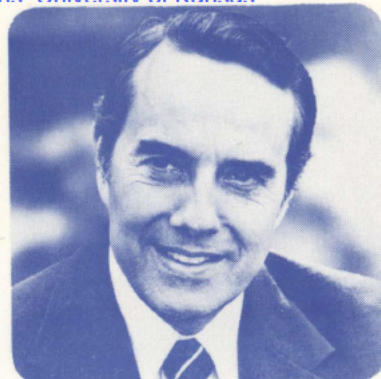


News from Senator

BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

FOR IMMEDIATE RELEASE
TUESDAY, OCTOBER 21, 1980

CONTACT: LINDA MC MAHON
(202) 224-6521

PRESS RELEASE OF SENATOR DOLE ON SOCIAL SECURITY MONTHLY RETIREMENT TEST ACT

Senator Bob Dole announced today that President Carter signed Sunday legislation that corrects serious inequities in the Social Security Act which adversely affect the self-employed. The signing of this bill ends a two year battle by Senator Dole to correct this problem.

"Although the Carter Administration opposed this bill from the outset, overwhelming support in the Congress apparently convinced the President to sign the measure into law," stated the Senator. "I am gratified that our system of Government works and that farmers, insurance agents and other self-employed individuals will now receive equitable treatment under our Social Security laws."

Senator Dole was contacted early in the 96th Congress by a number of Kansas farmers who found that they were ineligible for their Social Security retirement benefits merely because they sold a prior year's crop in a year after they retired. This situation was the result of a change in the Social Security retirement test made by the 1977 Social Security Amendments. (The retirement test limits the amount of earnings an individual may have without having his Social Security benefits reduced.) As the Senator explained, "This was an unintended effect of the change in the retirement test. It denied payments to many individuals who were entitled to receive Social Security."

Senator Dole introduced legislation to alleviate the farmers' problem in February 1979. After being advised of a similar problem by a number of Kansas insurance agents, realtors, accountants, and other self-employed individuals, he introduced another bill designed to correct the inequities for all self-employed persons who were injured by the new retirement rule. The Senator, who serves as the ranking Republican member of the Senate Finance Committee, then worked with the affected individuals to get the legislation through the Committee and the Senate floor.

The new law will protect not only the self-employed, who will be reimbursed for benefits which they lost between 1978 and the present, but also other groups of persons who have been unfairly penalized by the change in the retirement test. These include teachers who had already used the monthly retirement test before the monthly test was limited to the first year of Social Security eligibility. The law which was signed this week will guarantee that everyone will get one year after January 1, 1978, to use the monthly earnings test and will provide retroactive benefits for those who were penalized between 1978 and the present.

According to Senator Dole, "Congress made a mistake when it voted to eliminate the monthly retirement test without protecting individuals who have a legitimate claim to Social Security benefits. I am satisfied that it has now corrected that mistake."