

the Social Security Amendments of 1967, the primary insurance amount used in determining the applicability of such proviso shall, except in cases where the employee died before 1939, be derived after deeming the individual on whose services and compensation the annuity is based (i) to have become entitled to social security benefits, or (ii) to have died without being entitled to such benefits, after the date of the enactment of the Social Security Amendments of 1967. For this purpose, the provision of section 215(b)(3) of the Social Security Act that the employee must have reached age 65 (62 in the case of a woman) after 1960 shall be disregarded and there shall be substituted for the nine-year period prescribed in section 215(d)(1)(B)(i) of the Social Security Act, the number of years elapsing after 1936 and up to the year of death if the employee died before 1946."

SEC. 105. (a) Section 5(a) of the Railroad Retirement Act of 1937 is amended by inserting "(1)" before "A widow"; by inserting before the colon the following: ", except that if the widow or widower will have been paid an annuity under paragraph (2) of this subsection the annuity for a month under this paragraph shall be in an amount equal to the amount calculated under such paragraph (2) except that, in such calculation, any month with respect to which an annuity under paragraph (2) is not paid shall be disregarded"; and by inserting at the end thereof the following new paragraph:

"(2) A widow or widower of a completely insured employee who will have attained the age of fifty but will not have attained age sixty and is under a disability, as defined in this paragraph, and such disability began before the end of the period prescribed in the last sentence of this paragraph, shall be entitled to an annuity for each month, unless she or he has remarried in or before such month, equal to such employee's basic amount but subject to a reduction by three-tenths of 1 per centum for each calendar month she or he is under age sixty when the annuity begins. A widow or widower shall be under a disability within the meaning of this paragraph if her or his permanent physical or mental condition is such that she or he is unable to engage in any regular employment. The provisions of section 2(a) of this Act as to the proof of disability shall apply with regard to determinations with respect to disability under this paragraph. The annuity of a widow or widower under this paragraph shall cease upon the last day of the second month following the month in which she or he ceases to be under a disability unless such annuity is otherwise terminated on an earlier date. The period referred to in the first sentence of this paragraph is the period beginning with the latest of (i) the month of the employee's death, (ii) the last month for which she was entitled to an annuity under subsection (b) as the widow of such employee, or (iii) the month in which her or his previous entitlement to an annuity as the widow or widower of such employee terminated because her or his disability had ceased and ending with the month before the month in which she or he attains age sixty, or, if earlier with the close of the eighty-fourth month following the month with which such period began."

(b) Section 5(h) of such Act is amended by striking out all that follows: "be increased to \$18.14" and inserting in lieu thereof a period.

(c) Section 5(i)(1)(ii) of such Act is amended by inserting ", deeming such an individual who is entitled to an annuity under subsection (a)(1) of this section to have attained age sixty-two unless such individual will have been entitled to an annuity under subsection (a)(2) of this section for the month before the month in which he attained age sixty", after "an activity within the United States".

(d) Section 5(j) of such Act is amended by striking out all after the colon and inserting in lieu thereof the following: "*Provided, however,* That the annuity of a child, qualified under subsection (1)(1)(ii)(C) of this section, shall cease upon the last day of the second month following the month in which he ceases to be unable to engage in any regular employment by reason of a permanent physical or mental condition unless in such second month he qualifies for an annuity under one of the other provisions of this Act and unless his annuity is otherwise terminated on an earlier date."

(e) Section 5(l)(1) of such Act is amended by changing the period at the end of subdivision (i) thereof to a semicolon; by striking out "which began" from subdivision (ii)(C) and inserting in lieu thereof "which disability began"; and by striking out "216(h)(1) of the Social Security Act, as in effect prior to 1957, shall be applied" where such language first appears and inserting in lieu thereof "216(h) of the Social Security Act shall be applied deeming, for this purpose,