

## SOCIAL SECURITY AMENDMENTS OF 1961

JUNE 28, 1961.—Ordered to be printed

Mr. MILLS, from the committee of conference, submitted the following

### CONFERENCE REPORT

[To accompany H.R. 6027]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 11.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 26, and agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: 109; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

#### ASSISTANCE FOR RETURNING UNITED STATES CITIZENS

*Sec. 302. Title XI of the Social Security Act is amended by adding at the end thereof the following new section:*

**"ASSISTANCE FOR UNITED STATES CITIZENS RETURNED FROM FOREIGN COUNTRIES**

*"SEC. 1113. (a)(1) The Secretary is authorized to provide temporary assistance to citizens of the United States and to dependents of citizens of the United States, if they (A) are identified by the Department of State as having returned, or been brought, from a foreign country to the United States because of the destitution of the citizen of the United States or the illness of such citizen or any of his dependents or because of war, threat of war, invasion, or similar crisis, and (B) are without available resources.*

*"(2) Except in such cases or classes of cases as are set forth in regulations of the Secretary, provision shall be made for reimbursement to the United States by the recipients of the temporary assistance to cover the cost thereof.*

*"(3) The Secretary may provide assistance under paragraph (1) directly or through utilization of the services and facilities of appropriate public or private agencies and organizations, in accordance with agreements, providing for payment, in advance or by way of reimbursement, as may be determined by the Secretary, of the cost thereof. Such cost shall be determined by such statistical, sampling, or other method as may be provided in the agreement.*

*"(b) The Secretary is authorized to develop plans and make arrangements for provision of temporary assistance within the United States to individuals specified in subsection (a)(1). Such plans shall be developed and such arrangements shall be made after consultation with the Secretary of State, the Attorney General, and the Secretary of Defense. To the extent feasible, assistance provided under subsection (a) shall be provided in accordance with the plans developed pursuant to this subsection, as modified from time to time by the Secretary.*

*"(c) For purposes of this section, the term 'temporary assistance' means money payments, medical care, temporary billeting, transportation, and other goods and services necessary for the health or welfare of individuals (including guidance, counseling, and other welfare services) furnished to them within the United States upon their arrival in the United States and for such period after their arrival as may be provided in regulations of the Secretary.*

*"(d) No temporary assistance may be provided under this section after June 30, 1962."*

And the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

**ADDITIONAL FEDERAL PARTICIPATION IN PUBLIC ASSISTANCE PAYMENTS**

*SEC. 303. (a)(1) Section 3(a)(1) of the Social Security Act is amended—*

- (A) by striking out "\$30" and inserting in lieu thereof "\$31";*
- (B) by striking out "\$65" each place it appears therein and inserting in lieu thereof "\$66"; and*
- (C) by striking out "\$80" and inserting in lieu thereof "\$81".*
- (2) Section 3(a)(2) of such Act is amended—*
  - (A) by striking out "\$35" each place it appears therein and inserting in lieu thereof "\$35.50"; and*
  - (B) by striking out "\$42.50" and inserting in lieu thereof "\$43".*
- (b)(1) Section 1003(a)(1) of such Act is amended—*
  - (A) by striking out "\$30" and inserting in lieu thereof "\$31"; and*
  - (B) by striking out "\$65" and inserting in lieu thereof "\$66".*
- (2) Section 1003(a)(2) of such Act is amended by striking out "\$35" and inserting in lieu thereof "\$35.50".*
- (c)(1) Section 1403(a)(1) of such Act is amended—*
  - (A) by striking out "\$30" and inserting in lieu thereof "\$31"; and*
  - (B) by striking out "\$65" and inserting in lieu thereof "\$66".*
- (2) Section 1403(a)(2) of such Act is amended by striking out "\$35" and inserting in lieu thereof "\$35.50".*
- (d) Effective only for the fiscal year ending June 30, 1962, section 1108 of the Social Security Act (as amended by section 6 of Public Law 87-31) is amended by striking out "\$9,425,000", "\$318,750", and "\$425,000" and inserting in lieu thereof "\$9,500,000", "\$320,000", and "\$430,000", respectively.*
- (e) The amendments made by subsections (a), (b), and (c) of this section shall apply only in the case of expenditures made after September 30, 1961, and before July 1, 1962, under a State plan approved under title I, X, or XIV, as the case may be, of the Social Security Act.*

And the Senate agree to the same.

W. D. MILLS,  
 CECIL R. KING,  
 THOS. J. O'BRIEN,  
 N. M. MASON,  
 JOHN W. BYRNES,  
*Managers on the Part of the House.*  
 HARRY F. BYRD,  
 ROBT. S. KERR,  
 RUSSELL B. LONG,  
 JOHN J. WILLIAMS,  
 FRANK CARLSON,  
*Managers on the Part of the Senate.*

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments Nos. 1, 2, 3, 4, 5, 6, and 7: These are technical amendments. The House recesses.

Amendment No. 8: Section 218(d)(6)(F) of the Social Security Act was enacted in 1958 to grant an additional opportunity to obtain coverage under the old-age, survivors, and disability insurance program to State and local employees who did not elect coverage under an original divided retirement system agreement. Existing law allows employees who did not elect coverage to change their decisions and elect coverage if a modification providing for such coverage is mailed, or otherwise delivered, to the Secretary of Health, Education, and Welfare, before 1960 or (if later) 1 year after the date on which coverage was approved for the group which originally elected coverage.

Under Senate amendment No. 8, the time in which such persons may elect to be covered is extended through December 31, 1962, or (if later) the expiration of 2 years after the date on which coverage was approved for the group which originally elected coverage.

Senate amendment No. 8 also adds a sentence at the end of section 218(d)(6)(F) of the Social Security Act to make it clear that the coverage of the persons described above must begin on the same date that coverage became effective for the group which originally elected coverage.

The House recesses.

Amendment No. 9: This amendment amends section 218(d)(6)(C) of the Social Security Act to add New Mexico to the list of States which are permitted to divide their retirement systems into two divisions for coverage purposes, one division consisting of those members desiring coverage and the other consisting of those who do not, with all new members being covered on a compulsory basis. The House recesses.

Amendment No. 10: Section 203(f)(3) of the Social Security Act provides that, for purposes of the earned income limitation, an individual's excess earnings for a taxable year are his earnings for such year in excess of the product of \$100 multiplied by the number of months in such year, except that of the first \$300 of such excess (or all of such excess if it is less than \$300), an amount equal to one-half thereof is not to be included. Senate amendment No. 10 amends

section 203(f)(3) to strike out "\$300" each place it appears therein and to insert in lieu thereof "\$500".

The effect of this amendment is to increase from \$300 to \$500 the area in which only one-half of the earnings are treated as excess earnings. Under existing law, for example, an individual whose taxable year consists of 12 months and who has earnings of \$1,700 is treated as having excess earnings of \$350 (one-half of \$300, plus \$200). Under Senate amendment No. 8, he is treated as having excess earnings of \$250 (one-half of \$500). The amendment is effective for taxable years ending after the date of the enactment of the bill.

The House recedes.

Amendment No. 11: Paragraph (11) of section 2(a) of the Social Security Act contains certain requirements for State plans under title I of the act which include medical assistance for the aged. Senate amendment No. 11 adds a new requirement (effective October 1, 1962) under which such a State plan must provide that any individual eligible to receive medical assistance for the aged shall not be precluded by State law or regulation from receiving any care and services which are covered by the State plan from any provider of care or services who is licensed under State law to provide such care and services to individuals who are not recipients of medical assistance for the aged. The Senate recedes.

Amendment No. 12: This is a clerical amendment. The House recedes with a clerical amendment.

Amendments Nos. 13, 14, 16, and 18: Section 201(a) of the House bill amends section 1401 of the Internal Revenue Code of 1954 to increase the rates of tax under the Self-Employment Contributions Act of 1954. Each rate provided by existing law for the self-employment tax is increased by three-sixteenths of 1 percent. Senate amendments Nos. 13, 14, 16, and 18 round these rates to the nearest one-tenth of 1 percent. The House recedes.

Amendments Nos. 15 and 17: Under existing law, an increase in the rate of the tax under the Self-Employment Contributions Act of 1954 is scheduled for taxable years beginning after December 31, 1968. Senate amendments Nos. 15 and 17 provide that this increase in the rate of tax, as modified by the House bill and by Senate amendment No. 18, is to apply to taxable years beginning after December 31, 1967. Under the conference agreement, the rate of such tax for taxable years beginning after December 31, 1967, will be 6.9 percent. The House recedes.

Amendments Nos. 19, 20, 21, and 22: Under existing law, an increase in the rate of tax for employers and employees under the Federal Insurance Contributions Act is scheduled to take effect for calendar year 1969 and subsequent calendar years. Senate amendments Nos. 19, 20, 21, and 22 provide that this increase in the rate of tax, as modified by the House bill, is to apply to the calendar year 1968 and subsequent calendar years. Thus, under the conference agreement the rate of the employer tax, and the rate of the employee tax, for the calendar year 1968 and subsequent calendar years will be 4½ percent. The House recedes.

Amendment No. 23: Senate amendment No. 23 adds a new section 202 to the bill. Subsection (a) amends section 1402(e) of the Internal Revenue Code of 1954 by adding at the end thereof a new paragraph No. (6). Under the new paragraph in any case where a minister

or Christian Science practitioner dies after September 12, 1960, and before April 16, 1962, his survivor or the fiduciary of his estate may file a certificate, on or before April 15, 1962, electing to have the services of the minister or Christian Science practitioner covered under title II of the Social Security Act. Such a certificate would be effective for the period prescribed in existing law as if filed by the minister or Christian Science practitioner on the date of his death.

Subsection (b) of the new section 202 provides the effective date for the amendment.

The House recesses.

Amendment No. 24: This amendment adds a new section 1113 to title XI of the Social Security Act authorizing, on a permanent basis, a new program of assistance for U.S. nationals returned from foreign countries.

The House recesses with an amendment which is a substitute for the language proposed to be inserted in title XI by the Senate. Under this substitute, the Secretary of Health, Education, and Welfare is authorized to provide temporary assistance to citizens of the United States and to dependents of citizens of the United States, if (1) they are identified by the Department of State as having returned, or been brought, from a foreign country to the United States because of the destitution of the citizen of the United States or the illness of such citizen or any of his dependents or because of war, threat of war, invasion, or similar crisis, and (2) they are without available resources.

Except in such cases or classes of cases as are set forth in regulations of the Secretary of Health, Education, and Welfare, provision is to be made for reimbursement to the United States by the recipients of the temporary assistance under the new section 1113 to cover the cost of such assistance. In connection with this requirement of reimbursement, it is contemplated that the regulations will include provisions for the assignment of claims in appropriate cases.

The Secretary may provide this assistance directly or through utilization of the services and facilities of appropriate public or private agencies and organizations.

The new provision also authorizes the Secretary of Health, Education, and Welfare to develop plans and make arrangements for provision of temporary assistance within the United States to individuals eligible for such assistance.

For purposes of the new provision, the term "temporary assistance" is defined as meaning money payments, medical care, temporary billeting, transportation, and other goods and services necessary for the health or welfare of individuals (including guidance, counseling, and other welfare services) furnished to them within the United States on their arrival in the United States and for such period after their arrival as may be provided in regulations.

No assistance may be provided under this new section 1113 after June 30, 1962.

Amendment No. 25: Senate amendment No. 25 adds a new section 303 to the bill providing for additional Federal participation during the period July 1, 1961, to June 30, 1962, in public assistance payments under titles I, X, and XIV of the Social Security Act.

Subsection (a)(1) of the new section provides additional Federal participation in old-age assistance payments to States that raise their average payment per recipient under the program. The increase in

Federal funds may not exceed the Federal percentage of \$2.50 per recipient or, if less, the Federal percentage of expenditures not subject to Federal participation under existing law. In addition, the increase in Federal funds may not exceed the amount of the increase in expenditures over a base period (the quarter beginning January 1, 1961) computed on an average per recipient times the number of recipients basis. In determining this increase, adjustments would be made for the decrease (if any) in assistance from State or local funds.

Subsection (a)(2) of the new section makes approximately proportionate changes in the special provisions applying to Guam, Puerto Rico, and the Virgin Islands.

Subsections (b) and (c) make similar changes in title X (aid to the blind) and title XIV (aid to the totally and permanently disabled).

In general, title I of the Social Security Act provides for Federal financial participation in old-age assistance expenditures by the States equal to—

- (1) four-fifths of the first \$30 per month of the average old-age assistance payment, plus
- (2) the Federal percentage (varying in accordance with relative State per capita income between 50 percent and 65 percent) of the excess of the average monthly old-age assistance payment over \$30 but not over \$65.

Under the conference agreement the \$30 and \$65 figures are increased to \$31 and \$66, respectively. Comparable changes are made in title X (aid to the blind) and title XIV (aid to the totally and permanently disabled) of the Social Security Act.

Approximately proportionate changes are made in the special provisions of titles I, X, and XIV of such act applying to Puerto Rico, the Virgin Islands, and Guam by increasing the \$35 per month maximum on the average monthly payment in which the Federal Government participates to \$35.50.

Title I of the act also provides for Federal financial participation in the excess of the State average old-age assistance payment per month over \$65 but not over \$80, but only to the extent that such excess is represented by expenditures in the form of vendor medical care payments. Under the conference agreement the \$65 and \$80 figures are increased to \$66 and \$81, respectively. Approximately proportionate changes are made in the vendor medical care payment provisions applying to Puerto Rico, the Virgin Islands, and Guam.

Under the conference agreement, the amendments made to titles I, X, and XIV are to apply only in the case of expenditures made after September 30, 1961, and before July 1, 1962, under State plans approved under such titles.

In conformity with the conference agreement with respect to increased Federal payments to Puerto Rico, the Virgin Islands, and Guam under titles I, X, and XIV, the conference agreement increases the limitations under section 1108 of the Social Security Act on the total amounts which may be paid to them for the fiscal year ending June 30, 1962.

Amendment No. 26: This amendment added a new section 304 to the bill providing that as used in titles I and III of the bill (and in the provisions of the Social Security Act amended thereby) the term "Secretary", unless the context otherwise requires, means the Secretary of Health, Education, and Welfare. The House recedes.

W. D. MILLS,  
CECIL R. KING,  
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JOHN W. BYRNES,

*Managers on the Part of the House.*

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