

114TH CONGRESS
2D SESSION

S. 2721

To amend title II of the Social Security Act to credit individuals serving as caregivers of dependent relatives with deemed wages for up to five years of such service.

IN THE SENATE OF THE UNITED STATES

MARCH 17, 2016

Mr. MURPHY (for himself and Mr. SANDERS) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title II of the Social Security Act to credit individuals serving as caregivers of dependent relatives with deemed wages for up to five years of such service.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Security Care-
5 giver Credit Act of 2016”.

6 **SEC. 2. FINDINGS AND SENSE OF THE SENATE.**

7 (a) FINDINGS.—Congress finds that:

1 (1) Caregiving is an essential element of family
2 life and a vital service for children, the ill, the dis-
3 abled, and the elderly.

4 (2) The establishment of a caregiver credit
5 would bolster the economic prospects of unpaid care-
6 givers and would provide them with vital retirement
7 security.

8 (3) The 2015 Annual Report of the Board of
9 Trustees of the Federal Old-Age and Survivors In-
10 surance and Federal Disability Insurance Trust
11 Funds concluded that the combined Trust Funds
12 will be able to pay scheduled benefits in full until
13 2034.

14 (4) While there is no immediate crisis, policy
15 options should be considered to extend OASDI sol-
16 vency, including by eradicating the gender wage gap,
17 increasing overall employment, or increasing the
18 minimum wage.

19 (b) SENSE OF THE SENATE.—It is the sense of Sen-
20 ate that the United States Congress must address the un-
21 fair exclusion of professional and hardworking home care
22 providers who are not eligible to receive Social Security
23 or Medicare because they provide paid care to a family
24 member with a disability under programs operated at the

1 State and local level for general health and welfare protec-
2 tion.

3 **SEC. 3. DEEMED WAGES FOR CAREGIVERS OF DEPENDENT**
4 **RELATIVES.**

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

8 “DEEMED WAGES FOR CAREGIVERS OF DEPENDENT
9 RELATIVES

10 “SEC. 235. (a) DEFINITIONS.—For purposes of this
11 section—

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

15 “(i) beginning after the date which is 60
16 months prior to the date of the enactment of
17 the Social Security Caregiver Credit Act of
18 2016, and

19 “(ii) during which such individual was en-
20 gaged for not less than 80 hours in providing
21 care to a dependent relative without monetary
22 compensation.

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

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

3 “(A) a child, grandchild, niece, or nephew
4 (of such individual or such individual’s spouse
5 or domestic partner), or a child to which the in-
6 dividual or the individual’s spouse or domestic
7 partner is standing in loco parentis, who is
8 under the age of 12, or

9 “(B) a child, grandchild, niece, or nephew
10 (of such individual or such individual’s spouse
11 or domestic partner), a child to which the indi-
12 vidual or the individual’s spouse or domestic
13 partner is standing in loco parentis, a parent,
14 sibling, aunt, or uncle (of such individual or his
15 or her spouse or domestic partner), or such in-
16 dividual’s spouse or domestic partner, if such
17 child, grandchild, niece, nephew, parent, sibling,
18 aunt, uncle, spouse, or domestic partner is a
19 chronically dependent individual.

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

22 “(i) is dependent on a daily basis on verbal
23 reminding, physical cueing, supervision, or
24 other assistance provided to the individual by
25 another person in the performance of at least

1 two of the activities of daily living (described in
2 subparagraph (B)) or instrumental activities of
3 daily living (described in subparagraph (C)),
4 and

5 “(ii) without the assistance described in
6 clause (i), could not perform such activities of
7 daily living or instrumental activities of daily
8 living.

9 “(B) The ‘activities of daily living’ referred to
10 in subparagraph (A) means basic personal everyday
11 activities, including—

12 “(i) Eating.

13 “(ii) Bathing.

14 “(iii) Dressing.

15 “(iv) Toileting.

16 “(v) Transferring in and out of a bed or
17 in and out of a chair.

18 “(C) The ‘instrumental activities of daily living’
19 referred to in subparagraph (A) means activities re-
20 lated to living independently in the community, in-
21 cluding—

22 “(i) Meal planning and preparation.

23 “(ii) Managing finances.

24 “(iii) Shopping for food, clothing, or other
25 essential items.

1 “(iv) Performing essential household
2 chores.

3 “(v) Communicating by phone or other
4 form of media.

5 “(vi) Traveling around and participating in
6 the community.

7 “(b) DEEMED WAGES OF CAREGIVER.—(1)(A) For
8 purposes of determining entitlement to and the amount
9 of any monthly benefit for any month after December
10 2016, or entitlement to and the amount of any lump-sum
11 death payment in the case of a death after such month,
12 payable under this title on the basis of the wages and self-
13 employment income of any individual, and for purposes
14 of section 216(i)(3), such individual shall be deemed to
15 have been paid during each qualifying month (in addition
16 to wages or self-employment income actually paid to or
17 derived by such individual during such month) at an
18 amount per month equal to—

19 “(i) in the case of a qualifying month during
20 which no wages or self-employment income were ac-
21 tually paid to or derived by such individual, 50 per-
22 cent of the national average wage index (as defined
23 in section 209(k)(1)) for the second calendar year
24 preceding the calendar year in which such month oc-
25 curs; and

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

6 “(B) In any case in which there are more than 60
7 qualifying months for an individual, only the last 60 of
8 such months shall be taken into account for purposes of
9 this section.

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

14 “(c) RULES AND REGULATIONS.—

15 “(1) Not later than one year after the date of
16 the enactment of this section, the Commissioner of
17 Social Security shall promulgate such regulations as
18 are necessary to carry out this section and to pre-
19 vent fraud and abuse with respect to the benefits
20 under this section, including regulations establishing
21 procedures for the application and certification re-
22 quirements described in paragraph (2).

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

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

4 “(i) the name and identifying infor-
5 mation of the dependent relative with re-
6 spect to whom the individual was engaged
7 in providing care during such month;

8 “(ii) if the dependent relative is not a
9 child under the age of 12, documentation
10 from the physician of the dependent re-
11 lative explaining why the dependent relative
12 is a chronically dependent individual; and

13 “(iii) such other information as the
14 Commissioner may require to verify the
15 status of the dependent relative; and

16 “(B) for every qualifying month or period
17 of up to 12 consecutive qualifying months that
18 occurs after the first period of 12 consecutive
19 qualifying months, the individual certifies, in
20 such form and manner as the Commissioner
21 shall require, that the information provided in
22 the individual’s application for benefits under
23 this section has not changed.”.

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

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

3 (2) by inserting “and 235(b)(1)(A)(i),” after
4 “1977),”.

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