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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. _____

To improve the retirement security of American families by increasing Social Security benefits for current and future beneficiaries while making Social Security stronger for future generations.

IN THE HOUSE OF REPRESENTATIVES

Ms. SIMON introduced the following bill; which was referred to the Committee
on _____

A BILL

To improve the retirement security of American families by increasing Social Security benefits for current and future beneficiaries while making Social Security stronger for future generations.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Safeguarding American Families and Expanding Social
6 Security Act of 2025”.

1 (b) TABLE OF CONTENTS.—The table of contents for
2 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Determination of taxable wages and self-employment income above contribution and benefit base after 2025.

Sec. 3. Adjustments to primary insurance amount formula and inclusion of surplus earnings for benefit determinations.

Sec. 4. Computation of cost-of-living increases for Social Security benefits; consumer price index for elderly consumers.

3 **SEC. 2. DETERMINATION OF TAXABLE WAGES AND SELF-**
4 **EMPLOYMENT INCOME ABOVE CONTRIBU-**
5 **TION AND BENEFIT BASE AFTER 2025.**

6 (a) DETERMINATION OF TAXABLE WAGES ABOVE
7 CONTRIBUTION AND BENEFIT BASE AFTER 2025.—

8 (1) AMENDMENTS TO THE INTERNAL REVENUE
9 CODE OF 1986.—Section 3121 of the Internal Revenue Code of 1986 is amended—

11 (A) in subsection (a)(1), by inserting “the
12 applicable percentage (determined under sub-
13 section (c)(1)) of” before “that part of the re-
14 muneration”; and

15 (B) in subsection (c), by striking “(c) IN-
16 CLUDED AND EXCLUDED SERVICE.—For pur-
17 poses of this chapter, if” and inserting the fol-
18 lowing:

19 “(c) SPECIAL RULES FOR WAGES AND EMPLOY-
20 MENT.—

21 “(1) APPLICABLE PERCENTAGE OF REMUNERA-
22 TION IN DETERMINING TAXABLE WAGES.—For pur-

1 poses of subsection (a)(1), the applicable percentage
2 for a calendar year shall be equal to—

3 “(A) for 2026, 80 percent;

4 “(B) for 2027 through 2029, the applica-
5 ble percentage under this paragraph for the
6 previous year, decreased by 20 percentage
7 points; and

8 “(C) for 2030 and each year thereafter, 0
9 percent.

10 “(2) INCLUDED AND EXCLUDED SERVICE.—For
11 purposes of this chapter, if”.

12 (2) AMENDMENTS TO THE SOCIAL SECURITY
13 ACT.—Section 209 of the Social Security Act (42
14 U.S.C. 409) is amended—

15 (A) in subsection (a)(1)—

16 (i) in subparagraph (I)—

17 (I) by inserting “and before
18 2026” after “1974”; and

19 (II) by inserting “and” after the
20 semicolon; and

21 (ii) by adding at the end the following
22 new subparagraph:

23 “(J) The applicable percentage (deter-
24 mined under subsection (l)) of that part of re-
25 muneratation which, after remuneratation (other

1 than remuneration referred to in the succeeding
2 subsections of this section) equal to the con-
3 tribution and benefit base (determined under
4 section 230) with respect to employment has
5 been paid to an individual during any calendar
6 year after 2025 with respect to which such con-
7 tribution and benefit base is effective, is paid to
8 such individual during such calendar year;”;
9 and

10 (B) by adding at the end the following new
11 subsection:

12 “(l) For purposes of subsection (a)(1)(J), the applica-
13 ble percentage for a calendar year shall be equal to—

14 “(1) for 2026, 80 percent;

15 “(2) for 2027 through 2029, the applicable per-
16 centage under this subsection for the previous year,
17 decreased by 20 percentage points; and

18 “(3) for 2030 and each year thereafter, 0 per-
19 cent.”.

20 (3) EFFECTIVE DATE.—The amendments made
21 by this subsection shall apply with respect to remu-
22 neration paid in calendar years after 2025.

23 (b) DETERMINATION OF TAXABLE SELF-EMPLOY-
24 MENT INCOME ABOVE CONTRIBUTION AND BENEFIT
25 BASE AFTER 2025.—

1 (1) AMENDMENTS TO THE INTERNAL REVENUE
2 CODE OF 1986.—Section 1402 of the Internal Rev-
3 enue Code of 1986 is amended—

4 (A) in subsection (b)(1), by striking “that
5 part of the net earnings” and all that follows
6 through “minus” and inserting the following:
7 “an amount equal to the applicable percentage
8 (as determined under subsection (d)(2)) of that
9 part of the net earnings from self-employment
10 which is in excess of the difference (not to be
11 less than zero) between (i) an amount equal to
12 the contribution and benefit base (as deter-
13 mined under section 230 of the Social Security
14 Act) which is effective for the calendar year in
15 which such taxable year begins, and”; and

16 (B) in subsection (d)—

17 (i) by striking “(d) EMPLOYEE AND
18 WAGES.—The term” and inserting the fol-
19 lowing:

20 “(d) RULES AND DEFINITIONS.—

21 “(1) EMPLOYEE AND WAGES.—The term”; and

22 (ii) by adding at the end the fol-
23 lowing:

24 “(2) APPLICABLE PERCENTAGE OF NET EARN-
25 INGS FROM SELF-EMPLOYMENT IN DETERMINING

1 TAXABLE SELF-EMPLOYMENT INCOME.—For pur-
2 poses of subsection (b)(1), the applicable percentage
3 for a taxable year beginning in any calendar year re-
4 ferred to in such subsection shall be equal to—

5 “(A) for 2026, 80 percent;

6 “(B) for 2027 through 2029, the applica-
7 ble percentage under this paragraph for the
8 previous year, decreased by 20 percentage
9 points; and

10 “(C) for 2030 and each year thereafter, 0
11 percent.”.

12 (2) AMENDMENTS TO THE SOCIAL SECURITY
13 ACT.—Section 211 of the Social Security Act (42
14 U.S.C. 411) is amended—

15 (A) in subsection (b)—

16 (i) in paragraph (1)(I)—

17 (I) by striking “or” after the
18 semicolon; and

19 (II) by inserting “and before
20 2026” after “1974”;

21 (ii) by redesignating paragraph (2) as
22 paragraph (3); and

23 (iii) by inserting after paragraph (1)
24 the following:

1 “(2) For any taxable year beginning in any cal-
2 endar year after 2025, an amount equal to the appli-
3 cable percentage (as determined under subsection
4 (1)) of that part of net earnings from self-employ-
5 ment which is in excess of the difference (not to be
6 less than zero) between—

7 “(A) an amount equal to the contribution
8 and benefit base (as determined under section
9 230) that is effective for such calendar year,
10 and

11 “(B) the amount of the wages paid to such
12 individual during such taxable year; or”; and

13 (B) by adding at the end the following:

14 “(1) For purposes of subsection (b)(2), the applicable
15 percentage for a taxable year beginning in any calendar
16 year referred to in such paragraph shall be equal to—

17 “(1) for 2026, 80 percent;

18 “(2) for 2027 through 2029, the applicable per-
19 centage under this subsection for the previous year,
20 decreased by 20 percentage points; and

21 “(3) for 2030 and each year thereafter, 0 per-
22 cent.”.

23 (3) EFFECTIVE DATE.—The amendments made
24 by this subsection shall apply with respect to taxable
25 years beginning after calendar year 2025.

1 **SEC. 3. ADJUSTMENTS TO PRIMARY INSURANCE AMOUNT**
2 **FORMULA AND INCLUSION OF SURPLUS**
3 **EARNINGS FOR BENEFIT DETERMINATIONS.**

4 (a) INCREASE IN PERCENTAGE FACTOR FOR LOWEST
5 PORTION OF EARNINGS USED TO DETERMINE PRIMARY
6 INSURANCE AMOUNTS.—Section 215(a)(1)(A)(i) of the
7 Social Security Act (42 U.S.C. 415(a)(1)(A)(i)) is amend-
8 ed by striking “90 percent” and inserting “95 percent”.

9 (b) INCLUSION OF SURPLUS AVERAGE INDEXED
10 MONTHLY EARNINGS IN DETERMINATION OF PRIMARY
11 INSURANCE AMOUNTS.—

12 (1) IN GENERAL.—Section 215(a)(1)(A) of the
13 Social Security Act (42 U.S.C. 415(a)(1)(A)) is
14 amended—

15 (A) in clauses (i), (ii), and (iii), by insert-
16 ing “basic” before “average indexed monthly
17 earnings” each place it appears;

18 (B) in clause (ii), by striking “and” at the
19 end;

20 (C) in clause (iii), by adding “and” at the
21 end; and

22 (D) by inserting after clause (iii) the fol-
23 lowing new clause:

24 “(iv) 5 percent of the individual’s surplus aver-
25 age indexed monthly earnings,”.

1 (2) BEND POINT ADJUSTMENTS.—Section
2 215(a)(1)(B) of such Act (42 U.S.C. 415(a)(1)(B))
3 is amended—

4 (A) in clause (i), by inserting “For individ-
5 uals who initially become eligible for old-age or
6 disability insurance benefits, or who die (before
7 becoming eligible for such benefits), in the cal-
8 endar year 2026, the amount established for
9 purposes of clause (ii) of subparagraph (A)
10 shall be \$6,300.” after the period;

11 (B) in clause (ii)—

12 (i) by redesignating subclauses (I) and
13 (II) as items (aa) and (bb), respectively;

14 (ii) by striking “For individuals” and
15 inserting “(I) Subject to subclause (II), for
16 individuals”; and

17 (iii) by adding at the end the fol-
18 lowing new subclause:

19 “(II) For individuals who initially become eligi-
20 ble for old-age or disability insurance benefits, or
21 who die (before becoming eligible for such benefits),
22 in any calendar year after 2026, the amount estab-
23 lished for purposes of clause (ii) of subparagraph
24 (A) shall equal the product of the amount estab-
25 lished with respect to calendar year 2026 under

1 clause (i) of this subparagraph and the quotient ob-
2 tained by dividing—

3 “(aa) the national average wage index (as
4 defined in section 209(k)(1)) for the second cal-
5 endar year preceding the calendar year for
6 which the determination is made, by

7 “(bb) the national average wage index (as
8 so defined) for 2024.”;

9 (C) by redesignating clause (iii) as clause
10 (iv); and

11 (D) by inserting after clause (ii) the fol-
12 lowing new clause:

13 “(iii) For individuals who initially become eligi-
14 ble for old-age or disability insurance benefits, or
15 who die (before becoming eligible for such benefits)
16 in any calendar year after 2030, the amount deter-
17 mined under clause (ii) of this subparagraph for
18 purposes of subparagraph (A)(i) for such calendar
19 year shall be increased by—

20 “(I) for calendar year 2031, 1 percent;

21 “(II) for each of calendar years 2032
22 through 2044, the percent determined under
23 this clause for the preceding year increased by
24 1 percentage point; and

1 “(III) for calendar year 2045 and each
2 year thereafter, 15 percent.”.

3 (3) RECOMPUTATION OF BENEFITS FOR EXIST-
4 ING BENEFICIARIES.—Section 215(f) of the Social
5 Security Act (42 U.S.C. 415(f)) is amended by add-
6 ing at the end the following new paragraph:

7 “(10) RECOMPUTATION OF PRIMARY INSUR-
8 ANCE AMOUNT FOR INDIVIDUALS WHO BECAME ELI-
9 GIBLE FOR BENEFITS BEFORE 2026.—

10 “(A) The Commissioner of Social Security
11 shall recompute the primary insurance amounts
12 applicable to beneficiaries whose benefits are
13 based on a primary insurance amount that was
14 computed under this section effective prior to
15 January 2026. Such recomputation shall be ef-
16 fective January 2026.

17 “(B) In recomputing the primary insur-
18 ance amount applicable to a beneficiary under
19 this paragraph, the Commissioner of Social Se-
20 curity shall calculate the primary insurance
21 amount of the individual under subsection
22 (a)(1) as in effect on the date that such pri-
23 mary insurance amount was initially computed,
24 except that the Commissioner shall substitute
25 for the amount that applied under subpara-

1 graph (B)(ii) of such subsection on such date
2 an amount equal to the product of—

3 “(i) the amount that applied under
4 such subparagraph on such date; and

5 “(ii) the ratio of—

6 “(I) 6,300; to

7 “(II) 6,002.

8 “(C) Each amount determined under sub-
9 paragraph (B) shall be rounded to the nearest
10 \$1, except that any amount so established
11 which is a multiple of \$0.50 but not of \$1 shall
12 be rounded to the next higher \$1.

13 “(D) If a primary insurance amount appli-
14 cable to a beneficiary, as recomputed under this
15 paragraph, is lower than the primary insurance
16 amount applicable to such beneficiary as it was
17 originally computed, such higher primary insur-
18 ance amount shall continue to apply to such
19 beneficiary.”.

20 (c) BASIC AIME AND SURPLUS AIME.—

21 (1) BASIC AIME.—Section 215(b)(1) of such
22 Act (42 U.S.C. 415(b)(1)) is amended—

23 (A) by inserting “basic” before “average”;

24 and

1 (B) in subparagraph (A), by striking
2 “paragraph (3)” and inserting “paragraph
3 (3)(A)” and by inserting before the comma the
4 following: “to the extent such total does not ex-
5 ceed the contribution and benefit base for the
6 applicable year”.

7 (2) SURPLUS AIME.—

8 (A) IN GENERAL.—Section 215(b)(1) of
9 such Act (as amended by paragraph (1)) is
10 amended—

11 (i) by redesignating subparagraphs
12 (A) and (B) as clauses (i) and (ii), respec-
13 tively;

14 (ii) by striking “An individual’s” and
15 inserting “(A) An individual’s”; and

16 (iii) by adding at the end the fol-
17 lowing new subparagraph:

18 “(B)(i) An individual’s surplus average indexed
19 monthly earnings shall be equal to the quotient obtained
20 by dividing—

21 “(I) the total (after adjustment under para-
22 graph (3)(B)) of such individual’s surplus earnings
23 (determined under clause (ii)) for such individual’s
24 benefit computation years (determined under para-
25 graph (2)), by

1 “(II) the number of months in those years.

2 “(ii) For purposes of clause (i) and paragraph (3)(B),
3 an individual’s surplus earnings for a benefit computation
4 year are the total of such individual’s wages paid in and
5 self-employment income credited to such benefit computa-
6 tion year, to the extent such total (before adjustment
7 under paragraph (3)(B)) exceeds the contribution and
8 benefit base for such year.”.

9 (B) CONFORMING AMENDMENT.—The
10 heading for section 215(b) of such Act is
11 amended by striking “Average Indexed Monthly
12 Earnings” and inserting “Basic Average In-
13 dexed Monthly Earnings; Surplus Average In-
14 dexed Monthly Earnings”.

15 (3) ADJUSTMENT OF SURPLUS EARNINGS FOR
16 PURPOSES OF DETERMINING SURPLUS AIME.—Sec-
17 tion 215(b)(3) of such Act (42 U.S.C. 415(b)(3)) is
18 amended—

19 (A) in subparagraph (A)—

20 (i) by striking “subparagraph (B)”
21 and inserting “subparagraph (C)”; and

22 (ii) by inserting “and determination of
23 basic average indexed monthly income
24 under paragraph (1)(A)” after “paragraph
25 (2)”;

1 (B) by redesignating subparagraph (B) as
2 subparagraph (C); and

3 (C) by inserting after subparagraph (A)
4 the following new subparagraph:

5 “(B) For purposes of determining under paragraph
6 (1)(B) an individual’s surplus average indexed monthly
7 earnings, the individual’s surplus earnings for a benefit
8 computation year shall be deemed to be equal to the prod-
9 uct of—

10 “(i) the individual’s surplus earnings for such
11 year (as determined without regard to this subpara-
12 graph), and

13 “(ii) the quotient described in subparagraph
14 (A)(ii).”.

15 (d) EFFECTIVE DATE.—The amendments made by
16 this section shall apply with respect to individuals who ini-
17 tially become eligible (within the meaning of section
18 215(a)(3)(B) of the Social Security Act) for old-age or dis-
19 ability insurance benefits under title II of the Social Secu-
20 rity Act, or who die (before becoming eligible for such ben-
21 efits), in any calendar year after 2030.

1 **SEC. 4. COMPUTATION OF COST-OF-LIVING INCREASES FOR**
2 **SOCIAL SECURITY BENEFITS; CONSUMER**
3 **PRICE INDEX FOR ELDERLY CONSUMERS.**

4 (a) COMPUTATION OF COST-OF-LIVING IN-
5 CREASES.—

6 (1) IN GENERAL.—Section 215(i) of the Social
7 Security Act (42 U.S.C. 415(i)) is amended—

8 (A) in paragraph (1)(G), by inserting be-
9 fore the period the following: “, and, with re-
10 spect to any monthly insurance benefit payable
11 under this title, effective for adjustments under
12 this subsection to the primary insurance
13 amount on which such benefit is based (or to
14 any such benefit under section 227 or 228), the
15 applicable Consumer Price Index shall be the
16 Consumer Price Index for Elderly Consumers
17 and such primary insurance amount shall be
18 adjusted under this subsection using such
19 Index”; and

20 (B) in paragraph (4)—

21 (i) by striking “and by section 9001”
22 and inserting “, by section 9001”; and

23 (ii) by striking “1986,” and inserting
24 “1986, and by section 5(a) of the Safe-
25 guarding American Families and Expand-
26 ing Social Security Act of 2025,”.

1 (2) CONFORMING AMENDMENTS IN APPLICABLE
2 FORMER LAW.—Section 215(i)(1)(C) of the Social
3 Security Act, as in effect in December 1978 and ap-
4 plied in certain cases under the provisions of such
5 Act in effect after December 1978, is amended by
6 inserting before the period the following: “, and,
7 with respect to any monthly insurance benefit pay-
8 able under this title, effective for adjustments under
9 this subsection to the primary insurance amount on
10 which such benefit is based (or to any such benefit
11 under section 227 or 228), the applicable Consumer
12 Price Index shall be the Consumer Price Index for
13 Elderly Consumers and such primary insurance
14 amount shall be adjusted under this subsection
15 using such Index”.

16 (3) EFFECTIVE DATE.—The amendments made
17 by this subsection shall apply to determinations
18 made by the Commissioner of Social Security under
19 section 215(i)(2) of the Social Security Act (42
20 U.S.C. 415(i)(2)) with respect to cost-of-living com-
21 putation quarters ending on or after September 30,
22 2026.

23 (b) CONSUMER PRICE INDEX FOR ELDERLY CON-
24 SUMERS.—

1 (1) IN GENERAL.—The Bureau of Labor Statis-
2 tics of the Department of Labor shall prepare and
3 publish an index for each calendar month to be
4 known as the “Consumer Price Index for Elderly
5 Consumers” that indicates changes over time in ex-
6 penditures for consumption which are typical for in-
7 dividuals in the United States who have attained
8 early retirement age (as defined under section
9 216(l)(2) of the Social Security Act (42 U.S.C.
10 416(l)(2)) for purposes of an old-age, wife’s, or hus-
11 band’s insurance benefit.

12 (2) EFFECTIVE DATE.—Paragraph (1) shall
13 apply with respect to calendar months ending on or
14 after June 30 of the calendar year in which this Act
15 is enacted.

16 (3) AUTHORIZATION OF APPROPRIATIONS.—
17 There are authorized to be appropriated such sums
18 as are necessary to carry out the provisions of this
19 subsection.