

.....
(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R.

To improve the retirement security of United States families by strengthening
Social Security.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To improve the retirement security of United States families
by strengthening Social Security.

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 “Strengthening Social
5 Security Act of 2026”.

1 **SEC. 2. DETERMINATION OF TAXABLE WAGES AND SELF-**
2 **EMPLOYMENT INCOME ABOVE CONTRIBU-**
3 **TION AND BENEFIT BASE AFTER 2027.**

4 (a) DETERMINATION OF TAXABLE WAGES ABOVE
5 CONTRIBUTION AND BENEFIT BASE AFTER 2027.—

6 (1) AMENDMENTS TO THE INTERNAL REVENUE
7 CODE OF 1986.—Section 3121 of the Internal Rev-
8 enue Code of 1986 is amended—

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

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

17 “(c) SPECIAL RULES FOR WAGES AND EMPLOY-
18 MENT.—

19 “(1) APPLICABLE PERCENTAGE OF REMUNERA-
20 TION IN DETERMINING TAXABLE WAGES.—For pur-
21 poses of subsection (a)(1), the applicable percentage
22 for a calendar year shall be equal to—

23 “(A) for 2028, 80 percent,

24 “(B) for 2029 through 2031, the applica-
25 ble percentage under this paragraph for the

1 previous year, decreased by 20 percentage
2 points, and

3 “(C) for 2032 and each year thereafter, 0
4 percent.

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

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

10 (A) in subsection (a)(1)(I)—

11 (i) by inserting “and before 2028”
12 after “1974”; and

13 (ii) by inserting “and” after the semi-
14 colon;

15 (B) in subsection (a)(1), by adding at the
16 end the following new subparagraph:

17 “(J) The applicable percentage (deter-
18 mined under subsection (I)) of that part of re-
19 muneration which, after remuneration (other
20 than remuneration referred to in the succeeding
21 subsections of this section) equal to the con-
22 tribution and benefit base (determined under
23 section 230) with respect to employment has
24 been paid to an individual during any calendar
25 year after 2027 with respect to which such con-

1 tribution and benefit base is effective, is paid to
2 such individual during such calendar year;”;
3 and

4 (C) by adding at the end the following new
5 subsection:

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

8 “(1) for 2028, 80 percent,

9 “(2) for 2029 through 2031, the applicable per-
10 centage under this subsection for the previous year,
11 decreased by 20 percentage points, and

12 “(3) for 2032 and each year thereafter, 0 per-
13 cent.”.

14 (3) EFFECTIVE DATE.—The amendments made
15 by this subsection shall apply with respect to remun-
16 eration paid in calendar years after 2027.

17 (b) DETERMINATION OF TAXABLE SELF-EMPLOY-
18 MENT INCOME ABOVE CONTRIBUTION AND BENEFIT
19 BASE AFTER 2027.—

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

23 (A) in subsection (b)(1), by striking “that
24 part of the net earnings” and all that follows
25 through “minus” and inserting the following:

1 “an amount equal to the applicable percentage
2 (as determined under subsection (d)(2)) of that
3 part of the net earnings from self-employment
4 which is in excess of the difference (not to be
5 less than 0) between (i) an amount equal to the
6 contribution and benefit base (as determined
7 under section 230 of the Social Security Act)
8 which is effective for the calendar year in which
9 such taxable year begins, and”;

10 (B) in subsection (d)—

11 (i) by striking “(d) EMPLOYEE AND
12 WAGES.—The term” and inserting the fol-
13 lowing:

14 “(d) RULES AND DEFINITIONS.—

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

16 (ii) by adding at the end the fol-
17 lowing:

18 “(2) APPLICABLE PERCENTAGE OF NET EARN-
19 INGS FROM SELF-EMPLOYMENT IN DETERMINING
20 TAXABLE SELF-EMPLOYMENT INCOME.—For pur-
21 poses of subsection (b)(1), the applicable percentage
22 for a taxable year beginning in any calendar year re-
23 ferred to in such paragraph shall be equal to—

24 “(A) for 2028, 80 percent,

1 “(B) for 2029 through 2031, the applica-
2 ble percentage under this paragraph for the
3 previous year, decreased by 20 percentage
4 points, and

5 “(C) for 2032 and each year thereafter, 0
6 percent.”.

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

10 (A) in subsection (b)—

11 (i) in paragraph (1)(I)—

12 (I) by striking “or” after the
13 semicolon; and

14 (II) by inserting “and before
15 2028” after “1974”;

16 (ii) by redesignating paragraph (2) as
17 paragraph (3); and

18 (iii) by inserting after paragraph (1)
19 the following:

20 “(2) For any taxable year beginning in any cal-
21 endar year after 2027, an amount equal to the appli-
22 cable percentage (as determined under subsection
23 (1)) of that part of net earnings from self-employ-
24 ment which is in excess of the difference (not to be
25 less than 0) between—

1 “(A) an amount equal to the contribution
2 and benefit base (as determined under section
3 230) that is effective for such calendar year,
4 and

5 “(B) the amount of the wages paid to such
6 individual during such taxable year, or”; and

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

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

11 “(1) for 2028, 80 percent,

12 “(2) for 2029 through 2031, the applicable per-
13 centage under this subsection for the previous year,
14 decreased by 20 percentage points, and

15 “(3) for 2032 and each year thereafter, 0 per-
16 cent.”.

17 (3) EFFECTIVE DATE.—The amendments made
18 by this subsection shall apply with respect to taxable
19 years beginning during or after calendar year 2028.

20 **SEC. 3. ADJUSTMENTS TO BEND POINTS IN DETERMINING**
21 **PRIMARY INSURANCE AMOUNT AND INCLU-**
22 **SION OF SURPLUS EARNINGS FOR BENEFIT**
23 **DETERMINATIONS.**

24 (a) ADJUSTMENTS RELATING TO FIRST BEND
25 POINT.—

1 (1) INCREASE IN FIRST BEND POINT FACTOR.—

2 (A) IN GENERAL.—Section 215(a)(1)(A)(i)
3 of the Social Security Act (42 U.S.C.
4 415(a)(1)(A)(i)) is amended by striking “90
5 percent” and inserting “95 percent”.

6 (B) EFFECTIVE DATE; APPLICATION
7 RULE.—The amendment made by subparagraph
8 (A) shall apply with respect to computations or
9 recomputations of primary insurance amounts
10 made on or after January 1, 2032, except that
11 section 215(a)(1)(A)(i) of the Social Security
12 Act shall be applied by making the following
13 substitutions for “95 percent” for computations
14 and recomputations made in the following cal-
15 endar years:

16 (i) For calendar year 2032, by sub-
17 stituting “91 percent”.

18 (ii) For calendar year 2033, by sub-
19 stituting “92 percent”.

20 (iii) For calendar year 2034, by sub-
21 stituting “93 percent”.

22 (iv) For calendar year 2035, by sub-
23 stituting “94 percent”.

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

4 (A) by redesignating clause (iii) as clause
5 (iv); and

6 (B) by inserting after clause (ii) the fol-
7 lowing new clause:

8 “(iii) With respect to computations or recompu-
9 tations of primary insurance amounts made on or
10 after January 1, 2032, the amount determined
11 under clause (i) of this subparagraph for purposes
12 of subparagraph (A)(i) for such calendar year shall
13 be increased by—

14 “(I) for calendar year 2033, 1 percent,

15 “(II) for each of calendar years 2034
16 through 2046, the percent determined under
17 this clause for the preceding year increased by
18 1 percentage point, and

19 “(III) for calendar year 2047 and each
20 year thereafter, 15 percent.”.

21 (3) APPLICATION OF INCREASE; RECOMPUTA-
22 TIONS.—The amendments made by this subsection
23 shall apply with respect to every individual who be-
24 comes entitled to old-age or disability insurance ben-
25 efits under title II of the Social Security Act, or who

1 dies (before becoming so entitled), in any calendar
2 year. Notwithstanding section 215(f)(1) of the Social
3 Security Act, the Commissioner of Social Security
4 shall recompute the primary insurance amount of
5 each such individual on the first day of each cal-
6 endar year during the period beginning with cal-
7 endar year 2032 and ending with calendar year
8 2047 to the extent necessary to carry out the
9 amendments made by this section.

10 (b) INCLUSION OF SURPLUS AVERAGE INDEXED
11 MONTHLY EARNINGS IN DETERMINATION OF PRIMARY
12 INSURANCE AMOUNTS.—Section 215(a)(1)(A) of the So-
13 cial Security Act (42 U.S.C. 415(a)(1)(A)) is amended—

14 (1) in clauses (i), (ii), and (iii), by inserting
15 “basic” before “average indexed monthly earnings”
16 each place it appears;

17 (2) in clause (ii), by striking “and” at the end;

18 (3) in clause (iii), by adding “and” at the end;

19 and

20 (4) by inserting after clause (iii) the following
21 new clause:

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

24 (c) BASIC AIME AND SURPLUS AIME.—

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

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

4 and

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

11 (2) SURPLUS AIME.—

12 (A) IN GENERAL.—Section 215(b)(1) of
13 such Act (as amended by paragraph (1)) is
14 amended—

15 (i) by redesignating subparagraphs
16 (A) and (B) as clauses (i) and (ii), respec-
17 tively;

18 (ii) by inserting “(A)” after “(b)(1)”;

19 and

20 (iii) by adding at the end the fol-
21 lowing new subparagraph:

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

1 “(I) the total (after adjustment under para-
2 graph (3)(B)) of such individual’s surplus earnings
3 (determined under clause (ii)) for such individual’s
4 benefit computation years (determined under para-
5 graph (2)), by

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

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

14 (B) CONFORMING AMENDMENT.—The
15 heading for section 215(b) of such Act is
16 amended by striking “Average Indexed Monthly
17 Earnings” and inserting “Basic Average In-
18 dexed Monthly Earnings; Surplus Average In-
19 dexed Monthly Earnings”.

20 (3) ADJUSTMENT OF SURPLUS EARNINGS FOR
21 PURPOSES OF DETERMINING SURPLUS AIME.—Sec-
22 tion 215(b)(3) of such Act (42 U.S.C. 415(b)(3)) is
23 amended—

24 (A) in subparagraph (A), by striking “sub-
25 paragraph (B)” and inserting “subparagraph

1 (C)” and by inserting “and determination of
2 basic average indexed monthly income” after
3 “paragraph (2)”;

4 (B) by redesignating subparagraph (B) as
5 subparagraph (C); and

6 (C) by inserting after subparagraph (A)
7 the following new subparagraph:

8 “(B) For purposes of determining under paragraph
9 (1)(B) an individual’s surplus average indexed monthly
10 earnings, the individual’s surplus earnings (described in
11 paragraph (2)(B)(ii)) for a benefit computation year shall
12 be deemed to be equal to the product of—

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

16 “(ii) the quotient described in subparagraph
17 (A)(ii).”.

18 (d) EFFECTIVE DATE.—The amendments made by
19 subsections (b) and (c) shall apply with respect to individ-
20 uals who initially become eligible (within the meaning of
21 section 215(a)(3)(B) of the Social Security Act) for old-
22 age or disability insurance benefits under title II of the
23 Social Security Act, or who die (before becoming eligible
24 for such benefits), in any calendar year after 2032.

1 **SEC. 4. CONSUMER PRICE INDEX FOR ELDERLY CON-**
2 **SUMERS.**

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

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

16 (c) AUTHORIZATION OF APPROPRIATIONS.—There
17 are authorized to be appropriated such sums as are nec-
18 essary to carry out the provisions of this section.

19 **SEC. 5. COMPUTATION OF COST-OF-LIVING INCREASES FOR**
20 **SOCIAL SECURITY BENEFITS.**

21 (a) IN GENERAL.—Section 215(i) of the Social Secu-
22 rity Act (42 U.S.C. 415(i)) is amended—

23 (1) in paragraph (1)(G), by inserting before the
24 period the following: “, and, with respect to any
25 monthly insurance benefit payable under this title,
26 effective for adjustments under this subsection to

1 the primary insurance amount on which such benefit
2 is based (or to any such benefit under section 227
3 or 228), the applicable Consumer Price Index shall
4 be deemed to be the Consumer Price Index for El-
5 derly Consumers and such primary insurance
6 amount shall be deemed adjusted under this sub-
7 section using such Index”; and

8 (2) in paragraph (4), by striking “and by sec-
9 tion 9001” and inserting “, by section 9001”, and
10 by inserting after “1986,” the following: “and by
11 section 5(a) of the Strengthening Social Security Act
12 of 2026,”.

13 (b) CONFORMING AMENDMENTS IN APPLICABLE
14 FORMER LAW.—Section 215(i)(1)(C) of the Social Secu-
15 rity Act, as in effect in December 1978 and applied in
16 certain cases under the provisions of such Act in effect
17 after December 1978, is amended by inserting before the
18 period the following: “, and, with respect to any monthly
19 insurance benefit payable under this title, effective for ad-
20 justments under this subsection to the primary insurance
21 amount on which such benefit is based (or to any such
22 benefit under section 227 or 228), the applicable Con-
23 sumer Price Index shall be deemed to be the Consumer
24 Price Index for Elderly Consumers and such primary in-

1 surance amount shall be deemed adjusted under this sub-
2 section using such Index”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to determinations made by the
5 Commissioner of Social Security under section 215(i)(2)
6 of the Social Security Act (42 U.S.C. 415(i)(2)) with re-
7 spect to cost-of-living computation quarters ending on or
8 after September 30, 2027.

9 **SEC. 6. IMPROVING SOCIAL SECURITY BENEFITS FOR WID-**
10 **OWS AND WIDOWERS IN TWO-INCOME HOUSE-**
11 **HOLDS.**

12 (a) IN GENERAL.—

13 (1) WIDOWS.—Section 202(e) of the Social Se-
14 curity Act (42 U.S.C. 402(e)) is amended—

15 (A) in paragraph (1)—

16 (i) in subparagraph (B), by inserting
17 “and” at the end;

18 (ii) in subparagraph (C)(iii), by strik-
19 ing “and” at the end;

20 (iii) by striking subparagraph (D);

21 (iv) by redesignating subparagraphs
22 (E) and (F) as subparagraphs (D) and
23 (E), respectively; and

24 (v) in the flush matter following sub-
25 paragraph (E)(ii), as so redesignated, by

1 striking “or becomes entitled to an old-age
2 insurance benefit” and all that follows
3 through “such deceased individual,”;

4 (B) by striking subparagraph (A) in para-
5 graph (2) and inserting the following:

6 “(2)(A) Except as provided in subsection
7 (k)(5), subsection (q), and subparagraph (D) of this
8 paragraph, such widow’s insurance benefit for each
9 month shall be equal to the greater of—

10 “(i) subject to paragraph (9), the primary
11 insurance amount (as determined for purposes
12 of this subsection after application of subpara-
13 graphs (B) and (C)) of such deceased indi-
14 vidual, or

15 “(ii) subject to paragraphs (9) and (10), in
16 the case of a fully insured widow or surviving
17 divorced wife, 75 percent of the sum of any old-
18 age or disability insurance benefit for which the
19 widow or the surviving divorced wife is entitled
20 for such month and the primary insurance
21 amount (as determined for purposes of this
22 subsection after application of subparagraphs
23 (B) and (C)) of such deceased individual.”;

24 (C) in paragraph (5)—

1 (i) in subparagraph (A), by striking
2 “paragraph (1)(F)” and inserting “para-
3 graph (1)(E)”; and

4 (ii) in subparagraph (B), by striking
5 “paragraph (1)(F)(i)” and inserting
6 “paragraph (1)(E)(i)”; and

7 (D) by adding at the end the following new
8 paragraphs:

9 “(9) For purposes of clauses (i) and (ii) of
10 paragraph (2)(A), in the case of a surviving divorced
11 wife, the amount determined under either such
12 clause (and, for purposes of clause (ii) of paragraph
13 (2)(A), as determined after application of paragraph
14 (10)) shall be equal to the applicable percentage (as
15 determined under section 202(b)(2)(B)) of such
16 amount (as determined before application of this
17 paragraph but after application of subsection
18 (k)(3)).

19 “(10) For purposes of paragraph (2)(A)(ii), the
20 amount determined under such paragraph shall not
21 exceed the primary insurance amount for such
22 month of a hypothetical individual—

23 “(A) who became entitled to old-age insur-
24 ance benefits upon attaining early retirement
25 age during the month in which the deceased in-

1 dividual referred to in paragraph (1) became
2 entitled to old-age or disability insurance bene-
3 fits, or died (before becoming entitled to such
4 benefits), and

5 “(B) to whom wages and self-employment
6 income were credited in each of such hypo-
7 thetical individual’s elapsed years (within the
8 meaning of section 215(b)(2)(B)(iii)) in an
9 amount equal to the national average wage
10 index (as described in section 209(k)(1)) for
11 each such year.”.

12 (2) WIDOWERS.—Section 202(f) of the Social
13 Security Act (42 U.S.C. 402(f)) is amended—

14 (A) in paragraph (1)—

15 (i) in subparagraph (B), by inserting
16 “and” at the end;

17 (ii) in subparagraph (C)(iii), by strik-
18 ing “and” at the end;

19 (iii) by striking subparagraph (D);

20 (iv) by redesignating subparagraphs
21 (E) and (F) as subparagraphs (D) and
22 (E), respectively; and

23 (v) in the flush matter following sub-
24 paragraph (E)(ii), as so redesignated, by
25 striking “or becomes entitled to an old-age

1 insurance benefit” and all that follows
2 through “such deceased individual,”;

3 (B) by striking subparagraph (A) in para-
4 graph (2) and inserting the following:

5 “(2)(A) Except as provided in subsection
6 (k)(5), subsection (q), and subparagraph (D) of this
7 paragraph, such widower’s insurance benefit for
8 each month shall be equal to the greater of—

9 “(i) subject to paragraph (9), the primary
10 insurance amount (as determined for purposes
11 of this subsection after application of subpara-
12 graphs (B) and (C)) of such deceased indi-
13 vidual, or

14 “(ii) subject to paragraphs (9) and (10), in
15 the case of a fully insured widower or surviving
16 divorced husband, 75 percent of the sum of any
17 old-age or disability insurance benefit for which
18 the widower or the surviving divorced husband
19 is entitled for such month and the primary in-
20 surance amount (as determined for purposes of
21 this subsection after application of subpara-
22 graphs (B) and (C)) of such deceased indi-
23 vidual.”;

24 (C) in paragraph (5)—

1 (i) in subparagraph (A), by striking
2 “paragraph (1)(F)” and inserting “para-
3 graph (1)(E)”; and

4 (ii) in subparagraph (B), by striking
5 “paragraph (1)(F)(i)” and inserting
6 “paragraph (1)(E)(i)”; and

7 (D) by adding at the end the following new
8 paragraphs:

9 “(9) For purposes of clauses (i) and (ii) of
10 paragraph (2)(A), in the case of a surviving divorced
11 husband, the amount determined under either such
12 clause (and, for purposes of clause (ii) of paragraph
13 (2)(A), as determined after application of paragraph
14 (10)) shall be equal to the applicable percentage (as
15 determined under section 202(c)(2)(B)) of such
16 amount (as determined before application of this
17 paragraph but after application of subsection
18 (k)(3)).

19 “(10) For purposes of paragraph (2)(A)(ii), the
20 amount determined under such paragraph shall not
21 exceed the primary insurance amount for such
22 month of a hypothetical individual—

23 “(A) who became entitled to old-age insur-
24 ance benefits upon attaining early retirement
25 age during the month in which the deceased in-

1 dividual referred to in paragraph (1) became
2 entitled to old-age or disability insurance bene-
3 fits, or died (before becoming entitled to such
4 benefits), and

5 “(B) to whom wages and self-employment
6 income were credited in each of such hypo-
7 thetical individual’s elapsed years (within the
8 meaning of section 215(b)(2)(B)(iii)) in an
9 amount equal to the national average wage
10 index (as described in section 209(k)(1)) for
11 each such year.”.

12 (b) **EFFECTIVE DATE.**—The amendments made by
13 this section shall apply with respect to widow’s and wid-
14 ower’s insurance benefits payable for months after Decem-
15 ber 2027.

16 **SEC. 7. HOLDING SSI BENEFICIARIES HARMLESS.**

17 For purposes of determining the income of an indi-
18 vidual to establish eligibility for, and the amount of, bene-
19 fits payable under title XVI of the Social Security Act,
20 the amount of any benefit to which the individual is enti-
21 tled under title II of such Act shall be deemed not to ex-
22 ceed the amount of the benefit that would be determined
23 for such individual under such title as in effect on the day
24 before the date of the enactment of this Act.