt, uncle,  
5           spouse, or domestic partner is a chronically de-  
6           pendent individual.

7           “(3)(A) The term ‘chronically dependent indi-  
8           vidual’ means an individual who—

9                   “(i) is dependent on a daily basis on verbal  
10                  reminding, physical cueing, supervision, or  
11                  other assistance provided to the individual by  
12                  another person in the performance of at least  
13                  two of the activities of daily living (described in  
14                  subparagraph (B)) or instrumental activities of  
15                  daily living (described in subparagraph (C));  
16                  and

17                   “(ii) without the assistance described in  
18                  clause (i), could not perform such activities of  
19                  daily living or instrumental activities of daily  
20                  living.

21           “(B) The ‘activities of daily living’ referred to  
22           in subparagraph (A) means basic personal everyday  
23           activities, including—

24                   “(i) eating;

25                   “(ii) bathing;



1 “(iii) dressing;

2 “(iv) toileting; and

3 “(v) transferring in and out of a bed or in  
4 and out of a chair.

5 “(C) The ‘instrumental activities of daily living’  
6 referred to in subparagraph (A) means activities re-  
7 lated to living independently in the community, in-  
8 cluding—

9 “(i) meal planning and preparation;

10 “(ii) managing finances;

11 “(iii) shopping for food, clothing, or other  
12 essential items;

13 “(iv) performing essential household  
14 chores;

15 “(v) communicating by phone or other  
16 form of media; and

17 “(vi) traveling around and participating in  
18 the community.

19 “(b) DEEMED WAGES OF CAREGIVER.—(1)(A) For  
20 purposes of determining entitlement to and the amount  
21 of any monthly benefit for any month beginning after the  
22 date of enactment of Safeguarding American Families and  
23 Expanding Social Security Act of 2024, or entitlement to  
24 and the amount of any lump-sum death payment in the  
25 case of a death after such month, payable under this title

1 on the basis of the wages and self-employment income of  
2 any individual, and for purposes of section 216(i)(3), such  
3 individual shall be deemed to have been paid during each  
4 qualifying month (in addition to wages or self-employment  
5 income actually paid to or derived by such individual dur-  
6 ing such month) at an amount per month equal to—

7           “(i) in the case of a qualifying month during  
8           which no wages or self-employment income were ac-  
9           tually paid to or derived by such individual—

10                   “(I) 50 percent of the national average  
11                   wage index (as defined in section 209(k)(1)) for  
12                   the second calendar year preceding the calendar  
13                   year in which such month occurs; or

14                   “(II) if the dependent relative to which the  
15                   individual provided care during such month  
16                   was, at any time during such month, a child  
17                   under the age of 6 or a chronically dependent  
18                   individual, 100 percent of the national average  
19                   wage index (as defined in section 209(k)(1)) for  
20                   the second calendar year preceding the calendar  
21                   year in which such month occurs;

22                   “(ii) in the case of a qualifying month in which  
23                   an individual engages in employment or any trade or  
24                   business carried on by the individual or by a part-  
25                   nership of which the individual is a member for not

1 more than 80 hours, 50 percent of the national aver-  
2 age wage index (as defined in section 209(k)(1)) for  
3 the second calendar year preceding the calendar year  
4 in which such month occurs; and

5 “(iii) in the case of any other qualifying month,  
6 the excess of the amount determined under clause (i)  
7 over  $\frac{1}{2}$  of the wages or self-employment income ac-  
8 tually paid to or derived by such individual during  
9 such month.

10 “(B) In any case in which there are more than 120  
11 qualifying months for an individual, only the last 60 of  
12 such months shall be taken into account for purposes of  
13 this section.

14 “(2) Paragraph (1) shall not be applicable in the case  
15 of any monthly benefit or lump-sum death payment if a  
16 larger such benefit or payment, as the case may be, would  
17 be payable without its application.

18 “(c) RULES AND REGULATIONS.—

19 “(1) Not later than one year after the date of  
20 the enactment of this section, the Commissioner of  
21 Social Security shall promulgate such regulations as  
22 are necessary to carry out this section and to pre-  
23 vent fraud and abuse with respect to the benefits  
24 under this section, including regulations establishing

1 procedures for the application and certification re-  
2 quirements described in paragraph (2).

3 “(2) A qualifying month shall not be taken into  
4 account under this section with respect to an indi-  
5 vidual unless—

6 “(A) the individual submits to the Com-  
7 missioner of Social Security an application for  
8 benefits under this section that includes—

9 “(i) the name and identifying infor-  
10 mation of the dependent relative with re-  
11 spect to whom the individual was engaged  
12 in providing care during such month;

13 “(ii) if the dependent relative is not a  
14 child under the age of 16, documentation  
15 from the physician of the dependent re-  
16 lative explaining why the dependent relative  
17 is a chronically dependent individual; and

18 “(iii) such other information as the  
19 Commissioner may require to verify the  
20 status of the dependent relative; and

21 “(B) for every qualifying month or period  
22 of up to 12 consecutive qualifying months that  
23 occurs after the first period of 12 consecutive  
24 qualifying months, the individual certifies, in  
25 such form and manner as the Commissioner

1 shall require, that the information provided in  
2 the individual’s application for benefits under  
3 this section has not changed.”.

4 (b) CONFORMING AMENDMENT.—Section 209(k)(1)  
5 of such Act (42 U.S.C. 409(k)(1)) is amended—

6 (1) by striking “and” before “230(b)(2)” the  
7 first time it appears; and

8 (2) by inserting “and 235(b)(1)(A)(i),” after  
9 “1977),”.

10 **SEC. 7. INCREASE IN MINIMUM BENEFIT FOR LIFETIME**

11 **LOW EARNERS BASED ON YEARS IN THE**

12 **WORKFORCE.**

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

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

17 (2) by inserting after subparagraph (C) the fol-  
18 lowing new subparagraph:

19 “(D)(i) Effective with respect to the benefits of indi-  
20 viduals who become eligible for old-age insurance benefits  
21 or disability insurance benefits (or die before becoming so  
22 eligible) after 2024, no primary insurance amount com-  
23 puted under subparagraph (A) may be less than the great-  
24 er of—

1           “(I) the minimum monthly amount computed  
2           under subparagraph (C); or

3           “(II) in the case of an individual who has more  
4           than 10 years of work (as defined in clause (iv)(I)),  
5           the alternative minimum amount determined under  
6           clause (ii).

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

11          “(II) For purposes of subclause (I), the applicable  
12          percentage is the percentage specified in connection with  
13          the number of years of work, as set forth in the following  
14          table:

<b>“If the number of years of work is:</b>	<b>The applicable percentage is:</b>
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 2025, the poverty guide-  
4 line for 2024; and

5               “(II) for any calendar year after 2025, the an-  
6 nual dollar amount for 2025 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 2023.

14       “(iv) For purposes of this subparagraph—

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

19               “(II) the term ‘poverty guideline for 2023’  
20 means the annual poverty guideline for 2023 (as up-  
21 dated annually in the Federal Register by the De-  
22 partment of Health and Human Services under the  
23 authority of section 673(2) of the Omnibus Budget  
24 Reconciliation Act of 1981) as applicable to a single  
25 individual.”.

1           (b) RECOMPUTATION.—Notwithstanding section  
 2 215(f)(1) of the Social Security Act, the Commissioner of  
 3 Social Security shall recompute primary insurance  
 4 amounts originally computed for months prior to Novem-  
 5 ber 2024 to the extent necessary to carry out the amend-  
 6 ments made by this section.

7           (c) CONFORMING AMENDMENT.—Section 209(k)(1)  
 8 of such Act (42 U.S.C. 409(k)(1)) is amended by inserting  
 9 “215(a)(1)(E),” after “215(a)(1)(D),”.

10 **SEC. 8. ELIMINATION OF DISABILITY WAITING PERIOD FOR**  
 11 **DISABILITY INSURANCE BENEFITS AND SUR-**  
 12 **VIVING SPOUSE BENEFITS.**

13           (a) ELIMINATION OF WAITING PERIOD FOR DIS-  
 14 ABILITY INSURANCE BENEFITS.—Section 223 of the So-  
 15 cial Security Act (42 U.S.C. 423), as amended by section  
 16 4(b)(2), is amended—

17                   (1) in subsection (a)—

18                           (A) in paragraph (1), in the matter fol-  
 19 lowing subparagraph (E)—

20                                   (i) by striking “disability insurance  
 21 benefit (i) for each month” and all that  
 22 follows through “, or (iii)” and inserting  
 23 “disability insurance benefit”; and



1 (ii) by striking “, but only if” and all  
2 that follows through “under such dis-  
3 ability”; and

4 (B) in paragraph (2), by striking “as  
5 though he had attained age 62 in—” and all  
6 that follows through “such disability insurance  
7 benefits,” and inserting “as though the indi-  
8 vidual had attained age 62 in the first month  
9 for which the individual becomes entitled to  
10 such disability insurance benefits,”; and

11 (2) in subsection (c)—

12 (A) in the subsection header, by striking  
13 “Definitions of Insured Status and Waiting Pe-  
14 riod” and inserting “Definition of Insured Sta-  
15 tus”; and

16 (B) by striking paragraph (2).

17 (b) ELIMINATION OF WAITING PERIOD FOR SUR-  
18 VIVING SPOUSE AND SURVIVING DIVORCED SPOUSE BEN-  
19 EFITS.—Section 202 of the Social Security Act (42 U.S.C.  
20 402) is amended—

21 (1) in subsection (e)—

22 (A) in paragraph (1), in the matter fol-  
23 lowing subparagraph (D), by striking “begin-  
24 ning with—” and all that follows through “on  
25 such basis terminated,” and inserting “begin-

1           ning with the first month in which she becomes  
2           so entitled to such insurance benefits”;

3                   (B) by striking paragraph (5); and

4                   (C) by redesignating paragraphs (6)  
5           through (8) as paragraphs (5) through (7); and  
6           (2) in subsection (f)—

7                   (A) in paragraph (1), in the matter fol-  
8           lowing subparagraph (D), by striking “begin-  
9           ning with—” and all that follows through “on  
10          such basis terminated,” and inserting “begin-  
11          ning with the first month in which he becomes  
12          so entitled to such insurance benefits”;

13                   (B) by striking paragraph (5); and

14                   (C) by redesignating paragraphs (6)  
15          through (8) as paragraphs (5) through (7).

16          (c) EFFECTIVE DATE.—The amendments made by  
17          this section shall apply with respect to applications for  
18          benefits filed on or after the date of the enactment of this  
19          Act.

20          **SEC. 9. TAX ON INVESTMENT GAIN.**

21           (a) IN GENERAL.—Subsection (a) of section 1411 of  
22          the Internal Revenue Code of 1986 is amended by striking  
23          “3.8 percent” each place it appears and inserting “6.8  
24          percent”.

1 (b) CONFORMING AMENDMENT.—The heading for  
2 chapter 2A of the Internal Revenue Code of 1986 is  
3 amended by inserting “**AND SOCIAL SECURITY**”  
4 after “**MEDICARE**”.

5 (c) TRUST FUNDS.—

6 (1) TECHNICAL AMENDMENTS.—Section 201 of  
7 the Social Security Act (42 U.S.C. 401) is amend-  
8 ed—

9 (A) in subsection (a)—

10 (i) by striking “clause” each place it  
11 appears and inserting “paragraph”; and

12 (ii) in the flush text at the end, by  
13 striking “clauses” each place it appears  
14 and inserting “paragraphs”; and

15 (B) in subsection (g)(2), by striking  
16 “clause” each place it appears and inserting  
17 “paragraph”.

18 (2) FEDERAL OLD-AGE AND SURVIVORS INSUR-  
19 ANCE TRUST FUND.—Subsection (a) of section 201  
20 of the Social Security Act (42 U.S.C. 401), as  
21 amended by paragraph (1), is amended—

22 (A) in paragraph (4), by striking the pe-  
23 riod at the end and inserting “; and”;

24 (B) by inserting after paragraph (4) the  
25 following new paragraph:

1 “(5) 44.1 percent of the taxes imposed under section  
2 1411 of the Internal Revenue Code of 1986.”; and

3 (C) in the flush matter at the end, by  
4 striking “paragraphs (3) and (4)” each place it  
5 appears and inserting “paragraphs (3), (4), and  
6 (5)”.

7 (d) EFFECTIVE DATE.—The amendments made by  
8 this section shall apply to taxable years beginning after  
9 December 31, 2024.

10 **SEC. 10. HOLDING SSI, MEDICAID, AND CHIP BENE-**  
11 **FICIARIES HARMLESS.**

12 For purposes of determining the income of an indi-  
13 vidual to establish eligibility for, and the amount of, bene-  
14 fits payable under title XVI of the Social Security Act,  
15 eligibility for medical assistance under the State plan  
16 under title XIX (or a waiver of such plan), or eligibility  
17 for child health assistance under the State child health  
18 plan under title XXI (or a waiver of the plan), the amount  
19 of any benefit to which the individual is entitled under  
20 title II of such Act shall be deemed not to exceed the  
21 amount of the benefit that would be determined for such  
22 individual under such title as in effect on the day before  
23 the date of the enactment of this Act.

○