

strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence, and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Short title.

SEC. 108. This Act may be cited as the "Legislative Branch Appropriation Act, 1949".

Approved June 14, 1948.

[CHAPTER 468]

JOINT RESOLUTION

June 14, 1948
[H. J. Res. 296]
[Public Law 642]

To maintain the status quo in respect of certain employment taxes and social-security benefits pending action by Congress on extended social-security coverage.

Employment taxes and social-security benefits.
53 Stat. 1386, 1396.
26 U. S. C. §§ 1426 (d), 1607 (i).

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1426 (d) and section 1607 (i) of the Internal Revenue Code are amended by inserting before the period at the end of each the following: "but such term does not include (1) any individual who, under the usual common-law rules applicable in determining the employer-employee relationship, has the status of an independent contractor or (2) any individual (except an officer of a corporation) who is not an employee under such common-law rules".

(b) The amendments made by subsection (a) shall have the same effect as if included in the Internal Revenue Code on February 10, 1939, the date of its enactment.

49 Stat. 647.
42 U. S. C. § 1301 (a) (6).

SEC. 2. (a) Section 1101 (a) (6) of the Social Security Act is amended by inserting before the period at the end thereof the following: "but such term does not include (1) any individual who, under the usual common-law rules applicable in determining the employer-employee relationship, has the status of an independent contractor or (2) any individual (except an officer of a corporation) who is not an employee under such common-law rules".

49 Stat. 620.
42 U. S. C. §§ 301-1336; Supp. I, § 303 et seq.
Ante, p. 195.

(b) The amendment made by subsection (a) shall have the same effect as if included in the Social Security Act on August 14, 1935, the date of its enactment, but shall not have the effect of voiding any (1) wage credits reported to the Bureau of Internal Revenue with respect to services performed prior to the enactment of this Act or (2) wage credits with respect to services performed prior to the close of the first calendar quarter which begins after the date of the enactment of this Act in the case of individuals who have attained age sixty-five or who have died, prior to the close of such quarter, and with respect to whom prior to the date of enactment of this Act wage credits were established which would not have been established had the amendment made by subsection (a) been in effect on and after August 14, 1935.

49 Stat. 622.
42 U. S. C. §§ 401-410; Supp. I, § 410 note.
Ante, p. 195.

(c) (1) The Federal Security Administrator is directed to estimate and report to the Congress at the earliest practicable date (A) the total amount paid as benefits under title II of the Social Security Act which would not have been paid had the amendment made by subsection (a) been in effect on and after August 14, 1935, and (B) the total amount of such payments which the Administrator estimates will hereafter be paid by virtue of the provisions of subsection (b).

Appropriation authorized.

(2) There is hereby authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund a sum equal to the

aggregate of the amounts reported to the Congress under paragraph (1).

SEC. 3. (a) Section 3 (a) of the Social Security Act, as amended, is amended to read as follows:

“(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for old-age assistance, for each quarter, beginning with the quarter commencing October 1, 1948, (1) an amount, which shall be used exclusively as old-age assistance, equal to the sum of the following proportions of the total amounts expended during such quarter as old-age assistance under the State plan with respect to each needy individual who at the time of such expenditure is sixty-five years of age or older and is not an inmate of a public institution, not counting so much of such expenditure with respect to any such individual for any month as exceeds \$50—

“(A) three-fourths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of \$20 multiplied by the total number of such individuals who received old-age assistance for such month, plus

“(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose.”

(b) Section 403 (a) of such Act, as amended, is amended to read as follows:

“SEC. 403. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to dependent children, for each quarter, beginning with the quarter commencing October 1, 1948, (1) an amount, which shall be used exclusively as aid to dependent children equal to the sum of the following proportions of the total amounts expended during such quarter as aid to dependent children under such plan, not counting so much of such expenditure with respect to any dependent child for any month as exceeds \$27, or if there is more than one dependent child in the same home, as exceeds \$27 with respect to one such dependent child and \$18 with respect to each of the other dependent children—

“(A) three-fourths of such expenditures, not counting so much of any expenditures with respect to any month as exceeds the product of \$12 multiplied by the total number of dependent children with respect to whom aid to dependent children is paid for such month, plus

“(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for aid to dependent children, or both, and for no other purpose.”

(c) Section 1003 (a) of such Act, as amended, is amended to read as follows:

“(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the blind, for each quarter, beginning with the quarter commencing October 1, 1948, (1) an amount, which shall be used exclusively as aid to the blind, equal to the sum of the following proportions of the total amounts expended during such quarter as aid to the blind under the State plan with respect to each needy individual who is blind and

49 Stat. 621.
42 U. S. C. § 303 (a);
Supp. I, § 303 note.
Old-age assistance.

49 Stat. 628.
42 U. S. C. § 603 (a).

Aid to dependent
children.

49 Stat. 646.
42 U. S. C. § 1203 (a).

Aid to blind.

is not an inmate of a public institution, not counting so much of such expenditure with respect to any such individual for any month as exceeds \$50—

“(A) three-fourths of such expenditures, not counting so much of any expenditure with respect to any month as exceeds the product of \$20 multiplied by the total number of such individuals who received aid to the blind for such month, plus

“(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A); and (2) an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Administrator for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for aid to the blind, or both, and for no other purpose.”

Effective date.

(d) The amendments made by this section shall become effective on October 1, 1948.

JOSEPH W. MARTIN, JR.

Speaker of the House of Representatives.

A H VANDENBERG

President of the Senate pro tempore.

IN THE HOUSE OF REPRESENTATIVES, U. S.,

June 14, 1948.

Certificate of House
of Representatives.

The House of Representatives having proceeded to reconsider the joint resolution (H. J. Res. 296) entitled “Joint Resolution to maintain the status quo in respect of certain employment taxes and social-security benefits pending action by Congress on extended social-security coverage”, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said joint resolution pass, two-thirds of the House of Representatives agreeing to pass the same.

Attest:

JOHN ANDREWS

Clerk.

Certificate of origin.

I certify that this Joint Resolution originated in the House of Representatives.

JOHN ANDREWS

Clerk.

IN THE SENATE OF THE UNITED STATES,

June 14 (legislative day, June 1), 1948.

Certificate of Sen-
ate.

The Senate having proceeded to reconsider the joint resolution (H. J. Res. 296) entitled “Joint resolution to maintain the status quo in respect of certain employment taxes and social-security benefits pending action by Congress on extended social-security coverage”, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, and passed by the House of Representatives on reconsideration of the same, it was

Resolved, That the said joint resolution pass, two-thirds of the Senators present having voted in the affirmative.

Attest:

CARL A. LOEFFLER

Secretary.