

1 or that of a party, enter an order which will give ef-
2 fect to the provisions of this subsection (including,
3 where appropriate, an order for substitution of par-
4 ties).

5 (e) CONTINUATION OF PENALTIES.—This Act shall
6 not have the effect of releasing or extinguishing any crimi-
7 nal prosecution, penalty, forfeiture, or liability incurred as
8 a result of any function which (by reason of this Act),
9 the amendments made thereby, and regulations prescribed
10 thereunder) is vested in the Social Security Board.

11 (f) JUDICIAL REVIEW.—Orders and actions of the
12 Social Security Board in the exercise of functions vested
13 in such Board under this Act (and the amendments made
14 thereby) shall be subject to judicial review to the same
15 extent and in the same manner as if such orders had been
16 made and such actions had been taken by the Secretary
17 of Health and Human Services in the exercise of such
18 functions immediately before October 1, 1995. Any statu-
19 tory requirements relating to notice, hearings, action upon
20 the record, or administrative review that apply to any
21 function so vested in such Board shall continue to apply
22 to the exercise of such function by such Board.

23 (g) EXERCISE OF FUNCTIONS.—In the exercise of the
24 functions vested in the Social Security Board under this
25 Act, the amendments made thereby, and regulations pre-

1 scribed thereunder, such Board shall have the same au-
2 thority as that vested in the Secretary of Health and
3 Human Services with respect to the exercise of such func-
4 tions immediately preceding the vesting of such functions
5 in such Board, and actions of such Board shall have the
6 same force and effect as when exercised by such Secretary.

7 (h) OPERATION OF TRANSITIONAL RULES IN THE
8 EVENT OF INTERIM AUTHORITY IN THE COMMIS-
9 SIONER.—For purposes of this section, in any case in
10 which the powers and duties to be transferred to the Social
11 Security Board are transferred to the Commissioner of So-
12 cial Security (or acting Commissioner) in the Department
13 of Health and Human Services for an interim period pur-
14 suant to section 102(c), the preceding provisions of this
15 section shall apply with respect to the transfer of such
16 powers and duties to and from such Commissioner (or act-
17 ing Commissioner) pursuant to section 102(c) in the same
18 manner and to the same extent as they would have applied
19 to a direct transfer from the Secretary of Health and
20 Human Services to the Social Security Board if all mem-
21 bers of the Board had entered upon office.

22 SEC. 106. CONFORMING AMENDMENTS TO TITLES II AND
23 XVI OF THE SOCIAL SECURITY ACT.

24 (a) IN GENERAL.—Title II of the Social Security Act
25 (other than section 201, section 218(d), section 226, sec-

1 tion 226A, and section 231(c)) and title XVI of such Act
2 are each amended—

3 (1) by striking, wherever it appears therein,
4 “Secretary of Health and Human Services” and in-
5 serting “Social Security Board”;

6 (2) by striking, wherever it appears therein,
7 “Department of Health and Human Services” and
8 inserting “Social Security Administration”;

9 (3) by striking, wherever it appears therein,
10 “Department” (but only if it is not immediately suc-
11 ceeded by the words “of Health and Human Serv-
12 ices”, and only if it is used in reference to the De-
13 partment of Health and Human Services) and in-
14 serting “Administration”;

15 (4) by striking, wherever it appears therein,
16 each of the following words (but, in the case of any
17 such word only if such word refers to the Secretary
18 of Health and Human Services): “Secretary”, “Sec-
19 retary’s”, “his”, “him”, and “he”, and inserting (in
20 the case of the word “Secretary”) “Social Security
21 Board”, (in the case of the word “Secretary’s”)
22 “Board’s”, (in the case of the word “his”) “the
23 Board’s”, (in the case of the word “him”) “the
24 Board”, and (in the case of the word “he”) “the
25 Board”; and

1 (5) by striking, wherever it appears therein,
2 "Internal Revenue Code of 1954" and inserting "In-
3 ternal Revenue Code of 1986".

4 (b) AMENDMENTS TO SECTION 218.—Section 218(d)
5 of such Act (42 U.S.C. 418(d)) is amended by striking
6 "Secretary" each place it appears in paragraphs (3) and
7 (7) and inserting "Social Security Board".

8 (c) AMENDMENTS TO SECTION 222.—Section 222(d)
9 of such Act (42 U.S.C. 422(d)) is amended—

10 (1) in the last sentence of paragraph (1), by
11 striking "Commissioner of Social Security" and in-
12 serting "Executive Director of the Social Security
13 Administration"; and

14 (2) in the first sentence of paragraph (2), by
15 striking "Commissioner of Social Security" and in-
16 serting "Executive Director of the Social Security
17 Administration".

18 (d) AMENDMENT TO SECTION 231.—Section 231(c)
19 of such Act (42 U.S.C. 431(c)) is amended by striking
20 "Secretary determines" and inserting "Social Security
21 Board and the Secretary jointly determine".

22 (e) AMENDMENT TO SECTION 1615.—Section
23 1615(d) of such Act (42 U.S.C. 1832d(d)) is amended
24 by striking "Commissioner of Social Security" and insert-

1 ing "Executive Director of the Social Security Administra-
2 tion".

3 SEC. 107. OTHER CONFORMING AMENDMENTS.

4 Title VII of the Social Security Act is amended—

5 (1) by striking section 704 (42 U.S.C. 904) and
6 inserting the following new section:

7 "REPORTS

8 "SEC. 704. The Secretary and the Social Security
9 Board shall make full reports to Congress, within 120
10 days after the beginning of each regular session, of the
11 administration of the functions with which they are
12 charged under this Act. In addition to the number of cop-
13 ies of such reports authorized by other law to be printed,
14 there is hereby authorized to be printed not more than
15 5,000 copies of each such report for use by the Secretary
16 and Social Security Board for distribution to Members of
17 Congress and to State and other public or private agencies
18 or organizations participating in or concerned with the
19 programs provided for in this Act.";

20 (2) in section 709(b)(2) (42 U.S.C. 910(b)(2)),
21 by striking "(as estimated by the Secretary)" and
22 inserting ", as estimated by the Social Security
23 Board or the Secretary (whichever administers the
24 program involved),"; and

25 (3) by adding at the end thereof the following
26 new section:

1 "DUTIES AND AUTHORITY OF SECRETARY

2 "SEC. 712. (a) The Secretary shall perform the du-
3 ties imposed upon him by this Act and shall also have the
4 duty of studying and making recommendations as to the
5 most effective methods of providing economic security and
6 as to legislation and matters of administrative policy con-
7 cerning the programs administered by the Secretary and
8 related subjects; except that nothing in this section shall
9 be construed to require the Secretary to make studies or
10 recommendations with respect to programs administered
11 by the Social Security Administration.

12 "(b) The Secretary is authorized to appoint and fix
13 the compensation of such officers and employees, and to
14 make such expenditures, as may be necessary for carrying
15 out the Secretary's functions under this Act. Appoint-
16 ments of attorneys and experts may be made without re-
17 gard to the civil service laws."

18 SEC. 108. RULES OF CONSTRUCTION.

19 (a) REFERENCES TO THE DEPARTMENT OF HEALTH
20 AND HUMAN SERVICES.—Whenever any reference is made
21 in any provision of law (other than this Act or a provision
22 of law amended by this Act), regulation, rule, record, court
23 order, or other document to the Department of Health and
24 Human Services with respect to such Department's func-
25 tions under the old-age, survivors, and disability insurance

1 program under title II of the Social Security Act or the
2 supplemental security income program under title XVI of
3 such Act, such reference shall be considered a reference
4 to the Social Security Administration.

5 (b) REFERENCES TO THE SECRETARY OF HEALTH
6 AND HUMAN SERVICES.—Whenever any reference is made
7 in any provision of law (other than this Act or a provision
8 of law amended by this Act), regulation, rule, record, court
9 order, or other document to the Secretary of Health and
10 Human Services with respect to such Secretary's functions
11 under such programs, such reference shall be considered
12 a reference to the Social Security Board.

13 (c) REFERENCES TO OTHER OFFICERS AND EM-
14 PLOYEES.—Whenever any reference is made in any provi-
15 sion of law (other than this Act or a provision of law
16 amended by this Act), regulation, rule, record, or docu-
17 ment to any other officer or employee of the Department
18 of Health and Human Services with respect to such offi-
19 cer's or employee's functions under such programs, such
20 reference shall be considered a reference to the appro-
21 priate officer or employee of the Social Security Adminis-
22 tration.

1 SEC. 109. EFFECTIVE DATES.

2 (a) IN GENERAL.—Sections 101, 102(a), 103, 104,
3 106, 107, and 108 of this Act (and the amendments made
4 thereby) shall take effect October 1, 1995.

5 (b) EXCEPTIONS.—Section 102(b) of this Act shall
6 take effect upon the entry upon office of all initial mem-
7 bers of the Social Security Board. Sections 102(c) and
8 105 of this Act shall take effect on the date of the enact-
9 ment of this Act.

10 (c) NEW SPENDING AUTHORITY.—Any new spending
11 authority provided by this title shall be effective for any
12 fiscal year only to such extent or in such amounts as are
13 provided in advance in appropriation Acts.

14 **TITLE II—IMPROVEMENTS TO**
15 **THE OLD-AGE, SURVIVORS,**
16 **AND DISABILITY INSURANCE**
17 **PROGRAM**

18 SEC. 201. RESTRICTIONS ON PAYMENT OF BENEFITS BASED
19 ON DISABILITY TO SUBSTANCE ABUSERS.

20 (a) AMENDMENTS RELATING TO BENEFITS BASED
21 ON DISABILITY UNDER TITLE II OF THE SOCIAL SECU-
22 RITY ACT.—

23 (1) REQUIRED PAYMENT OF BENEFITS TO REP-
24 RESENTATIVE PAYEES.—

1 (A) IN GENERAL.—Section 205(j)(1) of the
2 Social Security Act (42 U.S.C. 405(j)(1)) is
3 amended—

4 (i) by inserting after the first sentence
5 the following new sentence: “In the case of
6 an individual entitled to benefits based on
7 disability, if alcoholism or drug addiction is
8 a contributing factor material to the Sec-
9 retary’s determination that the individual
10 is under a disability, certification of pay-
11 ment of such benefits to a representative
12 payee shall be deemed to serve the interest
13 of such individual under this title.”; and

14 (ii) in the last sentence, by inserting
15 “, if the interest of the individual under
16 this title would be served thereby,” after
17 “alternative representative payee or”.

18 (B) EFFECTIVE DATE.—The amendments
19 made by subparagraph (A) shall apply with re-
20 spect to benefits for months beginning after
21 180 days after the date of the enactment of this
22 Act.

23 (C) STUDY REGARDING FEASIBILITY,
24 COST, AND EQUITY OF REQUIRING REPRESENT-
25 ATIVE PAYEES FOR ALL DISABILITY BENE-

1 FICIARIES SUFFERING FROM ALCOHOLISM OR
2 DRUG ADDICTION.—

3 (i) STUDY.—As soon as practicable
4 after the date of the enactment of this Act,
5 the Secretary of Health and Human Serv-
6 ices shall conduct a study of the feasibility,
7 cost, and equity of requiring representative
8 payees for all individuals entitled to bene-
9 fits based on disability under title II or
10 XVI of the Social Security Act who suffer
11 from alcoholism or drug addiction, irre-
12 spective of whether the alcoholism or drug
13 addiction was material in any case to the
14 Secretary's determination of disability.

15 (ii) REPORT.—Not later than April 1,
16 1995, the Secretary shall transmit to the
17 Committee on Ways and Means of the
18 House of Representatives and the Commit-
19 tee on Finance of the Senate a report set-
20 ting forth the findings of the Secretary
21 based on such Study. Such report shall in-
22 clude such recommendations for adminis-
23 trative or legislative changes as the Sec-
24 retary considers appropriate.

1 (2) INCREASED RELIANCE ON PROFESSIONAL
2 REPRESENTATIVE PAYEES.—

3 (A) PREFERENCE REQUIRED FOR ORGANI-
4 ZATIONAL REPRESENTATIVE PAYEES.—Section
5 205(j)(2)(C) of such Act (42 U.S.C.
6 405(j)(2)(C)) is amended by adding at the end
7 the following new clause:

8 “(v) In selecting under this paragraph any person to
9 serve as the representative payee for an individual entitled
10 to benefits based on disability, if alcoholism or drug addic-
11 tion is a contributing factor material to the Secretary’s
12 determination that the individual is under a disability,
13 preference shall be given to community-based nonprofit so-
14 cial service agencies licensed or bonded by the State, or
15 State or local government agencies whose mission is to
16 carry out income maintenance, social service, or health
17 care-related activities.”.

18 (B) AVAILABILITY OF PUBLIC AGENCIES
19 AND OTHER QUALIFIED ORGANIZATIONS TO
20 SERVE AS REPRESENTATIVE PAYEES.—Section
21 205(j)(4) of such Act (42 U.S.C. 405(j)(4)) is
22 amended—

23 (i) in subparagraph (A)(ii), by insert-
24 ing “(\$50.00 per month in the case of an
25 individual who is entitled to benefits based

1 on disability if alcoholism or drug addic-
2 tion is a contributing factor material to the
3 Secretary's determination that the individ-
4 ual is under a disability)" after "\$25.00
5 per month"; and

6 (ii) in subparagraph (B)—

7 (I) by inserting "State or local
8 government agency whose mission is
9 to carry out income maintenance, so-
10 cial service, or health care-related ac-
11 tivities, or any" after "means any";

12 (II) by striking "representative
13 payee and which," and inserting "rep-
14 resentative payee, if such agency,";
15 and

16 (III) by striking ", and" at the
17 end of clause (ii) and inserting a pe-
18 riod.

19 (C) DEFINITION.—Section 205(j) of such
20 Act (42 U.S.C. 405(j)) is amended by adding at
21 the end the following new paragraph:

22 "(7) For purposes of this subsection, the term 'bene-
23 fit based on disability' of an individual means a disability
24 insurance benefit of such individual under section 223 or
25 a child's, widow's, or widower's insurance benefit of such

1 individual under section 202 based on such individual's
2 disability.”.

3 (3) NONPAYMENT OR TERMINATION OF BENE-
4 FITS BY REASON OF NONCOMPLIANCE WITH TREAT-
5 MENT REQUIREMENTS.—

6 (A) IN GENERAL.—Section 225 of such
7 Act (42 U.S.C. 425) is amended—

8 (i) by striking the heading and insert-
9 ing the following:

10 “ADDITIONAL RULES RELATING TO BENEFITS BASED ON
11 DISABILITY

12 “Suspension of Benefits”;

13 (ii) by inserting before subsection (b)
14 the following new heading:

15 “Continued Payments During Rehabilitation Program”;
16 and

17 (iii) by adding at the end the follow-
18 ing new subsection:

19 “Nonpayment or Termination of Benefits for Failure to
20 Undergo Required Treatment for Alcoholism or Drug
21 Addiction

22 “(c)(1) Notwithstanding any other provision of this
23 title, in the case of any individual entitled to benefits
24 based on disability, if alcoholism or drug addiction is a
25 contributing factor material to the Secretary’s determina-
26 tion that the individual is under a disability and such indi-

1 vidual is determined by the Secretary not to be in compli-
2 ance with the requirements of this subsection for a month,
3 such benefits shall be suspended for the period of months
4 specified in paragraph (3) commencing with such month.

5 “(2)(A) An individual described in paragraph (1) is
6 in compliance with the requirements of this subsection for
7 a month if such individual in such month undergoes any
8 medical or psychological treatment that may be appro-
9 priate, for such individual’s condition diagnosed as sub-
10 stance abuse or alcohol abuse and for the stage of such
11 individual’s rehabilitation, at an institution or facility ap-
12 proved for purposes of this subsection by the Secretary,
13 and complies in such month with the terms, conditions,
14 and requirements of such treatment and with require-
15 ments imposed by the Secretary under paragraph (6).

16 “(B) An individual described in paragraph (1) shall
17 not be determined to be not in compliance with the re-
18 quirements of this subsection for a month if access by such
19 individual to such treatment is not reasonably available
20 for that month, as determined under regulations of the
21 Secretary.

22 “(3) The period of months specified in this paragraph
23 is:

1 “(A) 2 consecutive months, in the case of a
2 first determination that an individual is not in com-
3 pliance with the requirements of this subsection,

4 “(B) 3 consecutive months, in the case of the
5 second such determination with respect to the indi-
6 vidual, and

7 “(C) 6 consecutive months, in the case of the
8 third or subsequent such determination with respect
9 to the individual.

10 “(4) In any case in which an individual's benefit is
11 suspended for 12 consecutive months for failure to comply
12 with treatment described in paragraph (2) of this sub-
13 section, the month preceding such 12th month shall be
14 deemed, for purposes of section 223(a)(1) or subsection
15 (d)(1)(G)(i), (e)(1), or (f)(1) of section 202 (as applica-
16 ble), as the termination month with respect to such entitle-
17 ment.

18 “(5)(A) Subject to subparagraph (B), monthly insur-
19 ance benefits under this title which would be payable to
20 any individual (other than the disabled individual to whom
21 benefits are not payable by reason of this subsection) on
22 the basis of the wages and self-employment income of such
23 a disabled individual but for the provisions of paragraph
24 (1) or (4), shall be payable as though such disabled indi-

1 vidual were receiving such benefits which are not payable
2 under this subsection.

3 “(B) If the monthly insurance benefits of a disabled
4 individual referred to in subparagraph (A) are not payable
5 by reason of termination of entitlement under paragraph
6 (4), monthly insurance benefits which are payable to any
7 other individual on the basis of the wages and self-employ-
8 ment income of such disabled individual pursuant to sub-
9 paragraph (A) shall not be payable for any month after
10 2 years after the last month of such entitlement.

11 “(6)(A) The Secretary shall provide for the monitor-
12 ing and testing of all individuals who are receiving benefits
13 under this title and who as a condition of such benefits
14 are required to be undergoing treatment and complying
15 with the terms, conditions, and requirements thereof as
16 described in paragraph (2)(A), in order to assure such
17 compliance and to determine the extent to which the im-
18 position of such requirements is contributing to the achieve-
19 ment of the purposes of this title. The Secretary shall an-
20 nually submit to the Congress a full and complete report
21 on the Secretary’s activities under this paragraph.

22 “(B) The Secretary, in consultation with drug and
23 alcohol treatment professionals, shall issue regulations—

24 “(i) defining appropriate treatment for alcohol-
25 ics and drug addicts who are subject to required

1 medical or psychological treatment under this sub-
2 section, and

3 “(ii) establishing guidelines to be used to review
4 and evaluate their compliance, including measures of
5 the progress of participants in such programs.

6 “(C)(i) For purposes of carrying out the require-
7 ments of subparagraphs (A) and (B), the Secretary shall
8 establish in each State a referral and monitoring agency
9 for such State.

10 “(ii) Each referral and monitoring agency for a State
11 shall—

12 “(I) identify appropriate placements, for indi-
13 viduals residing in such State who are entitled to
14 benefits based on disability and with respect to
15 whom alcoholism or drug addiction is a contributing
16 factor material to the Secretary’s determination that
17 they are under a disability, where they may obtain
18 treatment described in paragraph (2)(A),

19 “(II) refer such individuals to such placements
20 for such treatment, and

21 “(III) monitor compliance with the require-
22 ments of paragraph (2)(A) by individuals who are
23 referred by the agency to such placements and
24 promptly report failures to comply to the Secretary.

1 “(7) In the case of any individual who is currently
2 entitled to a benefit based on disability for any month,
3 if alcoholism or drug addiction is a contributing factor ma-
4 terial to the Secretary’s determination that the individual
5 is under a disability, payment of any past-due monthly in-
6 surance benefits under this title to which such individual
7 is entitled shall be made in any month only to the extent
8 that the sum of—

9 “(A) the amount of such past-due benefit paid
10 in such month, and

11 “(B) the amount of any benefit for the preced-
12 ing month under such current entitlement which is
13 payable in such month,

14 do not exceed 200 percent of the amount of such benefit
15 for the preceding month.

16 “(8) For purposes of this subsection, the term ‘bene-
17 fit based on disability’ of an individual means a disability
18 insurance benefit of such individual under section 223 or
19 a child’s, widow’s, or widower’s insurance benefit of such
20 individual under section 202 based on the disability of
21 such individual.”.

22 (B) PRESERVATION OF MEDICARE BENE-
23 FITS.—Section 226 of such Act (42 U.S.C.
24 426) is amended by adding at the end the fol-
25 lowing:

1 (ii) by adding at the end the following
2 new subparagraph:

3 “(B) In determining under subparagraph (A) when
4 services performed or earnings derived from services dem-
5 onstrate an individual’s ability to engage in substantial
6 gainful activity, the Secretary apply the criteria described
7 in subparagraph (A) with respect to services performed
8 by any individual without regard to the legality of such
9 services.”.

10 (B) EFFECTIVE DATE.—The amendments
11 made by this paragraph shall take effect on the
12 date of the enactment of this Act.

13 (b) AMENDMENTS RELATING TO SUPPLEMENTAL SE-
14 CURITY INCOME BENEFITS UNDER TITLE XVI OF THE
15 SOCIAL SECURITY ACT.—

16 (1) REQUIRED PAYMENT OF BENEFITS TO REP-
17 RESENTATIVE PAYEES.—

18 (A) IN GENERAL.—Section 1631(a)(2)(A)
19 of the Social Security Act (42 U.S.C.
20 1383(a)(2)(A)) is amended—

21 (i) in clause (ii), by adding at the end
22 the following: “In the case of an individual
23 entitled to benefits under this title by rea-
24 son of disability, if alcoholism or drug ad-
25 diction is a contributing factor material to

1 the Secretary's determination that the in-
2 dividual is disabled, the payment of such
3 benefits to a representative payee shall be
4 deemed to serve the interest of such indi-
5 vidual under this title."; and

6 (ii) in clause (iii), by striking "to the
7 individual or eligible spouse or to an alter-
8 native representative payee of the individ-
9 ual or eligible spouse" and inserting "to an
10 alternative representative payee of the indi-
11 vidual or eligible spouse or, if the interest
12 of the individual under this title would be
13 served thereby, to the individual or eligible
14 spouse".

15 (B) EFFECTIVE DATE.—The amendments
16 made by subparagraph (A) shall apply with re-
17 spect to benefits for months beginning after
18 180 days after the date of the enactment of this
19 Act.

20 (2) INCREASED RELIANCE ON PROFESSIONAL
21 REPRESENTATIVE PAYEES.—

22 (A) PREFERENCE REQUIRED FOR ORGANI-
23 ZATIONAL REPRESENTATIVE PAYEES.—Section
24 1631(a)(2)(B) of such Act (42 U.S.C.
25 1383(a)(2)(B)) is amended—

1 (i) by redesignating clauses (vii)
2 through (xii) as clauses (viii) through
3 (xiii), respectively;

4 (ii) by inserting after clause (vi) the
5 following:

6 “(vii) In selecting under this subparagraph any per-
7 son to serve as the representative payee for an individual
8 entitled to benefits under this title by reason of disability,
9 if alcoholism or drug addiction is a contributing factor ma-
10 terial to the Secretary’s determination that the individual
11 is disabled, preference shall be given to community-based
12 nonprofit social service agencies licensed or bonded by the
13 State, or State or local government agencies whose mis-
14 sion is to carry out income maintenance, social service,
15 or health care-related activities.”;

16 (iii) in clause (viii) (as so redesign-
17 ated), by striking “clause (viii)” and in-
18 serting “clause (ix)”;

19 (iv) in clause (ix) (as so redesignated),
20 by striking “(vii)” and inserting “(viii)”;

21 (v) in clause (xiii) (as so redesign-
22 ated)—

23 (I) by striking “(xi)” and insert-
24 ing “(xii)”;

1 (II) by striking “(x)” and insert-
2 ing “(xi)”.

3 (B) AVAILABILITY OF PUBLIC AGENCIES
4 AND OTHER QUALIFIED ORGANIZATIONS TO
5 SERVE AS REPRESENTATIVE PAYEES.—Section
6 1631(a)(2)(D) of such Act (42 U.S.C.
7 1383(a)(2)(D)) is amended—

8 (i) in clause (i)(II), by inserting
9 “(\$50.00 per month in the case of an indi-
10 vidual who is entitled to benefits under this
11 title by reason of disability if alcoholism or
12 drug addiction is a contributing factor ma-
13 terial to the Secretary’s determination that
14 the individual is disabled)” after “\$25.00
15 per month”; and

16 (ii) in clause (ii)—

17 (I) by inserting “State or local
18 government agency whose mission is
19 to carry out income maintenance, so-
20 cial service, or health care-related ac-
21 tivities, or any” after “means any”;

22 (II) by inserting a comma after
23 “service agency”;

24 (III) by adding “and” at the end
25 of subclause (I); and

1 (IV) in subclause (II)—

2 (aa) by adding “and” at the
3 end of item (aa);

4 (bb) by striking “; and” at
5 the end of item (bb) and insert-
6 ing a period; and

7 (cc) by striking item (cc).

8 (3) NONPAYMENT OR TERMINATION OF BENE-
9 FITS BY REASON OF CONTINUED SUBSTANCE ABUSE
10 OR ALCOHOL ABUSE.—

11 (A) IN GENERAL.—Section 1611(e)(3) of
12 such Act (42 U.S.C. 1382(e)(3)), is amended
13 by redesignating subparagraph (B) as subpara-
14 graph (C) and by inserting after subparagraph
15 (A) the following:

16 “(B)(i) Notwithstanding any other provision of this
17 title, in the case of any individual entitled to benefits
18 under this title solely by reason of disability, if alcoholism
19 or drug addiction is a contributing factor material to the
20 Secretary’s determination that the individual is disabled
21 and such individual is determined by the Secretary not
22 to be in compliance with the requirements of this subpara-
23 graph for a month, such benefits shall be suspended for
24 the period of months specified in clause (iii) commencing
25 with such month.

1 “(ii)(I) An individual described in clause (i) is in com-
2 pliance with the requirements of this subparagraph for a
3 month if the individual in such month undergoes any med-
4 ical or psychological treatment that may be appropriate,
5 for the individual’s condition diagnosed as substance
6 abuse or alcohol abuse and for the stage of the individual’s
7 rehabilitation, at an institution or facility approved for
8 purposes of this subparagraph by the Secretary, and com-
9 plies in such month with the terms, conditions, and re-
10 quirements of such treatment and with requirements im-
11 posed by the Secretary under subparagraph (C).

12 “(II) An individual described in clause (i) shall not
13 be determined to be not in compliance with the require-
14 ments of this subparagraph for a month if access by such
15 individual to such treatment is not reasonably available
16 for the month, as determined under regulations of the Sec-
17 retary.

18 “(iii) The period of months specified in this clause
19 is—

20 “(I) 2 consecutive months, in the case of a 1st
21 determination that an individual is not in compliance
22 with the requirements of this subparagraph;

23 “(II) 3 consecutive months, in the case of the
24 2nd such determination with respect to the individ-
25 ual; or

1 “(III) 6 consecutive months, in the case of the
2 3rd or subsequent such determination with respect
3 to the individual.

4 “(iv) An individual shall not be an eligible individual
5 for purposes of this title for the 12-month period that be-
6 gins with the end of any period of 12 consecutive months
7 for which the benefits of the individual under this title
8 have been suspended by reason of this subparagraph.

9 “(v)(I) The Secretary shall not, in a month, pay to
10 an individual described in clause (i) benefits under this
11 title the payment of which is past due, in an amount that
12 exceeds the amount of benefits under this title which are
13 payable to the individual for the month and the payment
14 of which is not past due.

15 “(II) As used in subclause (I) of this clause, the term
16 ‘benefits under this title’ includes supplementary pay-
17 ments of the type described in section 1616(a) and pay-
18 ments pursuant to an agreement entered into under sec-
19 tion 212(a) of Public Law 93-66.”.

(B) REFERRAL, MONITORING, AND TREATMENT.—Section 1611(e)(3)(C) of such Act (42 U.S.C. 1382(e)(3)(C)), as so designated by the amendment made by subparagraph (A) of this paragraph, is amended—

25 (i) by inserting “(i)” after “(C)”; and

1 (ii) by adding after and below the end
2 following:

3 “(ii) The Secretary, in consultation with drug and al-
4 cohol treatment professionals, shall issue regulations—

5 “(I) defining appropriate treatment for alcohol-
6 ics and drug addicts who are subject to required
7 medical or psychological treatment under this sub-
8 paragraph; and

9 “(II) establishing guidelines to be used to re-
10 view and evaluate their compliance, including meas-
11 ures of the progress of participants in such pro-
12 grams.

13 “(iii)(I) For purposes of carrying out the require-
14 ments of clauses (i) and (ii), the Secretary shall establish
15 in each State a referral and monitoring agency for the
16 State.

17 “(II) Each referral and monitoring agency for a State
18 shall—

19 “(aa) identify appropriate placements, for indi-
20 viduals residing in the State who are entitled to ben-
21 efits under this title by reason of disability and with
22 respect to whom alcoholism or drug addiction is a
23 contributing factor material to the Secretary’s deter-
24 mination that they are disabled, where they may ob-
25 tain treatment described in subparagraph (B)(ii)(I);

1 “(bb) refer such individuals to such placements
2 for such treatment; and

3 “(cc) monitor compliance with the requirements
4 of subparagraph (B) by individuals who are referred
5 by the agency to such placements, and promptly re-
6 port to the Secretary any failure to comply with
7 such requirements.”.

8 (C) PRESERVATION OF MEDICAID BENE-
9 FITS.—Section 1634 of such Act (42 U.S.C.
10 13283c) is amended by adding at the end the
11 following:

12 “(e) Each person to whom benefits under this title
13 by reason of disability are not payable for any month sole-
14 ly by reason of section 1611(j) shall be treated, for pur-
15 poses of title XIX, as receiving benefits under this title
16 for such month.”.

17 (D) CONFORMING AMENDMENTS.—Section
18 1611(e)(3) of such Act (42 U.S.C. 1382(e)(3)),
19 as amended by subparagraphs (A) and (B) of
20 this paragraph, is amended—

21 (i) in subparagraph (A), by striking
22 “(B)” and inserting “(C)”; and

23 (ii) in subparagraph (C), by inserting
24 “or (B)” after “(A)”.

1 (4) IRRELEVANCE OF LEGALITY OF SUBSTAN-
2 TIAL GAINFUL ACTIVITY.—

3 (A) IN GENERAL.—Section 1614 of such
4 Act (42 U.S.C. 1382c) is amended by adding at
5 the end the following:

6 “(g) The Secretary shall make determinations under
7 this title with respect to substantial gainful activity, with-
8 out regard to the legality of the activity.”.

9 (B) EFFECTIVE DATE.—The amendment
10 made by subparagraph (A) shall take effect on
11 the date of the enactment of this Act.

12 (c) EFFECTIVE DATE.—The amendments made by
13 the preceding provisions of this section shall apply to bene-
14 fits payable for months beginning 90 or more days after
15 the date of the enactment of this Act.

16 (d) DEMONSTRATION PROJECTS.—

17 (1) IN GENERAL.—The Secretary of Health and
18 Human Services shall develop and carry out dem-
19 onstration projects designed to explore innovative re-
20 ferral, monitoring, and treatment approaches with
21 respect to—

22 (A) individuals who are entitled to disabil-
23 ity insurance benefits or child's, widow's, or
24 widower's insurance benefits based on disability
25 under title II of the Social Security Act, and

1 (B) individuals who are eligible for supple-
2 mental security income benefits under title XVI
3 of such Act based solely on disability,
4 in cases in which alcoholism or drug addiction is a
5 contributing factor material to the Secretary's deter-
6 mination that individuals are under a disability.

7 (2) SCOPE.—The demonstration projects devel-
8 oped under paragraph (1) shall be of sufficient scope
9 and shall be carried out on a wide enough scale to
10 permit a thorough evaluation of the alternative ap-
11 proaches under consideration while giving assurance
12 that the results derived from the projects will obtain
13 generally in the operation of the programs involved
14 without committing such programs to the adoption
15 of any particular system either locally or nationally.

16 (3) FINAL REPORT.—The Secretary shall sub-
17 mit to the Committee on Ways and Means of the
18 House of Representatives and the Committee on Fi-
19 nance of the Senate no later than December 31,
20 1997, a final report on the demonstration projects
21 carried out under this subsection, together with any
22 related data and materials which the Secretary may
23 consider appropriate. The authority under this sec-
24 tion shall terminate upon the transmittal of such
25 final report.

1 SEC. 202. CONTINUING DISABILITY REVIEW ACCOUNT.

2 (a) IN GENERAL.—Section 201 of the Social Security
3 Act (42 U.S.C. 401) is amended by adding at the end the
4 following new subsection:

5 “(n)(1) There is hereby created in the Federal Dis-
6 ability Insurance Trust Fund a Continuing Disability Re-
7 view Account (hereinafter in this subsection referred to as
8 the ‘Account’). The Account shall consist of such amounts
9 as may be transferred to it under this subsection. The bal-
10 ance in the Account shall be available solely for expendi-
11 tures certified under paragraph (3).

12 “(2)(A) Not later than September 1 of each calendar
13 year, the Secretary shall—

14 “(i) estimate the present value of savings to the
15 Federal Old-Age and Survivors Insurance Trust
16 Fund and the Federal Disability Insurance Trust
17 Fund which will accrue for all years as a result of
18 the cessation of benefit payments during the fiscal
19 year ending on September 30 of the prior calendar
20 year based on continuing disability reviews carried
21 out pursuant to the requirements of section 221(i)
22 during or prior to such fiscal year,

23 “(ii) determine the portion of such estimate at-
24 tributable to each of the Trust Funds described in
25 clause (i), and

1 “(iii) certify the amount of such estimate and
2 such portion to the Managing Trustee of the Trust
3 Funds.

4 “(B) Upon receipt of certification by the Secretary
5 under subparagraph (A), the Managing Trustee shall
6 transfer to the Account from amounts otherwise in each
7 of the Trust Funds an amount equal to—

8 “(i) for calendar years 1995 and 1996, 100
9 percent of the the portion of the estimated savings
10 computed under subparagraph (A)(i), attributable to
11 the Trust Fund (as certified under subparagraph
12 (A)(iii)), and

13 “(ii) for subsequent calendar years, the lesser
14 of—

15 “(I) 50 percent of the portion of the esti-
16 mated savings so certified, or

17 “(II) the difference (not less than \$0) de-
18 rived by subtracting the balance in the Account
19 as of the end of the prior calendar year referred
20 to in subparagraph (A)(i) from the portion of
21 the estimated savings so certified.

22 “(3)(A) Not later than September 15 of each cal-
23 endar year, the Secretary shall—

24 “(i) estimate the total amount of expenditures
25 which will be necessary to carry out continuing dis-

1 ability reviews required under section 221(i) during
2 the fiscal year beginning on October 1 of such cal-
3 endar year, and

4 “(ii) certify such estimated amount to the Man-
5 aging Trustee of the Trust Funds.

6 “(B) The expenditures referred to in subparagraph
7 (A)(i) shall include, but not be limited to, the cost of staff-
8 ing, training, purchase of medical and other evidence, and
9 processing related to appeals (including appeal hearings)
10 and to overpayments.

11 “(C) To the extent of available funds in the Account,
12 and prior to any action thereon by the General Accounting
13 Office, the Managing Trustee shall, upon the commence-
14 ment of each fiscal year, make available to the Secretary
15 from the Account an amount equal the total of estimated
16 expenditures for such fiscal year described in subpara-
17 graph (A)(i) as certified under subparagraph (A)(ii).

18 “(D) The Secretary shall use funds made available
19 pursuant to this paragraph solely for the purpose of carry-
20 ing out continuing disability reviews required under sec-
21 tion 221(i).”.

22 (b) CONFORMING AMENDMENT.—Section
23 201(g)(1)(A) of such Act (42 U.S.C. 401(g)(1)(A)) is
24 amended in the last sentence by inserting “(other than
25 expenditures from available funds in the Continuing Dis-

1 ability Review Account in the Federal Disability Insurance
2 Trust Fund made pursuant to subsection (n))” after “is
3 responsible”.

4 (c) ANNUAL REPORT.—Section 221(i)(3) of such Act
5 (42 U.S.C. 421(i)(3)) is amended—

6 (1) by striking “and the number” and inserting
7 “the number”;

8 (2) by striking the period at the end and insert-
9 ing a comma; and

10 (3) by adding at the end the following: “and a
11 final accounting of amounts transferred to the Con-
12 tinuing Disability Review Account in the Federal
13 Disability Insurance Trust Fund during the year,
14 the amount made available from such Account dur-
15 ing such year for continuing disability reviews, and
16 expenditures for continuing disability reviews made
17 during the year, including a comparison of such
18 number of reviews with the estimated number of re-
19 views upon which the estimate of such expenditures
20 was made under section 201(n)(3).”.

21 SEC. 203. ISSUANCE OF PHYSICAL DOCUMENTS IN THE
22 FORM OF BONDS, NOTES, OR CERTIFICATES
23 TO THE SOCIAL SECURITY TRUST FUNDS.

24 (a) REQUIREMENT THAT OBLIGATIONS ISSUED TO
25 THE OASDI TRUST FUNDS BE EVIDENCED BY PAPER

1 INSTRUMENTS IN THE FORM OF BONDS, NOTES, OR CER-
2 TIFICATES OF INDEBTEDNESS SETTING FORTH THEIR
3 TERMS.—Section 201(d) of the Social Security Act (42
4 U.S.C. 401(d)) is amended by inserting after the fifth sen-
5 tence the following new sentence: “Each obligation issued
6 for purchase by the Trust Funds under this subsection
7 shall be evidenced by a paper instrument in the form of
8 a bond, note, or certificate of indebtedness issued by the
9 Secretary of the Treasury setting forth the principal
10 amount, date of maturity, and interest rate of the obliga-
11 tion, and stating on its face that the obligation shall be
12 incontestable in the hands of the Trust Fund to which
13 it is issued, that the obligation is supported by the full
14 faith and credit of the United States, and that the United
15 States is pledged to the payment of the obligation with
16 respect to both principal and interest.”.

17 (b) PAYMENT TO THE OASDI TRUST FUNDS FROM
18 THE GENERAL FUND OF THE TREASURY OF INTEREST
19 ON OBLIGATIONS, AND OF PROCEEDS FROM THE SALE OR
20 REDEMPTION OF OBLIGATIONS, REQUIRED TO BE IN THE
21 FORM OF CHECKS.—Section 201(f) of such Act (42
22 U.S.C. 401(f)) is amended by adding at the end the follow-
23 ing new sentence: “Payment from the general fund of the
24 the Treasury to either of the Trust Funds of any such
25 interest or proceeds shall be in the form of paper checks

1 drawn on such general fund to the order of such Trust
2 Fund.”.

3 (c) EFFECTIVE DATE.—

4 (1) IN GENERAL.—The amendments made by
5 this section shall apply with respect to obligations is-
6 sued, and payments made, after 60 days after the
7 date of the enactment of this Act.

8 (2) TREATMENT OF OUTSTANDING OBLIGA-
9 TIONS.—Not later than 60 days after the date of the
10 enactment of this Act, the Secretary of the Treasury
11 shall issue to the Federal Old-Age and Survivors In-
12 surance Trust Fund or the Federal Disability Insur-
13 ance Trust Fund, as applicable, a paper instrument,
14 in the form of a bond, note, or certificate of indebt-
15 edness, for each obligation which has been issued to
16 the Trust Fund under section 201(d) of the Social
17 Security Act and which is outstanding as of such
18 date. Each such document shall set forth the prin-
19 cipal amount, date of maturity, and interest rate of
20 the obligation, and shall state on its face that the
21 obligation shall be incontestable in the hands of the
22 Trust Fund to which it was issued, that the obliga-
23 tion is supported by the full faith and credit of the
24 United States, and that the United States is pledged

1 to the payment of the obligation with respect to both
2 principal and interest.

3 SEC. 204. EXPLICIT REQUIREMENTS FOR MAINTENANCE OF
4 TELEPHONE ACCESS TO LOCAL OFFICES OF
5 THE SOCIAL SECURITY ADMINISTRATION.

6 (a) MAINTENANCE OF SERVICE TO LOCAL OF-
7 FICES.—

8 (1) IN GENERAL.—Section 5110(a) of the Om-
9 nibus Budget Reconciliation Act of 1990 (104 Stat.
10 1388-272) is amended by adding at the end the fol-
11 lowing new sentence: “In carrying out the require-
12 ments of the preceding sentence, the Secretary shall
13 reestablish and maintain in service at least the same
14 number of telephone lines to each such local office
15 as was in place as of such date, including telephone
16 sets for connections to such lines.”.

17 (2) EFFECTIVE DATE.—The Secretary of
18 Health and Human Services shall ensure that the
19 requirements of the amendment made by paragraph
20 (1) are carried out no later than 90 days after the
21 date of the enactment of this Act.

22 (3) GAO REPORT.—The Comptroller General of
23 the United States shall make an independent deter-
24 mination of the number of telephone lines to each
25 local office of the Social Security Administration

1 which are in place as of 90 days after the enactment
 2 of this Act and shall report his findings to the Com-
 3 mittee on Ways and Means of the House of Rep-
 4 resentatives and the Committee on Finance of the
 5 Senate no later than 150 days after the date of the
 6 enactment of this Act.

7 (b) MAINTENANCE OF TOLL-FREE TELEPHONE
 8 NUMBER SERVICE.—The Secretary of Health and Human
 9 Services shall ensure that toll-free telephone service pro-
 10 vided by the Social Security Administration is maintained
 11 at a level which is at least equal to that in effect on the
 12 date of the enactment of this Act.

13 SEC. 205. EXPANSION OF STATE OPTION TO EXCLUDE
 14 SERVICE OF ELECTION OFFICIALS OR ELEC-
 15 TION WORKERS FROM COVERAGE.

16 (a) LIMITATION ON MANDATORY COVERAGE OF
 17 STATE ELECTION OFFICIALS AND ELECTION WORKERS
 18 WITHOUT STATE RETIREMENT SYSTEM.—

19 (1) AMENDMENT TO SOCIAL SECURITY ACT.—
 20 Section 210(a)(7)(F)(iv) of the Social Security Act
 21 (42 U.S.C. 410(a)(7)(F)(iv)) (as amended by section
 22 11332(a) of the Omnibus Budget Reconciliation Act
 23 of 1990) is amended by striking “\$100” and insert-
 24 ing “\$1,000 with respect to service performed dur-
 25 ing 1995, and the adjusted amount determined

1 under section 218(c)(8)(B) for any subsequent year
2 with respect to service performed during such subse-
3 quent year”.

4 (2) AMENDMENT TO FICA.—Section
5 3121(b)(7)(F)(iv) of the Internal Revenue Code of
6 1986 (as amended by section 11332(b) of the Omni-
7 bus Budget Reconciliation Act of 1990) is amended
8 by striking “\$100” and inserting “\$1,000 with re-
9 spect to service performed during 1995, and the
10 adjusted amount determined under section
11 218(c)(8)(B) of the Social Security Act for any sub-
12 sequent year with respect to service performed dur-
13 ing such subsequent year”.

14 (b) CONFORMING AMENDMENTS RELATING TO MED-
15 ICARE QUALIFIED GOVERNMENT EMPLOYMENT.—

16 (1) AMENDMENT TO SOCIAL SECURITY ACT.—
17 Section 210(p)(2)(E) of the Social Security Act (42
18 U.S.C. 410(p)(2)(E)) is amended by striking
19 “\$100” and inserting “\$1,000 with respect to serv-
20 ice performed during 1995, and the adjusted amount
21 determined under section 218(c)(8)(B) for any sub-
22 sequent year with respect to service performed dur-
23 ing such subsequent year”.

24 (2) AMENDMENT TO FICA.—Section
25 3121(u)(2)(B)(ii)(V) of the Internal Revenue Code

1 of 1986 is amended by striking "\$100" and insert-
2 ing "\$1,000 with respect to service performed dur-
3 ing 1995, and the adjusted amount determined
4 under section 218(c)(8)(B) of the Social Security
5 Act for any subsequent year with respect to service
6 performed during such subsequent year".

7 (c) AUTHORITY FOR STATES TO MODIFY COVERAGE
8 AGREEMENTS WITH RESPECT TO ELECTION OFFICIALS
9 AND ELECTION WORKERS.—Section 218(c)(8) of the So-
10 cial Security Act (42 U.S.C. 418(c)(8)) is amended—

11 (1) by striking "on or after January 1, 1968,"
12 and inserting "at any time";

13 (2) by striking "\$100" and inserting "\$1,000
14 with respect to service performed during 1995, and
15 the adjusted amount determined under subpara-
16 graph (B) for any subsequent year with respect to
17 service performed during such subsequent year";
18 and

19 (3) by striking the last sentence and inserting
20 the following new sentence: "Any modification of an
21 agreement pursuant to this paragraph shall be effec-
22 tive with respect to services performed in and after
23 the calendar year in which the modification is mailed
24 or delivered by other means to the Secretary."

1 (d) INDEXATION OF EXEMPT AMOUNT.—Section
2 218(c)(8) of such Act (as amended by subsection (c)) is
3 further amended—

4 (1) by inserting “(A)” after “(8)”; and

5 (2) by adding at the end the following new sub-
6 paragraph:

7 “(B) For each year after 1995, the Secretary shall
8 adjust the amount referred to in subparagraph (A) at the
9 same time and in the same manner as is provided under
10 section 215(a)(1)(B)(ii) with respect to the amounts re-
11 ferred to in section 215(a)(1)(B)(i), except that—

12 “(i) for purposes of this subparagraph, 1993
13 shall be substituted for the calendar year referred to
14 in section 215(a)(1)(B)(ii)(II), and

15 “(ii) such amount as so adjusted, if not a mul-
16 tiple of \$100, shall be rounded to the next higher
17 multiple of \$100 where such amount is a multiple of
18 \$50 and to the nearest multiple of \$100 in any other
19 case.

20 The Secretary shall determine and publish in the Federal
21 Register each adjusted amount determined under this sub-
22 paragraph not later than November 1 preceding the year
23 for which the adjustment is made.”.

1 (e) EFFECTIVE DATE.—The amendments made by
2 subsections (a), (b), and (c) shall apply with respect to
3 service performed on or after January 1, 1995.

4 SEC. 206. USE OF SOCIAL SECURITY NUMBERS BY STATES
5 AND LOCAL GOVERNMENTS AND FEDERAL
6 DISTRICT COURTS FOR JURY SELECTION
7 PURPOSES.

8 (a) IN GENERAL.—Section 205(c)(2) of the Social
9 Security Act (42 U.S.C. 405(c)(2)) is amended—

10 (1) in subparagraph (B)(i), by striking “(E)” in
11 the matter preceding subclause (I) and inserting
12 “(F)”;

13 (2) by redesignating subparagraphs (E) and
14 (F) as subparagraphs (F) and (G), respectively; and

15 (3) by inserting after subparagraph (D) the fol-
16 lowing:

17 “(E)(i) It is the policy of the United States that—

18 “(I) any State (or any political subdivision of a
19 State) may utilize the social security account num-
20 bers issued by the Secretary for the additional pur-
21 poses described in clause (ii) if such numbers have
22 been collected and are otherwise utilized by such
23 State (or political subdivision) in accordance with
24 applicable law, and

1 “(II) any district court of the United States
2 may use, for such additional purposes, any such so-
3 cial security account numbers which have been so
4 collected and are so utilized by any State.

5 “(ii) The additional purposes described in this clause
6 are the following:

7 “(I) identifying duplicate names of individuals
8 on master lists used for jury selection purposes, and

9 “(II) identifying on such master lists those indi-
10 viduals who are ineligible to serve on a jury by rea-
11 son of their conviction of a felony.

12 “(iii) To the extent that any provision of Federal law
13 enacted before the date of the enactment of this subpara-
14 graph is inconsistent with the policy set forth in clause
15 (i), such provision shall, on and after that date, be null,
16 void, and of no effect.

17 “(iv) For purposes of this subparagraph, the term
18 ‘State’ has the meaning such term has in subparagraph
19 (D).”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall take effect on the date of the enact-
22 ment of this Act.

1 SEC. 207. AUTHORIZATION FOR ALL STATES TO EXTEND
2 COVERAGE TO STATE AND LOCAL POLICE-
3 MEN AND FIREMEN UNDER EXISTING COV-
4 ERAGE AGREEMENTS.

5 (a) IN GENERAL.—Section 218(l) of the Social Secu-
6 rity Act (42 U.S.C. 418(l)) is amended—

7 (1) in paragraph (1), by striking “(1)” after
8 “(l)”, and by striking “the State of” and all that fol-
9 lows through “prior to the date of enactment of this
10 subsection” and inserting “a State entered into pur-
11 suant to this section”; and

12 (2) by striking paragraph (2).

13 (b) CONFORMING AMENDMENT.—Section
14 218(d)(8)(D) of such Act (42 U.S.C. 418(d)(8)(D)) is
15 amended by striking “agreements with the States named
16 in” and inserting “State agreements modified as provided
17 in”.

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall apply with respect to modifications filed
20 by States after the date of the enactment of this Act.

21 SEC. 208. LIMITED EXEMPTION FOR CANADIAN MINISTERS
22 FROM CERTAIN SELF-EMPLOYMENT TAX LI-
23 ABILITY.

24 (a) IN GENERAL.—Notwithstanding any other provi-
25 sion of law, if—

1 (1) an individual performed services described
2 in section 1402(c)(4) of the Internal Revenue Code
3 of 1986 which are subject to tax under section 1401
4 of such Code,

5 (2) such services were performed in Canada at
6 a time when no agreement between the United
7 States and Canada pursuant to section 233 of the
8 Social Security Act was in effect, and

9 (3) such individual was required to pay con-
10 tributions on the earnings from such services under
11 the social insurance system of Canada,

12 then such individual may file a certificate under this sec-
13 tion in such form and manner, and with such official, as
14 may be prescribed in regulations issued under chapter 2
15 of such Code. Upon the filing of such certificate, notwith-
16 standing any judgment which has been entered to the con-
17 trary, such individual shall be exempt from payment of
18 such tax with respect to services described in paragraphs
19 (1) and (2) and from any penalties or interest for failure
20 to pay such tax or to file a self-employment tax return
21 as required under section 6017 of such Code.

22 (b) PERIOD FOR FILING.—A certificate referred to
23 in subsection (a) may be filed only during the 180-day
24 period commencing with the date on which the regulations
25 referred to in subsection (a) are issued.

1 (c) TAXABLE YEARS AFFECTED BY CERTIFICATE.—

2 A certificate referred to in subsection (a) shall be effective
3 for taxable years ending after December 31, 1978, and
4 before January 1, 1985.

5 (d) RESTRICTION ON CREDITING OF EXEMPT SELF-
6 EMPLOYMENT INCOME.—In any case in which an individ-
7 ual is exempt under this section from paying a tax im-
8 posed under section 1401 of the Internal Revenue Code
9 of 1986, any income on which such tax would have been
10 imposed but for such exemption shall not constitute self-
11 employment income under section 211(b) of the Social Se-
12 curity Act (42 U.S.C. 411(b)), and, if such individual's
13 primary insurance amount has been determined under sec-
14 tion 215 of such Act (42 U.S.C. 415), notwithstanding
15 section 215(f)(1) of such Act, the Secretary of Health and
16 Human Services shall recompute such primary insurance
17 amount so as to take into account the provisions of this
18 subsection. The recomputation under this subsection shall
19 be effective with respect to benefits for months following
20 approval of the certificate of exemption.

21 SEC. 209. EXCLUSION OF TOTALIZATION BENEFITS FROM
22 THE APPLICATION OF THE WINDFALL ELIMI-
23 NATION PROVISION.

24 (a) IN GENERAL.—Section 215(a)(7) of the Social
25 Security Act (42 U.S.C. 415(a)(7)) is amended—

1 (1) in subparagraph (A), by striking “but ex-
2 cluding” and all that follows through “1937” and
3 inserting “but excluding (I) a payment under the
4 Railroad Retirement Act of 1974 or 1937, and (II)
5 a payment by a social security system of a foreign
6 country based on an agreement concluded between
7 the United States and such foreign country pursuant
8 to section 233”; and

9 (2) in subparagraph (E), by inserting after “in
10 the case of an individual” the following: “whose eli-
11 gibility for old-age or disability insurance benefits is
12 based on an agreement concluded pursuant to sec-
13 tion 233 or an individual”.

14 (b) CONFORMING AMENDMENT RELATING TO BENE-
15 FITS UNDER 1939 ACT.—Section 215(d)(3) of such Act
16 (42 U.S.C. 415(d)(3)) is amended by striking “but exclud-
17 ing” and all that follows through “1937” and inserting
18 “but excluding (I) a payment under the Railroad Retire-
19 ment Act of 1974 or 1937, and (II) a payment by a social
20 security system of a foreign country based on an agree-
21 ment concluded between the United States and such for-
22 eign country pursuant to section 233”.

23 (c) EFFECTIVE DATE.—The amendments made by
24 this section shall apply (notwithstanding section 215(f)(1)

1 of the Social Security Act (42 U.S.C. 415(f)(1))) with re-
 2 spect to benefits payable for months after January 1995.

3 **SEC. 210. EXCLUSION OF MILITARY RESERVISTS FROM AP-**
 4 **PLICATION OF THE GOVERNMENT PENSION**
 5 **OFFSET AND WINDFALL ELIMINATION PROVI-**
 6 **SIONS.**

7 (a) **EXCLUSION FROM GOVERNMENT PENSION OFF-**
 8 **SET PROVISIONS.**—Subsections (b)(4), (c)(2), (e)(7),
 9 (f)(2), and (g)(4) of section 202 of the Social Security Act
 10 (42 U.S.C. 402 (b)(4), (c)(2), (e)(7), (f)(2), and (g)(4))
 11 are each amended—

12 (1) in subparagraph (A)(ii), by striking “unless
 13 subparagraph (B) applies.”;

14 (2) in subparagraph (A), by striking “The” in
 15 the matter following clause (ii) and inserting “unless
 16 subparagraph (B) applies. The”; and

17 (3) in subparagraph (B), by redesignating the
 18 existing matter as clause (ii), and by inserting before
 19 such clause (ii) (as so redesignated) the following:

20 “(B)(i) Subparagraph (A)(i) shall not apply with re-
 21 spect to monthly periodic benefits based wholly on service
 22 as a member of a uniformed service (as defined in section
 23 210(m)).”.

24 (b) **EXCLUSION FROM WINDFALL ELIMINATION**
 25 **PROVISIONS.**—Section 215(a)(7)(A) of such Act (as

1 amended by section 210(a) of this Act) and section
2 215(d)(3) of such Act (as amended by section 210(b) of
3 this Act) are each further amended—

4 (1) by striking “and” before “(II)”; and

5 (2) by striking “section 233” and inserting
6 “section 233, and (III) a payment based wholly on
7 service as a member of a uniformed service (as de-
8 fined in section 210(m))”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall apply (notwithstanding section 215(f) of
11 the Social Security Act) with respect to benefits payable
12 for months after January 1995.

13 SEC. 211. REPEAL OF THE FACILITY-OF-PAYMENT PROVI-
14 SION.

15 (a) REPEAL OF RULE PRECLUDING REDISTRIBUTION
16 UNDER FAMILY MAXIMUM.—Section 203(i) of the Social
17 Security Act (42 U.S.C. 403(i)) is repealed.

18 (b) COORDINATION UNDER FAMILY MAXIMUM OF
19 REDUCTION IN BENEFICIARY’S AUXILIARY BENEFITS
20 WITH SUSPENSION OF AUXILIARY BENEFITS OF OTHER
21 BENEFICIARY UNDER EARNINGS TEST.—Section
22 203(a)(4) of such Act (42 U.S.C. 403(a)(4)) is amended
23 by striking “section 222(b). Whenever” and inserting the
24 following: “section 222(b). Notwithstanding the preceding
25 sentence, any reduction under this subsection in the case

1 of an individual who is entitled to a benefit under sub-
2 section (b), (c), (d), (e), (f), (g), or (h) of section 202 for
3 any month on the basis of the same wages and self-em-
4 ployment income as another person—

5 “(A) who also is entitled to a benefit under sub-
6 section (b), (c), (d), (e), (f), (g), or (h) of section
7 202 for such month,

8 “(B) who does not live in the same household
9 as such individual, and

10 “(C) whose benefit for such month is suspended
11 (in whole or in part) pursuant to subsection (h)(3)
12 of this section,

13 shall be made before the suspension under subsection
14 (h)(3). Whenever”.

15 (c) CONFORMING AMENDMENT APPLYING EARNINGS
16 REPORTING REQUIREMENT DESPITE SUSPENSION OF
17 BENEFITS.—The third sentence of section 203(h)(1)(A)
18 of such Act (42 U.S.C. 403(h)(1)(A)) is amended by strik-
19 ing “Such report need not be made” and all that follows
20 through “The Secretary may grant” and inserting the fol-
21 lowing: “Such report need not be made for any taxable
22 year—

23 “(i) beginning with or after the month in which
24 such individual attained age 70, or

1 “(ii) if benefit payments for all months (in such
2 taxable year) in which such individual is under age
3 70 have been suspended under the provisions of the
4 first sentence of paragraph (3) of this subsection,
5 unless—

6 “(I) such individual is entitled to benefits
7 under subsection (b), (c), (d), (e), (f), (g), or
8 (h) of section 202,

9 “(II) such benefits are reduced under sub-
10 section (a) of this section for any month in such
11 taxable year, and

12 “(III) in any such month there is another
13 person who also is entitled to benefits under
14 subsection (b), (c), (d), (e), (f), (g), or (h) of
15 section 202 on the basis of the same wages and
16 self-employment income and who does not live
17 in the same household as such individual.

18 The Secretary may grant”.

19 (d) CONFORMING AMENDMENT DELETING SPECIAL
20 INCOME TAX TREATMENT OF BENEFITS NO LONGER RE-
21 QUIRED BY REASON OF REPEAL.—Section 86(d)(1) of the
22 Internal Revenue Code of 1986 (relating to income tax
23 on social security benefits) is amended by striking the last
24 sentence.

25 (e) EFFECTIVE DATES.—

1 (1) The amendments made by subsections (a),
2 (b), and (c) shall apply with respect to benefits pay-
3 able for months after December 1995.

4 (2) The amendment made by subsection (d)
5 shall apply with respect to benefits received after
6 December 31, 1995, in taxable years ending after
7 such date.

8 SEC. 212. MAXIMUM FAMILY BENEFITS IN GUARANTEE
9 CASES.

10 (a) IN GENERAL.—Section 203(a) of the Social Secu-
11 rity Act (42 U.S.C. 403(a)) is amended by adding at the
12 end the following new paragraph:

13 “(10)(A) Subject to subparagraphs (B) and (C)—

14 “(i) the total monthly benefits to which bene-
15 ficiaries may be entitled under sections 202 and 223
16 for a month on the basis of the wages and self-em-
17 ployment income of an individual whose primary in-
18 surance amount is computed under section
19 215(a)(2)(B)(i) shall equal the total monthly bene-
20 fits which were authorized by this section with re-
21 spect to such individual’s primary insurance amount
22 for the last month of his prior entitlement to disabil-
23 ity insurance benefits, increased for this purpose by
24 the general benefit increases and other increases
25 under section 215(i) that would have applied to such

1 total monthly benefits had the individual remained
2 entitled to disability insurance benefits until the
3 month in which he became entitled to old-age insur-
4 ance benefits or reentitled to disability insurance
5 benefits or died, and

6 “(ii) the total monthly benefits to which bene-
7 ficiaries may be entitled under sections 202 and 223
8 for a month on the basis of the wages and self-em-
9 ployment income of an individual whose primary in-
10 surance amount is computed under section
11 215(a)(2)(C) shall equal the total monthly benefits
12 which were authorized by this section with respect to
13 such individual’s primary insurance amount for the
14 last month of his prior entitlement to disability in-
15 surance benefits.

16 “(B) In any case in which—

17 “(i) the total monthly benefits with respect to
18 such individual’s primary insurance amount for the
19 last month of his prior entitlement to disability in-
20 surance benefits was computed under paragraph (6),
21 and

22 “(ii) the individual’s primary insurance amount
23 is computed under subparagraph (B)(i) or (C) of
24 section 215(a)(2) by reason of the individual’s enti-
25 tlement to old-age insurance benefits or death,

1 the total monthly benefits shall equal the total monthly
2 benefits that would have been authorized with respect to
3 the primary insurance amount for the last month of his
4 prior entitlement to disability insurance benefits if such
5 total monthly benefits had been computed without regard
6 to paragraph (6).

7 “(C) This paragraph shall apply before the applica-
8 tion of paragraph (3)(A), and before the application of
9 section 203(a)(1) of this Act as in effect in December
10 1978.”.

11 (b) CONFORMING AMENDMENT.—Section 203(a)(8)
12 of such Act (42 U.S.C. 403(a)(8)) is amended by striking
13 “Subject to paragraph (7),” and inserting “Subject to
14 paragraph (7) and except as otherwise provided in para-
15 graph (10)(C),”.

16 (c) EFFECTIVE DATE.—The amendments made by
17 this section shall apply for the purpose of determining the
18 total monthly benefits to which beneficiaries may be enti-
19 tled under sections 202 and 223 of the Social Security
20 Act based on the wages and self-employment income of
21 an individual who—

22 (1) becomes entitled to an old-age insurance
23 benefit under section 202(a) of such Act,

24 (2) becomes reentitled to a disability insurance
25 benefit under section 223 of such Act, or

1 (3) dies,
2 after January 1995.

3 SEC. 213. AUTHORIZATION FOR DISCLOSURE BY THE SEC-
4 RETARY OF HEALTH AND HUMAN SERVICES
5 OF INFORMATION FOR PURPOSES OF PUBLIC
6 OR PRIVATE EPIDEMIOLOGICAL AND SIMI-
7 LAR RESEARCH.

8 (a) IN GENERAL.—Section 1106 of the Social Secu-
9 rity Act (42 U.S.C. 1306) is amended—

10 (1) by redesignating subsections (d) and (e) as
11 subsections (e) and (f), respectively;

12 (2) in subsection (f) (as so redesignated), by
13 striking “subsection (d)” and inserting “subsection
14 (e)”; and

15 (3) by inserting after subsection (c) the follow-
16 ing new subsection:

17 “(d) Notwithstanding any other provision of this sec-
18 tion, in any case in which—

19 “(1) information regarding whether an individ-
20 ual is shown on the records of the Secretary as
21 being alive or deceased is requested from the Sec-
22 retary for purposes of epidemiological or similar re-
23 search which the Secretary finds may reasonably be
24 expected to contribute to a national health interest,
25 and

1 “(2) the requester agrees to reimburse the Sec-
2 retary for providing such information and to comply
3 with limitations on safeguarding and rerelease or
4 redisclosure of such information as may be specified
5 by the Secretary,
6 the Secretary shall comply with such request, except to
7 the extent that compliance with such request would con-
8 stitute a violation of the terms of any contract entered
9 into under section 205(r).”.

10 (b) AVAILABILITY OF INFORMATION RETURNS RE-
11 GARDING WAGES PAID EMPLOYEES.—Section 6103(l)(5)
12 of the Internal Revenue Code of 1986 (relating to disclo-
13 sure of returns and return information to the Department
14 of Health and Human Services for purposes other than
15 tax administration) is amended—

16 (1) by striking “for the purpose of” and insert-
17 ing “for the purpose of—”;

18 (2) by striking “carrying out, in accordance
19 with an agreement” and inserting the following:

20 “(A) carrying out, in accordance with an
21 agreement”;

22 (3) by striking “program.” and inserting “pro-
23 gram; or”; and

24 (4) by adding at the end the following new sub-
25 paragraph:

1 “(B) providing information regarding the
2 mortality status of individuals for epidemiolog-
3 ical and similar research in accordance with
4 section 1106(d) of the Social Security Act.”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply with respect to requests for infor-
7 mation made after the date of the enactment of this Act.

8 SEC. 214. MISUSE OF SYMBOLS, EMBLEMS, OR NAMES IN
9 REFERENCE TO SOCIAL SECURITY PRO-
10 GRAMS AND AGENCIES.

11 (a) PROHIBITION OF UNAUTHORIZED REPRODUC-
12 TION, REPRINTING, OR DISTRIBUTION FOR FEE OF CER-
13 TAIN OFFICIAL PUBLICATIONS.—Section 1140(a) of the
14 Social Security Act (42 U.S.C. 1320b-10(a)) is
15 amended—

16 (1) by redesignating paragraphs (1) and (2) as
17 subparagraphs (A) and (B), respectively;

18 (2) by inserting “(1)” after “(a)”; and

19 (3) by adding at the end the following new
20 paragraph:

21 “(2) No person may, for a fee, reproduce, reprint,
22 or distribute any item consisting of a form, application,
23 or other publication of the Social Security Administration
24 unless such person has obtained specific, written author-

1 ization for such activity in accordance with regulations
2 which the Secretary shall prescribe.”.

3 (b) ADDITION TO PROHIBITED WORDS, LETTERS,
4 SYMBOLS, AND EMBLEMS.—Paragraph (1) of section
5 1140(a) of such Act (as redesignated by subsection (a))
6 is further amended—

7 (1) in subparagraph (A) (as redesignated), by
8 striking “Administration”, the letters ‘SSA’ or
9 ‘HCFA,’” and inserting “Administration’, ‘Depart-
10 ment of Health and Human Services’, ‘Health and
11 Human Services’, ‘Supplemental Security Income
12 Program’, or ‘Medicaid’, the letters ‘SSA’, ‘HCFA’,
13 ‘DHHS’, ‘HHS’, or ‘SSI’,”; and

14 (2) in subparagraph (B) (as redesignated), by
15 striking “Social Security Administration” each place
16 it appears and inserting “Social Security Adminis-
17 tration, Health Care Financing Administration, or
18 Department of Health and Human Services”, and
19 by striking “or of the Health Care Financing Ad-
20 ministration”.

21 (c) EXEMPTION FOR USE OF WORDS, LETTERS,
22 SYMBOLS, AND EMBLEMS OF STATE AND LOCAL GOV-
23 ERNMENT AGENCIES BY SUCH AGENCIES.—Paragraph
24 (1) of section 1140(a) of such Act (as redesignated by sub-
25 section (a)) is further amended by adding at the end the

1 following new sentence: "The preceding provisions of this
2 subsection shall not apply with respect to the use by any
3 agency or instrumentality of a State or political subdivi-
4 sion of a State of any words or letters which identify an
5 agency or instrumentality of such State or of a political
6 subdivision of such State or the use by any such agency
7 or instrumentality of any symbol or emblem of an agency
8 or instrumentality of such State or a political subdivision
9 of such State."

10 (d) INCLUSION OF REASONABLENESS STANDARD.—
11 Section 1140(a)(1) of such Act (as amended by the pre-
12 ceding provisions of this section) is further amended, in
13 the matter following subparagraph (B) (as redesignated),
14 by striking "convey" and inserting "convey, or in a man-
15 ner which reasonably could be interpreted or construed as
16 conveying,".

17 (e) INEFFECTIVENESS OF DISCLAIMERS.—Sub-
18 section (a) of section 1140 of such Act (as amended by
19 the preceding provisions of this section) is further amend-
20 ed by adding at the end the following new paragraph:

21 "(3) Any determination of whether the use of one or
22 more words, letters, symbols, or emblems (or any combina-
23 tion or variation thereof) in connection with an item de-
24 scribed in paragraph (1) or the reproduction, reprinting,
25 or distribution of an item described in paragraph (2) is

1 a violation of this subsection shall be made without regard
2 to any inclusion in such item (or any so reproduced, re-
3 printed, or distributed copy thereof) of a disclaimer of af-
4 filiation with the United States Government or any par-
5 ticular agency or instrumentality thereof.”.

6 (f) VIOLATIONS WITH RESPECT TO INDIVIDUAL
7 ITEMS.—Section 1140(b)(1) of such Act (42 U.S.C.
8 1320b-10(b)(1)) is amended by adding at the end the fol-
9 lowing new sentence: “In the case of any items referred
10 to in subsection (a)(1) consisting of pieces of mail, each
11 such piece of mail which contains one or more words, let-
12 ters, symbols, or emblems in violation of subsection (a)
13 shall represent a separate violation. In the case of any
14 item referred to in subsection (a)(2), the reproduction, re-
15 printing, or distribution of such item shall be treated as
16 a separate violation with respect to each copy thereof so
17 reproduced, reprinted, or distributed.”.

18 (g) ELIMINATION OF CAP ON AGGREGATE LIABILITY
19 AMOUNT.—

20 (1) REPEAL.—Paragraph (2) of section 1140(b)
21 of such Act (42 U.S.C. 1320b-10(b)(2)) is repealed.

22 (2) CONFORMING AMENDMENTS.—Section
23 1140(b) of such Act is further amended—

24 (A) by striking “(1) Subject to paragraph
25 (2), the” and inserting “The”;