Men and Women: Changing Roles and Social Security*

In the Social Security Amendments of 1977, Congress called for a study to examine ways to eliminate dependency as a factor in determining entitlement to spouse's benefits under the social security program as well as proposals to bring about the equal treatment of men and women. The report of the study undertaken in response to that charge explores two options for making broad-scale changes—earnings sharing and the establishment of a double-decker benefit structure. The study was conducted by the Social Security Administration with assistance from the Department of Justice Task Force on Sex Discrimination and several other interested bodies. Public views were obtained from responses to the report of the HEW Task Force on the Treatment of Women Under Social Security and letters to the Advisory Council on Social Security. The Advisory Council is expected to make use of this report in its deliberations. The extensive excerpts that follow, which relate to the comprehensive options discussed, are taken verbatim from the summary of the report prepared by the Department of Health, Education, and Welfare.

Under the Social Security Amendments of 1977 (P.L. 95–216), the Congress required the Secretary of Health, Education, and Welfare, in consultation with the Department of Justice Task Force on Sex Discrimination, to study and prepare a report on proposals to eliminate dependency as a factor in entitlement to social security spouse's benefits and to eliminate sex discrimination under the social security program.

When the social security program was established in 1935, basic protection was provided for workers in the jobs that were covered under social security. In 1939, before social security benefits were first paid, supplementary protection was provided for workers' wives and widows as dependents. This method of providing protection reflected a pattern of family relationships in American society—lifelong marriages in which women were solely homemakers and men provided economic support—that was much more common then than today.

The traditional roles of lifelong homemaker and lifelong paid worker are no longer as typical; rather, there is a growing diversity of roles. The labor-force participation of married women had grown from 17 percent in 1940 to about 47 percent in 1977 and is expected to continue to grow. Although more married women are working, the majority do not work when their children are very young. In 1977, 39 percent of married women under age 55 with preschool-aged children who were living with their husbands were in the paid labor force.

The increase in the divorce rate also has contributed to the growing diversity of family roles and work patterns since many divorced women must work to support themselves or their families. The ratio of divorces to marriages increased from one in six in 1940 to one in two in 1975. The marriages of one in three women age 26 to 40 are expected to end in divorce.

For a variety of reasons, many more married women are working but no typical pattern of lifetime roles is emerging. Some married women are lifetime homemakers, some are paid workers throughout their lives, and others combine these two roles.

There also have been changes in the way society in general thinks about the role of women and in the way women view themselves. There is a growing perception

* For further details of the study, see the full report, **Social Security and the Changing Roles of Men and Women,** Department of Health, Education, and Welfare, February 1979.

that married women should not be treated as dependents under social security because so many of them work in paid jobs and are not financially dependent on their husbands. Women are increasingly recognized as equal partners in marriage, which is viewed as an interdependent economic relationship where each spouse renders services of an economic value to the family. And women generally view themselves as having a choice of careers—working in paid employment, working as unpaid homemakers, or both.

As a result of these changes in society, interest has grown in the way women are treated under the social security program. A central issue is whether the system of dependent's benefits designed decades ago adequately serves today's society. The present social security structure works best in the case of a lifelong married couple where one spouse is a lifelong paid worker and the other is a lifelong homemaker. Many believe that social security should be changed so that it accommodates the diversity of roles and work patterns of men and women in today's society.

In addition to the issue of the dependency basis of benefits, a number of other important social security issues are discussed . . . the fairness of treatment of couples when both spouses work, and the adequacy of protection for divorced people, disabled homemakers, widows, etc. . . .

The report explores two comprehensive options for dealing with the issues that arise from the present system of providing dependent's benefits. The two options are earnings sharing and establishment of a new double-decker benefit structure for the social security program.

This report is intended to focus public debate on concerns about the way social security relates to the present complex and diversified structure of American society and on various options to deal with these concerns. The report contains no recommendations for legislative changes; such recommendations would be premature at this time. Extensive public debate of the issues and options is necessary before any consensus can be reached on what changes might be desirable. In addition, the options discussed are complex and will require further refinement and study before their precise effects on the protection of various groups, and on other public and private income maintenance programs, are fully known.

Issues

Most of the issues that have been raised pivot on the fact that married women generally have social security protection as dependents of their husbands. Under the current program, a married woman can receive benefits as a dependent wife or widow (or ex-wife) of a covered worker; she can also receive benefits as a covered worker in her own right, but she cannot receive both benefits in full. If she is entitled to both a worker's benefit and a dependent's benefit, she receives an amount equal to the higher of the two benefits—that is, she receives her worker's benefit plus the amount, if any, by which the spouse's benefit exceeds the worker's benefit. . . .

The concerns about the social security protection of women relate to the fundamental goals of the system which are to provide benefits that are adequate to meet important social needs and at the same time are equitably distributed among different categories of beneficiaries and contributors to the program. In many cases, the goals of adequacy and equity are inconsistent; program changes that improve adequacy may reduce equity and vice-versa. This tension has been with the system since its inception, and the appropriate balance between these two goals is often a source of controversy.

The issues that have been identified are fundamentally tied to the social security program's twin goals of adequacy and equity and the conflicts between them. Reducing inequities for women workers while providing adequate protection for women with little paid work history will involve striking a new balance between the adequacy and equity of the social security system.

Adequacy Concerns

One area of concern arises from gaps and inadequacies in the protection provided for homemakers and dependent spouses. Homemaker or childcare activities may preclude or reduce participation of married women in the paid labor force therefore preventing them from obtaining primary protection as workers. Also, since dependent's benefits are based on a proportion of the worker's benefits and are only payable under certain conditions, homemakers may have inadequate protection under social security. These concerns include:

- Married women workers get substantially lower benefits than men workers both because they frequently spend time out of the paid labor force (or work part time) to perform homemaker or childcare activities and because average wages for women are lower than for men.
- The divorced wife's benefit of 50 percent of the worker's benefit is often not adequate to support a divorced homemaker living alone. A divorced person has no social security protection based on the marriage if it lasted less than 10 years. . . .
- Widowed homemakers under age 60 cannot receive benefits unless they are either at least age 50 and disabled or are caring for children. Many widows have no social security protection during a period when they may face difficulty entering or reentering the labor force.

- Women working in the home have gaps in disability protection. Benefits are not provided for disabled homemakers or their children if the homemaker has no recent attachment to the paid work force. Widows who become disabled under age 50 do not have disability protection.

- Aged widows frequently remain on the benefit rolls for many years; they often do not have resources to supplement their social security benefits, may live in poverty, and may need additional protection.

Equity Concerns

A second area of concern centers on the equity of benefits between one- and two-earner couples and married and single workers. These concerns include:

- . . . Married women may find that the social security protection they earn as workers may duplicate, rather than add to, the protection they already have as spouses.

- Some two-earner couples are concerned that benefits are often higher for couples where one spouse earned all (or most) of the income than for couples where both spouses had earnings even though their total family earnings are the same.

- Since benefits are payable to dependents, married workers receive greater protection under social security than single workers, even though both pay social security taxes at the same rate; single workers may view this situation as inequitable.

Comprehensive Options

. . . Under earnings sharing, 50 percent of the total annual earnings of the couple would be credited to each spouse's individual earnings record. The benefits for each spouse would be based on one-half of the couple's earnings during years of marriage and on individual earnings while unmarried. The idea underlying earnings sharing is that each spouse is an equal partner in marriage and each—whether a worker in paid employment or an unpaid homemaker—should have equal credit for total family earnings. This idea implies, then, that each should have equal protection in his or her own right rather than as a dependent of the other spouse.

Under a double-decker plan a new two-tier benefit system would be established. A flat-dollar benefit (tier I) would be payable to everyone, regardless of earnings, who met certain requirements. In addition, an earnings-related benefit (tier II) would be payable on the basis of earnings from employment covered under social security. Certain features of the earnings sharing option would be incorporated in the provisions for tier II to deal more comprehensively with the issues. . . .

In designing the options, arbitrary decisions were frequently necessary to estimate costs. In general, the options were designed with the idea that a new benefit system should result in costs that would approximate long-range costs under present law. Because of these cost constraints, when benefits were increased in some areas, reductions were provided in other areas. Further, to hold down costs, benefits for one- and two-earner couples were equalized by reducing benefits for one-earner couples rather than by raising benefits for two-earner couples.

The estimated long-range (75-year) cost of the earnings-sharing option comes very close to approximating long-range costs under present law. This option is estimated to decrease long-range costs by an average 0.06 percent of taxable payroll.[1] (If applied to 1979 taxable payroll, 0.06 percent would represent savings of $0.6 billion over present law.)

The long-range costs of the double-decker plan are highly dependent on how the benefits are adjusted to keep pace with rising wages or prices. Under various assumptions for adjusting the benefits the estimated long-range cost of the double-decker plan would range from a cost of 0.50 percent of taxable payroll ($5 billion if applied to 1979 taxable payroll) to a savings of 1.86 percent of taxable payroll ($19 billion if applied to 1979 taxable payroll). The long-range cost of the double-decker plan could closely approximate present law costs by changing the way the tier I benefit is adjusted for changes in economic conditions or by making other changes in the plan. . . .

Option #1: Earnings Sharing

Under earnings sharing, a couple's annual earnings would be divided equally between them for the years they were married for purposes of computing retirement benefits. The earnings would be divided when the couple divorced or when one spouse reached age 62. This would entitle each spouse to a primary benefit which would replace aged dependent spouse's and surviving spouse's benefits provided under present law.

The basic earnings-sharing idea has been modified in certain respects in order to pay benefits that are somewhat comparable to present law benefits. The modifications are:

1. When one spouse dies, the survivor would be credited with 80 percent of the total annual earnings of the couple during the marriage, but not less than 100 percent of the earnings of the higher earner.

2. For purposes of benefits for young survivors—

[1] Long-range costs are expressed as a percentage of taxable payroll. The cost or saving of a provision represents the average amount over a 75-year period by which the combined employee-employer social security tax rate would have to be raised or lowered to leave the social security trust funds in the same financial position.

children and young surviving spouses caring for children—earnings would not be transferred between the spouses with regard to a marriage in effect at the time of death. Benefits for young survivors would be based on any earnings credits the deceased person had from paid work (while unmarried or during a current marriage), plus any credits acquired as a result of a prior marriage terminated by death or divorce.

3. For purposes of disability benefits, earnings would not be shared with regard to a marriage still in effect at the time of disability. Disability benefits would be based on any earnings credits the disabled person had from paid work (while unmarried or during the current marriage), plus any credits acquired from a prior marriage.

Option #1 also includes certain features that are not essential to earnings sharing. These features are included to illustrate one way of dealing comprehensively with the concerns that have been raised or to limit the cost of the option to roughly that of present law. For example, benefits would be payable to surviving mothers and fathers only until the youngest child reaches age 7, rather than age 18 as under present law. To make up partially for this benefit loss, an adjustment benefit equal to 100 percent of the deceased spouse's benefit would be payable for one year following the death of the spouse. This benefit would be paid regardless of whether there are any children in the family eligible for benefits.

Response to issues. Following is a list of the ways earnings sharing would respond to the issues discussed previously.

1. **Low benefits for women workers who spend time out of the paid labor force in childcare and homemaking activities.** The plan would not reduce the number of years used to compute average earnings but would improve the protection of married women through sharing of earnings during a marriage.

2. **Gaps in protection for divorced women.** The sharing, upon divorce, of earnings during a marriage would help prevent gaps in protection for divorced women; each spouse would have protection in his or her own right.

3. **Aged widows may need additional protection.** Inheritance of earnings credits would substantially improve protection for many survivors of two-earner couples with lifelong marriages; benefits for the survivors of one-earner couples would not vary substantially from present law.

4. **Benefits are not provided for nondisabled surviving spouses under age 60 unless they are caring for children.** Persons widowed before retirement age would receive an adjustment benefit for one year. Protection would be reduced for some widowed persons under age 60 who do not have children under age 7 in their care. (Under present law widows can receive benefits if they have a child under age 18 in their care.) Under the earnings-sharing option, only the one-year adjustment benefit would be paid to surviving spouses who do not have a child under age 7 in their care. Aged surviving spouses could not get benefits (other than the adjustment benefit) until age 62, rather than age 60 as under present law.

5. **Some married women workers do not meet the recency-of-work test to qualify for disability benefits.** Earnings credits acquired due to death of a spouse or divorce would help some divorced and widowed women to meet the recency-of-work test.

6. **Benefits are not provided for disabled homemakers.** This option would not provide disability protection for married homemakers.

7. **Benefits are not provided for disabled widows and widowers under age 50.** Surviving spouses would acquire earnings credits that would count toward disability protection in their own right at any age.

8. **Benefits are not provided for survivors of deceased homemakers.** This option would not provide protection for the survivors of married homemakers who died. Divorced and widowed homemakers would acquire earnings credits that would count toward protection for their survivors.

9. **Benefits of married women as paid workers largely duplicate their benefits as dependents.** Each spouse would get a benefit based on his or her earnings while single, and earnings credits acquired as a result of marriage.

10. **Different benefit amounts may be paid to married couples with the same total average earnings.** Retired couples (in a lifelong marriage) with the same total average earnings would receive the same total benefits.

11. **Different benefit amounts may be paid to the survivors of married couples with the same total average earnings.** The difference in benefits for survivors of one- and two-earner couples would be reduced but not eliminated.

12. **Married workers have greater social security protection than single workers.** Elimination of dependent spouse's benefits would decrease the difference in protection of married workers compared to single workers under present law.

Major Effects of Earnings Sharing

Effects on retired people. Retirement benefits would be the same for lifelong married couples with the same total average earnings. Benefits would be reduced for one-earner couples; the benefit of the higher-earning spouse would be less than under present law and the benefit of the lower-earning spouse would be higher. For most couples in which no dependent spouse's benefit would be payable under present law, there would be no change in benefit amounts. Assuming a lifelong marriage, each spouse would receive the same benefit amount.

Under the 50-50 sharing of earnings at divorce, the lower-earning spouse would have greater protection and

the higher-earning spouse would have lower protection than under present law. The amount of change would depend on the duration of the marriage and the level of earnings, if any, of each spouse both during and after the marriage.

Benefits equal to 50 percent of the retired person's basic benefit would be paid to children and young spouses caring for children under age 7 (or disabled). The same maximum limit on family benefits would apply that applies under present law.

Effects on survivors. The surviving spouse would inherit 80 percent of the total annual earnings of the couple during the marriage, but not less than 100 percent of the earnings of the higher-earning spouse. Survivors of two-earner couples (with lifelong marriages) would generally get higher benefits than under present law. Benefits for survivors of one-earner couples would generally be about the same as under present law—they could exceed benefits for survivors of two-earner couples with the same total average earnings, although by less than under present law.

Protection would be reduced for surviving spouses with a child in their care as follows: (1) No benefits would be paid unless the child were under age 7 (rather than under age 18 as under present law); and (2) the benefit amount would be 50 percent of the worker's basic benefit (rather than 75 percent as under present law).

This modification of present law was included to reduce costs, to reduce the payment of benefits to spouses as dependents, and to channel benefits more directly to children. Since the labor-force participation of women increases substantially when they do not have preschool-age children, there may be less need to provide a monthly benefit for such women.

An adjustment benefit equal to 100 percent of the deceased spouse's basic benefit would be provided for one year for surviving spouses under age 62 to help meet the special needs of homemakers widowed before old age.

Dependent's benefits would not be paid to widows and widowers age 60 and 61 or to disabled widows and widowers age 50–60, but they would qualify for an adjustment benefit; such people might have disability protection in their own right based on inherited earnings credits.

The benefit for a surviving child under age 18 or disabled would be 100 percent of the deceased person's basic benefit (rather than 75 percent as under present law). Where there is more than one surviving child in a family, the total benefits to the children would be equal to 100 percent of the worker's basic benefit for one child plus 50 percent of the worker's basic benefit for each additional child. Each child would get an equal share of the total.

Earnings during a marriage still in effect at the time one spouse dies would not be shared (or inherited) for purposes of paying benefits to young survivors. As a result, when a lifelong-married homemaker dies, her surviving children would not receive benefits. However, divorced or widowed homemakers could become insured for benefits as a result of earnings sharing at divorce or inheriting earnings at death.

Effects on disabled people. Benefits for a disabled earner would be roughly the same as present law benefits. Benefits would be based on the person's own earnings, taking into account earnings shared with a spouse during a prior marriage or credits acquired due to the death of a spouse.

Disabled lifelong homemakers could be eligible for disability protection only on the basis of earnings credits acquired as a result of divorce or death of a prior spouse; earnings of a spouse in a current marriage could not be counted.

Although the present survivor's benefits for disabled widows and widowers would be eliminated, widowed homemakers might qualify for disability benefits on the basis of earnings credits inherited when their spouses died. The disability benefits would be payable at any age (not only between age 50–60 as under present law).

Disability protection for lower-paid or non-paid divorced spouses would be improved as the result of the 50–50 split of earnings at divorce. Disability protection for divorced people who were the higher (or sole) earner would be reduced due to the 50–50 split of earnings.

The provisions for children and spouses with children in their care would be the same as for dependents of retired earners.

Option #2: Double-Decker Benefit Structure

Under the double-decker option, each U.S. resident would have retirement, survivors, and disability protection. This universal protection would be the first tier of a two-tier system. Tier I would be a flat-dollar payment of $122 for U.S. residents beginning at age 65 (or upon disability). Reduced benefits would be paid as early as age 62. Tier II would be a benefit equal to 30 percent of a person's average earnings in covered employment. Tier II benefits would be payable as early as age 62 (reduced if taken before age 65). The benefit for an aged or disabled worker would be equal to the sum of a tier I and a tier II benefit.

Under the double-decker option, the adequacy and equity elements of the program would be separated—tier I generally would provide the social adequacy element and tier II the equity element. Dealing with the goals

of adequacy and equity with separate benefit tiers should make it easier for the public to understand the underlying principles and for policymakers to develop proposals to fulfill specific goals.

A number of the features of this option are not an integral part of a basic double-decker system but were included to improve the protection of specific groups of persons. Such features include the 50–50 split of earnings at divorce, the inheritance of earnings by a surviving spouse for purposes of computing tier II benefits, and the provision of an adjustment benefit to a surviving spouse at any age. These features of the plan are generally the same as those under earnings sharing although the benefit amounts would be somewhat different due to the different benefit structure.

Response to issues. Following is a list of the ways the double decker option would respond to the issues discussed previously.

1. **Low benefits for women workers who spend time out of the paid labor force in childcare and homemaking activities.** The plan would not reduce the number of years used to compute average earnings for tier II benefit purposes, but it would improve protection for some women workers by providing for a split of earnings upon divorce and inheritance of earnings credits from a deceased spouse.

2. **Gaps in protection for divorced women.** Aged or disabled divorced persons would get a tier I benefit; divorced persons would get earnings credits for tier II purposes equal to half of the couple's annual earnings during their marriage.

3. **Aged widows may need additional protection.** Aged or disabled widowed persons would get a tier I benefit; inheritance of earnings credits for tier II purposes would improve protection for many widows.

4. **Benefits are not provided for nondisabled surviving spouses under age 60 unless they are caring for children.** Persons widowed before retirement age would receive an adjustment benefit for one year. Protection would be reduced for some widowed persons under age 60 who do not have children under age 7 in their care. (Under present law widows can receive benefits if they have a child under age 18 in their care.) Under the double-decker option, only the one-year adjustment benefit would be paid to surviving spouses who do not have children under age 7 in their care. Aged surviving spouses could not get benefits (other than the adjustment benefit) until age 62, rather than age 60 as under present law.

5. **Some married women workers do not meet the recency-of-work test to qualify for disability benefits.** There would be no insured status requirements to qualify for disability benefits under either test.

6. **Benefits are not provided for disabled homemakers.** Disabled homemakers could receive a tier I benefit. If they acquired any earnings credits, they could also get a tier II benefit.

7. **Benefits are not provided for disabled widows and widowers under age 50.** Disabled widows would receive full tier I benefits at any age plus tier II benefits based on earnings credits acquired as a result of their own paid work or from prior marriages.

8. **Benefits are not provided for survivors of deceased homemakers.** Survivors of deceased homemakers could receive tier I benefits plus any tier II benefits based on individual earnings and earnings credits acquired due to prior marriages.

9. **Benefits of married women as paid workers largely duplicate their benefits as dependents.** Each aged or disabled person would get a tier I benefit in his or her own right, plus a tier II benefit if he or she had earnings credits.

10. **Different benefit amounts may be paid to married couples with the same total average earnings.** Retired couples with the same total average earnings would receive the same total benefits.

11. **Different benefit amounts may be paid to the survivors of married couples with the same total average earnings.** The difference in benefits for survivors of one- and two-earner couples would be reduced but not eliminated.

12. **Married workers have greater social security protection than single workers.** Elimination of dependent spouse's benefits would decrease the advantage of married workers under present law.

Major Effects of Double-Decker Plan

Effects on retired people. Older people who are not eligible for any social security benefits under present law would get a tier I benefit. If they had any covered earnings, they would also get a tier II benefit even if they were not insured for benefits under present law. Benefit amounts would be lower than under present law for one-earner couples (except at very low earnings levels where they would be higher). Benefits for two-earner couples would not vary significantly from present law (except at very low earnings levels where they would be higher).

A homemaker spouse would get a tier I benefit in his or her own right instead of a dependent spouse's benefit as under present law. Tier I benefits would be higher than dependent spouse's benefits under present law in cases where the primary earner was low paid and lower in all others.

As under earnings sharing, earnings credits for each year of the marriage would be split 50–50 upon divorce. The effects on protection would be similar under both options although the benefit amounts involved would be different.

Benefits would be paid to children and young spouses caring for entitled children of retired workers under the same conditions as under earnings sharing but the benefit amounts would be different. Each would get a tier I benefit of $122. This would be more than present law benefits at average earnings levels of about $420

Comparison of major provisions under present law and comprehensive options

Provisions	Present law	Earnings sharing	Double decker
Eligibility for retirement benefits	Person must have worked in covered job long enough to be insured for benefits or be a dependent of such a person.	At least one spouse must be insured as under present law.	No insured status requirement for tier I or tier II.
Earnings credits	Person gets earnings credits based only on his or her own work in covered employment.	Total earnings of married couple divided equally between them for each year of the marriage and credited to their individual earnings records. Surviving spouse credited with 80 percent of earnings credits of couple (or 100 percent of higher earner's credits).	For tier II, earnings credits based on person's own work in covered employment. Earnings credits of married couples (while married) divided equally at divorce. Surviving spouse credited with 80 percent of earnings credits of couple (or 100 percent of higher earner's credits).
Benefits:			
A. Retired worker (married, separated, or divorced).	Gets weighted benefits based on own earnings credits.	Gets weighted benefit based on half of couple's earnings credits while married and own earnings credits while single, plus any credits acquired as a result of a prior marriage.	Gets tier I benefit of $122 plus tier II benefit equal to 30 percent of own average earnings and earnings credits acquired as a result of divorce or death of a spouse.
B. Aged homemaker (married, separated, or divorced).	Dependent spouse's benefit equal to 50 percent of retired worker's benefit.	No dependent spouse's benefits; gets benefits based on any earnings credits acquired through work or marriage.	No dependent spouse's benefits; gets tier I. Gets tier II if has any earnings credits acquired through work or as a result of a prior marriage.
C. Aged widow (er)	Dependent's benefit equal to 100 percent of deceased worker's benefit.	No dependent surviving spouse's benefit; gets benefit based on earnings record as described above (including credits inherited when spouse died).	No dependent surviving spouse's benefit; gets tier I. Also, tier II if has any earnings credits as described above (including credits inherited when spouse died).
D. Child	Benefit equal to 50 percent of worker's benefit paid to child of retired or disabled worker (75 percent for child of deceased worker) until child reaches age 18 (or 22, if a student). Where several children eligible family maximum applies.	Same as present law for child of retired or disabled worker. For surviving child, first child gets 100 percent of worker's benefit; 50 percent for each additional child. Total allocated equally among children and subject to family maximum.	Tier I benefit payable to child of retired, disabled, or deceased worker, subject to maximum of 250 percent of tier I benefit. In addition, in survivor cases, one tier II benefit equal to 100 percent of worker's benefit payable; benefit divided equally among children.
E. Young mother's or father's benefits.	50 percent benefit (75 percent in death cases) payable to young parent caring for child under age 18 (or disabled).	50 percent of the worker's benefit payable if there is an entitled child under age 7 in his or her care. (Not paid for any month an adjustment benefit payable.)	Tier I benefit payable if there is an entitled child under age 7 in his or her care.
F. Adjustment benefit for widow.	No comparable benefit. (Lump sum of $255 payable on death of worker.)	100 percent of deceased spouse's benefit payable for 1 year.	100 percent of deceased spouse's tier II benefit payable for 1 year.
G. Disabled person	Disabled worker who meets recency-of-work test gets benefit based on own earnings credits. Surviving spouse who meets stricter definition of disability can get a reduced dependent's benefit if aged 50 or older.	Insured person gets benefits same as present law based on earnings credits as described above, excluding credits acquired as a result of the present marriage.	Tier I payable. Also gets tier II if has any earnings credits acquired as described above. Where recency-of-work requirement is not met, a more strict definition of disability must be met.

and below, and less than present law benefits at higher levels.

A relatively small number of children and young spouses would qualify for benefits that they would not qualify for under present law because the retired person had not worked in jobs covered under social security.

Family benefits would be subject to a maximum family benefit of 250 percent of the tier I benefit—$305—plus a tier II benefit. The maximum family benefit would be lower than under present law at average earnings levels of about $530 or more; at lower levels there would be an increase.

Effects on survivors. Surviving spouses would inherit earnings as described under earnings sharing. Benefits for the survivor of a one-earner couple with a lifelong marriage would not vary substantially from present law benefits except that benefits would be higher than under present law at very high earnings levels.

Benefits for survivors of a lifelong marriage where both spouses had worked would be higher than under present law; benefits would increase the most where each spouse had the same amount of earnings.

Benefits would be payable to surviving spouses with children in their care under the same conditions as under earnings sharing. The amount would be a tier I benefit, which would be payable regardless of whether the deceased person had ever worked in covered employment.

A one-year adjustment benefit would be provided for a surviving spouse under age 62. The amount would be 100 percent of the tier II benefit, which would be computed based on all the earnings credits of the deceased person—including earnings credits acquired from any prior marriage—plus the actual earnings of the person during a marriage that had not terminated prior to death. This benefit would be paid in addition to any benefit payable because of caring for an entitled child.

Dependent's benefits would not be paid to widows and widowers age 60 and 61; they would qualify for a one-year adjustment benefit.

The benefits for a surviving child would be a tier I benefit plus a tier II benefit. Where there is more than one surviving child in a family, the total benefit to the children would be a tier I benefit for each child, plus one tier II benefit for the family. Each child would get an equal share of the total.

The level of dependent's benefits payable to a surviving family compared to present law would vary substantially depending on: (1) the deceased person's average lifetime earnings level, (2) whether or not an adjustment benefit is payable, and (3) whether or not there is an entitled child under age 7, so that mother's or father's benefits would be payable.

Effects on disabled people. Disability benefits would be payable to everyone who meets the applicable definition of disability; there would be no insured status requirement.[2] The benefit would be a tier I benefit; if the disabled person had earnings credits as a result of his or her own earnings or due to divorce or death of a spouse, tier II benefits would be payable as well.

Benefits payable to a disabled worker would bear roughly the same relationship to present law benefits as would retirement benefits.

Benefits would be payable to disabled homemakers who had not worked in covered employment. (They would also get Medicare protection if they were entitled to disability benefits for 24 consecutive months.)

Disabled widows and widowers of any age could get tier I and tier II disability benefits, not just those age 50–60 as under present law. The benefit amount would generally be higher than present law since there would be no reduction based on age at entitlement.

Disabled divorced spouses would qualify for a tier I benefit, plus a tier II benefit based on their own earnings and on earnings credits acquired at the time of divorce. If a disabled person who was divorced was the higher earner, his or her benefits could be much lower than under present law depending on the level of earnings of the spouses and the length of the marriage. A divorced person who was the lower earner would generally get higher benefits.

The provisions for children and young spouses caring for children of disabled persons would be the same as those for dependents of retired workers.

[2] If the recency-of-work test under present law were not met without the inclusion of earnings credits acquired due to death or divorce of a spouse, the stricter definition of disability applicable to disabled widows and widowers under present law would apply.