

117TH CONGRESS
1ST SESSION

S. _____

To amend title II of the Social Security Act to repeal the retirement earnings test, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. SCOTT of South Carolina (for himself and Mr. RUBIO) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To amend title II of the Social Security Act to repeal the retirement earnings test, and for other purposes.

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 “Senior Citizens’ Free-
5 dom to Work Act of 2021”.

6 **SEC. 2. REPEAL OF THE RETIREMENT EARNINGS TEST.**

7 (a) IN GENERAL.—Subsections (b), (c)(1), (d), (f),
8 (h), (j), and (k) of section 203 of the Social Security Act
9 (42 U.S.C. 403) are repealed.

1 (b) CONFORMING AMENDMENTS.—Section 203 of
2 such Act (as amended by subsection (a)) is further amend-
3 ed—

4 (1) by redesignating subsections (c), (e), (g),
5 and (l) as subsections (b), (c), (d), and (e), respec-
6 tively;

7 (2) in subsection (b) (as so redesignated)—

8 (A) by striking “NONCOVERED WORK
9 OUTSIDE THE UNITED STATES OR”;

10 (B) by redesignating paragraphs (2), (3),
11 and (4) as paragraphs (1), (2), and (3), respec-
12 tively;

13 (C) by striking “paragraphs (2), (3), and
14 (4) of”; and

15 (D) by striking the last sentence;

16 (3) in subsection (c) (as so redesignated), by
17 striking “subsections (c) and (d)” and inserting
18 “subsection (b)”;

19 (4) in subsection (d) (as so redesignated), by
20 striking “subsection (c)” each place it appears and
21 inserting “subsection (b)”;

22 (5) in subsection (e) (as so redesignated), by
23 striking “subsection (g) or (h)(1)(A)” and inserting
24 “subsection (d)”.

25 (c) ADDITIONAL CONFORMING AMENDMENTS.—

1 (1) PROVISIONS RELATING TO BENEFITS TER-
2 MINATED UPON DEPORTATION.—Section 202(n)(1)
3 of the Social Security Act (42 U.S.C. 402(n)(1)) is
4 amended by striking “Section 203(b), (c), and (d)”
5 and inserting “Section 203(b)”.

6 (2) PROVISIONS RELATING TO EXEMPTIONS
7 FROM REDUCTIONS BASED ON EARLY RETIRE-
8 MENT.—Section 202(q) of such Act (42 U.S.C.
9 402(q)) is amended—

10 (A) in paragraph (5)(B), by striking “sec-
11 tion 203(c)(2)” and inserting “section
12 203(b)(1)”; and

13 (B) in paragraph (7)(A), by striking “de-
14 ductions under section 203(b), 203(c)(1),
15 203(d)(1), or 222(b)” and inserting “deduc-
16 tions on account of work under section 203 (as
17 in effect on the day before the date of the en-
18 actment of the Senior Citizens’ Freedom to
19 Work Act of 2021) or deductions under section
20 222(b)”.

21 (3) PROVISIONS RELATING TO EXEMPTIONS
22 FROM REDUCTIONS BASED ON DISREGARD OF CER-
23 TAIN ENTITLEMENTS TO CHILD’S INSURANCE BENE-
24 FITS.—Section 202(s) of such Act (42 U.S.C.
25 402(s)) is amended—

1 (A) in paragraph (1), by striking “para-
2 graphs (2), (3), and (4) of section 203(e)” and
3 inserting “paragraphs (1), (2), and (3) of sec-
4 tion 203(b)”;

5 (B) in paragraph (3), by striking “The last
6 sentence of subsection (e) of section 203, sub-
7 section (f)(1)(C) of section 203, and sub-
8 sections” and inserting “Subsections”.

9 (4) PROVISIONS RELATING TO SUSPENSION OF
10 ALIENS’ BENEFITS.—Section 202(t)(7) of such Act
11 (42 U.S.C. 402(t)(7)) is amended by striking “Sub-
12 sections (b), (c), and (d)” and inserting “Subsection
13 (b)”.

14 (5) PROVISIONS RELATING TO REDUCTIONS IN
15 BENEFITS BASED ON MAXIMUM BENEFITS.—Section
16 203(a)(3)(B)(iii) of such Act (42 U.S.C.
17 403(a)(3)(B)(iii)) is amended by striking “and sub-
18 sections (b), (c), and (d)” and inserting “and sub-
19 section (b)”.

20 (6) PROVISIONS RELATING TO PENALTIES FOR
21 MISREPRESENTATIONS CONCERNING EARNINGS FOR
22 PERIODS SUBJECT TO DEDUCTIONS ON ACCOUNT OF
23 WORK.—Section 208(a)(1)(C) of such Act (42
24 U.S.C. 408(a)(1)(C)) is amended by striking “under
25 section 203(f) of this title for purposes of deductions

1 from benefits” and inserting “under section 203 (as
2 in effect on the day before the date of the enactment
3 of the Senior Citizens’ Freedom to Work Act of
4 2021) for purposes of deductions from benefits on
5 account of work”.

6 (7) PROVISIONS TAKING INTO ACCOUNT EARN-
7 INGS IN DETERMINING BENEFIT COMPUTATION
8 YEARS.—Clause (I) in the next to last sentence of
9 section 215(b)(2)(A) of such Act (42 U.S.C.
10 415(b)(2)(A)) is amended by striking “no earnings
11 as described in section 203(f)(5) in such year” and
12 inserting “no wages, and no net earnings from self-
13 employment (in excess of net loss from self-employ-
14 ment), in such year”.

15 (8) PROVISIONS RELATING TO ROUNDING OF
16 BENEFITS.—Section 215(g) of such Act (42 U.S.C.
17 415(g)) is amended by striking “and any deduction
18 under section 203(b)”.

19 (9) PROVISIONS DEFINING INCOME FOR PUR-
20 POSES OF SSI.—Section 1612(a) of such Act (42
21 U.S.C. 1382a(a)) is amended—

22 (A) in paragraph (1)(A), by striking “as
23 determined under section 203(f)(5)(C)” and in-
24 serting “as defined in the last two sentences of
25 this subsection”; and

1 (B) by adding at the end (after and below
2 paragraph (2)(H)) the following:
3 “For purposes of paragraph (1)(A), the term ‘wages’
4 means wages as defined in section 209, but computed
5 without regard to the limitations as to amounts of remuneration specified in paragraphs (1), (6)(B), (6)(C),
6 (7)(B), and (8) of section 209(a). In making the computation under the preceding sentence, (A) services which do
7 not constitute employment as defined in section 210, performed within the United States by an individual as an
8 employee or performed outside the United States in the active military or naval services of the United States, shall
9 be deemed to be employment as so defined if the remuneration for such services is not includible in computing
10 the individual’s net earnings or net loss from self-employment for purposes of title II, and (B) the term ‘wages’
11 shall be deemed not to include (i) the amount of any payment made to, or on behalf of, an employee or any of his
12 or her dependents (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) on account of retirement, or
13 (ii) any payment or series of payments by an employer to an employee or any of his or her dependents upon or
14 after the termination of the employee’s employment relationship because of retirement after attaining an age spec-

1 ified in a plan referred to in section 209(a)(11)(B) or in
2 a pension plan of the employer.”.

3 (d) REPEAL OF DEDUCTIONS ON ACCOUNT OF WORK
4 UNDER THE RAILROAD RETIREMENT PROGRAM.—

5 (1) IN GENERAL.—Section 2 of the Railroad
6 Retirement Act of 1974 (45 U.S.C. 231a) is amend-
7 ed—

8 (A) by striking subsection (f); and

9 (B) by striking subsection (g)(2) and by
10 redesignating subsection (g)(1) as subsection
11 (g).

12 (2) CONFORMING AMENDMENTS.—

13 (A) Section 3(f)(1) of such Act (45 U.S.C.
14 231b(f)(1)) is amended in the first sentence by
15 striking “before any reductions under the provi-
16 sions of section 2(f) of this Act,”.

17 (B) Section 4(g)(2) of such Act (45 U.S.C.
18 231c(g)(2)) is amended—

19 (i) in clause (i), by striking “shall, be-
20 fore any deductions under section 2(g) of
21 this Act,” and inserting “shall”; and

22 (ii) in clause (ii), by striking “any de-
23 ductions under section 2(g) of this Act and
24 before”.

1 (e) EFFECTIVE DATE.—The amendments made by
2 this section shall apply with respect to taxable years end-
3 ing after December 31, 2021.