AMENDMENT TO

Rules Committee Print 115-39 Offered by Mr. Graves of Louisiana

At the end, add the following:

1**TITLE VI—ADDITIONAL**2**PROVISIONS**

3 SEC. 6001. REPLACEMENT OF THE WINDFALL ELIMINATION
4 PROVISION WITH A FORMULA EQUALIZING
5 BENEFITS FOR CERTAIN INDIVIDUALS WITH
6 NON-COVERED EMPLOYMENT.

7 (a) IN GENERAL.—Section 215(a) of the Social Secu8 rity Act (42 U.S.C. 415(a)) is amended by inserting after
9 paragraph (7) the following:

10 "(8)(A) In the case of an individual whose primary
11 insurance amount would be computed under paragraph
12 (1) of this subsection—

13 "(i) who becomes eligible for old-age insurance
14 benefits after 2016 or would attain age 62 after
15 2016 and becomes eligible for disability insurance
16 benefits after 2016,

17 "(ii) who subsequently becomes entitled to such18 benefits, and

1	"(iii) who has earnings derived from noncovered
2	service performed in a year after 1977,
3	the primary insurance amount of such individual shall be
4	computed or recomputed under this paragraph.
5	"(B) The primary insurance amount of an individual
6	described in subparagraph (A), as computed or recom-
7	puted under this paragraph, shall be the product derived
8	by multiplying—
9	"(i) the individual's primary insurance amount,
10	as determined under paragraph (1) of this sub-
11	section and subparagraph (C) of this paragraph, by
12	"(ii) a fraction—
13	"(I) the numerator of which is the individ-
14	ual's average indexed monthly earnings (deter-
15	mined without regard to subparagraph (C)),
16	and
17	"(II) the denominator of which is an
18	amount equal to the individual's average in-
19	dexed monthly earnings (as determined under
20	subparagraph (C)),
21	rounded, if not a multiple of 0.10 , to the next lower mul-
22	tiple of \$0.10.
23	"(C)(i) For purposes of determining an individual's
24	primary insurance amount pursuant to clauses (i) and
25	(ii)(II) of subparagraph (B), the individual's average in-

dexed monthly earnings shall be determined by treating 1 2 all recorded noncovered earnings (as defined in clause 3 (ii)(I)) derived by the individual from noncovered service 4 performed in each year after 1977 as 'wages' (as defined 5 in section 209 for purposes of this title), which shall be treated as included in the individual's adjusted total cov-6 7 ered earnings (as defined in clause (ii)(II)) for such cal-8 endar year together with amounts consisting of 'wages' (as 9 so defined without regard to this subparagraph) paid dur-10 ing such calendar year and self-employment income (as 11 defined in section 211(b)) for taxable years ending with 12 or during such calendar year.

13 "(ii) For purposes of this subparagraph—

- 14 "(I) The term 'recorded noncovered earnings' 15 means earnings derived from noncovered service 16 (other than noncovered service as a member of a 17 uniformed service (as defined in section 210(m))) for 18 which satisfactory evidence is determined by the 19 Commissioner to be available in the records of the 20 Commissioner.
- "(II) The term 'adjusted total covered earnings'
 means, in connection with an individual for any calendar year, the sum of the wages paid to the individual during such calendar year (as adjusted under
 subsection (b)(3)) plus the self-employment income

derived by the individual during any taxable year
 ending with or during such calendar year (as ad justed under subsection (b)(3)).

4 "(iii) The Commissioner of Social Security shall pro-5 vide by regulation for methods for determining whether satisfactory evidence is available in the records of the 6 7 Commissioner for earnings for noncovered service (other 8 than noncovered service as a member of a uniformed serv-9 ice (as defined in section 210(m))) to be treated as recorded noncovered earnings. Such methods shall provide 10 for reliance on earnings information which is provided to 11 the Commissioner by employers and which, as determined 12 by the Commissioner, constitute a reasonable basis for 13 treatment of earnings for noncovered service as recorded 14 15 noncovered earnings. In making determinations under this clause, the Commissioner shall also take into account any 16 documentary evidence of earnings derived from non-17 18 covered service by an individual which is provided by the 19 individual to the Commissioner and which the Commis-20sioner considers appropriate as a reasonable basis for 21 treatment of such earnings as recorded noncovered earn-22 ings, except that such evidence provided by the individual 23 shall be taken into account only to the extent that such 24 evidence does not relate to earnings for service with respect to which information regarding earnings has already 25

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been obtained by the Commissioner from the employer and
 only to the extent that such evidence does not result in
 a reduction in the individual's primary insurance amount
 as calculated under subparagraph (B).

5 "(D) Upon the death of an individual whose primary 6 insurance amount is computed or recomputed under this 7 paragraph, such primary insurance amount shall be com-8 puted or recomputed under paragraph (1) of this sub-9 section.".

(b) MODIFICATION OF WINDFALL ELIMINATION
PROVISION FOR CURRENT BENEFICIARIES; RECOVERY OF
CERTAIN OVERPAYMENTS.—Section 215(a)(7) of such
Act (42 U.S.C. 415(a)(7)) is amended by adding at the
end the following:

15 "(F)(i) Notwithstanding subparagraph (A), for purposes of determining the amount of monthly insurance 16 17 benefits for months after December 2016, the primary insurance amount of an individual described in subpara-18 19 graph (A), or an individual described in subparagraph (G) whose primary insurance amount was calculated or recal-20 21 culated under subparagraph (B), shall be deemed to be 22 equal to the sum of—

23 "(I) the primary insurance amount of such indi24 vidual computed or recomputed under subparagraph
25 (B); plus

1 "(II) the applicable percentage (determined 2 under clause (ii)) of the amount by which the pri-3 mary insurance amount of such individual computed 4 or recomputed under subparagraph (B) is exceeded 5 by the primary insurance amount of such individual 6 that would be determined without regard to this 7 paragraph.

8 "(ii) The applicable percentage determined under this 9 clause shall be a percentage (but not more than 50 per-10 cent) which shall be determined by the Commissioner on 11 the basis of the amount of the savings generated as a re-12 sult of the enactment of the Equal Treatment of Public Servants Act of 2015. The Commissioner shall determine 13 and promulgate the applicable percentage determined 14 15 under this clause on or before November 1, 2016, based upon the most recent actuarial estimates then available. 16 17 "(G) In the case of an individual whose primary insurance amount would be computed under paragraph (1) 18 19 of this subsection who—

"(i) attains age 62 after 1985 and before 2017
(except where he or she became entitled to a disability insurance benefit before 1986 and remained
so entitled in any of the 12 months immediately preceding his or her attainment of age 62), or

1	"(ii) would attain age 62 after 1985 and before
2	2017 and becomes eligible for a disability insurance
3	benefit after 1985 and before 2017, and
4	"(iii) is eligible for old-age insurance benefits or
5	disability insurance benefits for December 2016,
6	"(iv) has recorded noncovered earnings (as de-
7	fined in paragraph $(8)(C)(ii))$, and
8	"(v) has less than 30 years of coverage (as de-
9	fined in subparagraph (D)),
10	the primary insurance amount of such individual shall be
11	computed or recomputed under this paragraph unless such
12	individual provides to the Commissioner evidence deter-
13	mined to be satisfactory by the Commissioner that such
14	individual has not received any periodic payment attrib-
15	utable to noncovered service. The Commissioner shall, in
16	accordance with section 204, recover from such individual
17	described in subparagraph (A), and any other individual
18	receiving benefits under this title on the basis of the wages
19	and self-employment income of such individual described
20	in subparagraph (A), any excess of the total amount of
21	benefits under this title paid to each such individual prior
22	to 2017 over the amount computed on the basis of the
23	primary insurance amount computed or recomputed under
24	this paragraph without regard to subparagraph (F).".

1(c)CONFORMINGAMENDMENTS.—Section2215(a)(7)(A)of such Act(42U.S.C.415(a)(7)(A))is3amended—

4 (1) by striking "after 1985" each place it ap5 pears and inserting "after 1985 and before 2017";
6 and

7 (2) by striking "hereafter in this paragraph and
8 in subsection (d)(3)" and inserting "in this para9 graph, paragraph (8), and subsection (d)(3)".

10 SEC. 6002. REPORT ON GOVERNMENT PENSION OFFSET.

The Comptroller General of the United States shall
conduct a study and issue a report (not later than 1 year
after the date of the enactment of this Act) determining—

- 14 (1) the number of individuals adversely im-15 pacted by the Government Pension Offset,
- 16 (2) the annual costs to those individuals and17 their families, and
- 18 (3) potential legislative solutions that would
 19 bring relief with respect to the costs currently in20 curred.

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