



## SOCIAL SECURITY

Office of the Chief Actuary

March 29, 2013

The Honorable Gwen Moore  
United States House of Representatives  
Washington, D.C. 20515

Dear Representative Moore:

I am writing in response to your request for estimates of the financial effects on Social Security of the “Social Security Enhancement and Protection Act of 2013”, which you introduced on March 21, 2013. This Bill includes five provisions with direct effects on Social Security benefits and tax revenues. We have enjoyed working closely with Steffany Stern of your staff in developing this proposal to meet your goals.

The enclosed tables provide estimates of the effects of the five provisions on the cost, income, and trust fund reserves for the Old Age, Survivors, and Disability Insurance (OASDI) program, as well as the estimated effects on retired worker benefit levels for selected hypothetical workers. In addition, tables 1b and 1b.n reflect the Federal budget implications of the five provisions and tables B1, B2, and B3 provide illustrations of the effects on Social Security retired worker benefit levels. We estimate that enactment of these provisions would extend full solvency of the OASDI program for an additional 35 years, with the projected depletion of combined OASI and DI Trust Fund reserves moving from 2033 under current law to 2068 under the proposal. We base all estimates on the intermediate assumptions of the 2012 Trustees Report.

The estimates and analysis provided here reflect the combined effort of many in the Office of the Chief Actuary, but most particularly Alice Wade, Christopher Chaplain, Daniel Nickerson, Jason Schultz, Kyle Burkhalter, and Katie Sutton.

The Bill includes the following five provisions with direct effects on the OASDI program:

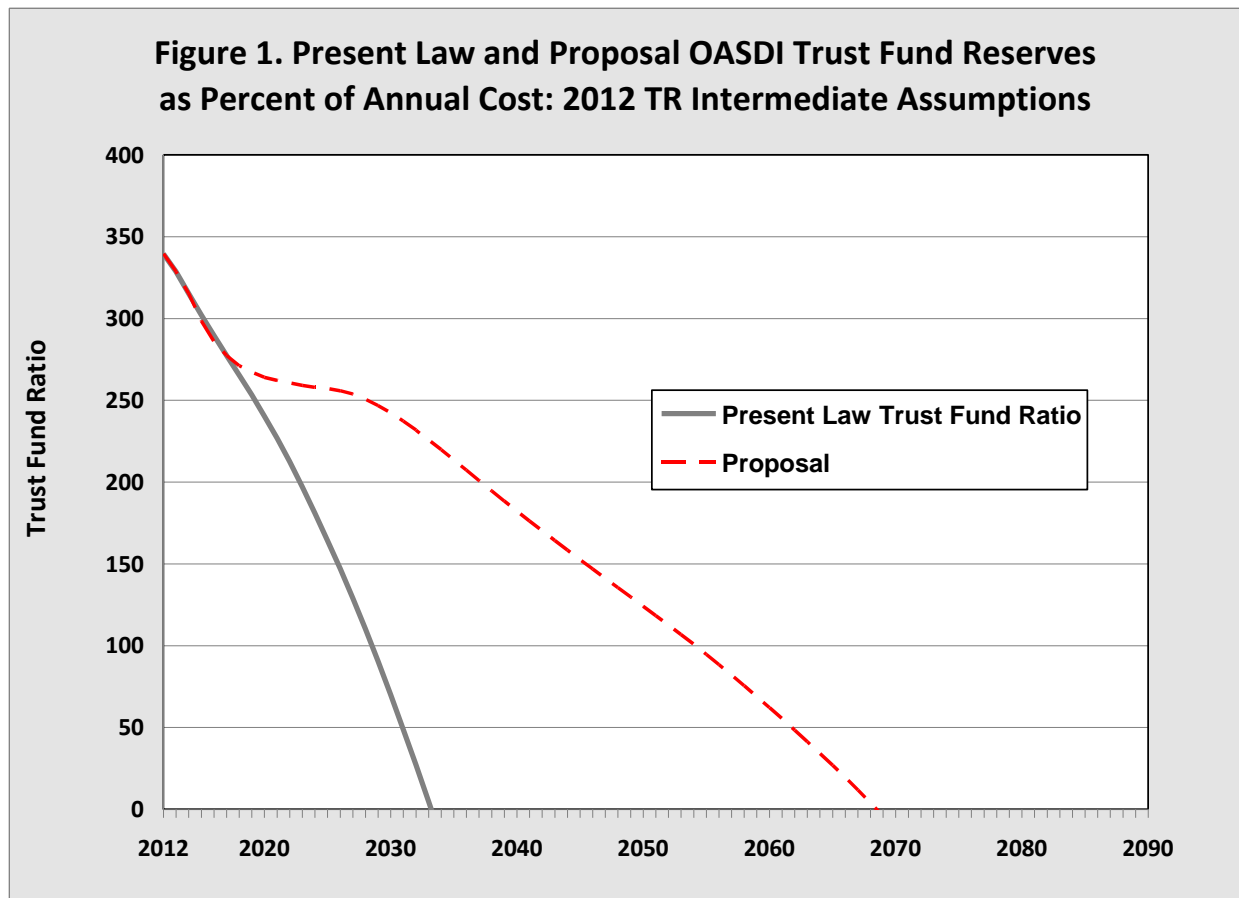
- 1) *Increase the special minimum PIA, beginning for workers who become newly eligible for retirement or disability benefits or die after 2014.* The minimum PIA for workers with 30 or more years of work (YOWs) is 100 percent of the annual HHS poverty level for the prior year prior, divided by 12. The percent is reduced by 3 and 1/3 percentage points for each YOW less than 30 years, with no minimum benefit for 10 or less years of coverage. A worker’s number of YOWs is determined as the number of earned quarters of coverage divided by 4 (ignoring any fraction), plus up to 5 years with a child under age 6 living with the worker.

- 2) *Provide a 5-percent uniform PIA increase after 16 years of eligibility.* The full benefit increase is 5 percent of the PIA of a worker having career-average earnings equal to SSA's average wage index in years up through the year before initial eligibility. The benefit increase phases in at 1 percent per year beginning 16 years after initial benefit eligibility, and is fully phased in at 5 percent beginning 20 years after initial benefit eligibility. Early retirement factors continue to apply to the PIA increases for retired workers who claimed benefits before full retirement age. This provision is effective in 2015 and later years.
- 3) *Extend benefit eligibility for children of disabled or deceased workers until age 22, beginning in 2015.* This provision applies if the child is in high school, college, or vocational school.
- 4) *Eliminate the taxable maximum, fully effective in 2024.* Phase in the elimination over 10 years by taxing all earnings above the current law taxable maximum at a rate of 1.24 percent in 2015, 2.48 percent in 2016, ..., and 12.40 percent in 2024 and later. Additional earnings taxed are creditable for benefit purposes. The PIA formula is changed by: (1) adding a new bend point at the current law taxable maximum (without regard to this provision) for the second year prior to eligibility, divided by 12, and (2) applying a 3-percent PIA factor to AIME above the new bend point.
- 5) *Increase the payroll tax rate to 13.0 percent, fully effective in 2020.* The increase is phased in beginning in 2015, using 0.1 percentage point increments.

The balance of this letter provides a summary of the effects of the five provisions on the actuarial status of the OASDI program, our understanding of the specifications and intent of each provision, and descriptions of our detailed financial estimates for trust fund operations, benefit levels, and implications for the federal budget.

### Summary of Effects of the Proposal on OASDI Actuarial Status

Figure 1 below illustrates the expected change in the combined Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) Trust Fund reserves, expressed as a percent of annual program cost, assuming enactment of the five provisions of this Bill. Assuming enactment, the OASDI program is expected to be fully solvent for an additional 35 years, under the intermediate assumptions of the 2012 Trustees Report.

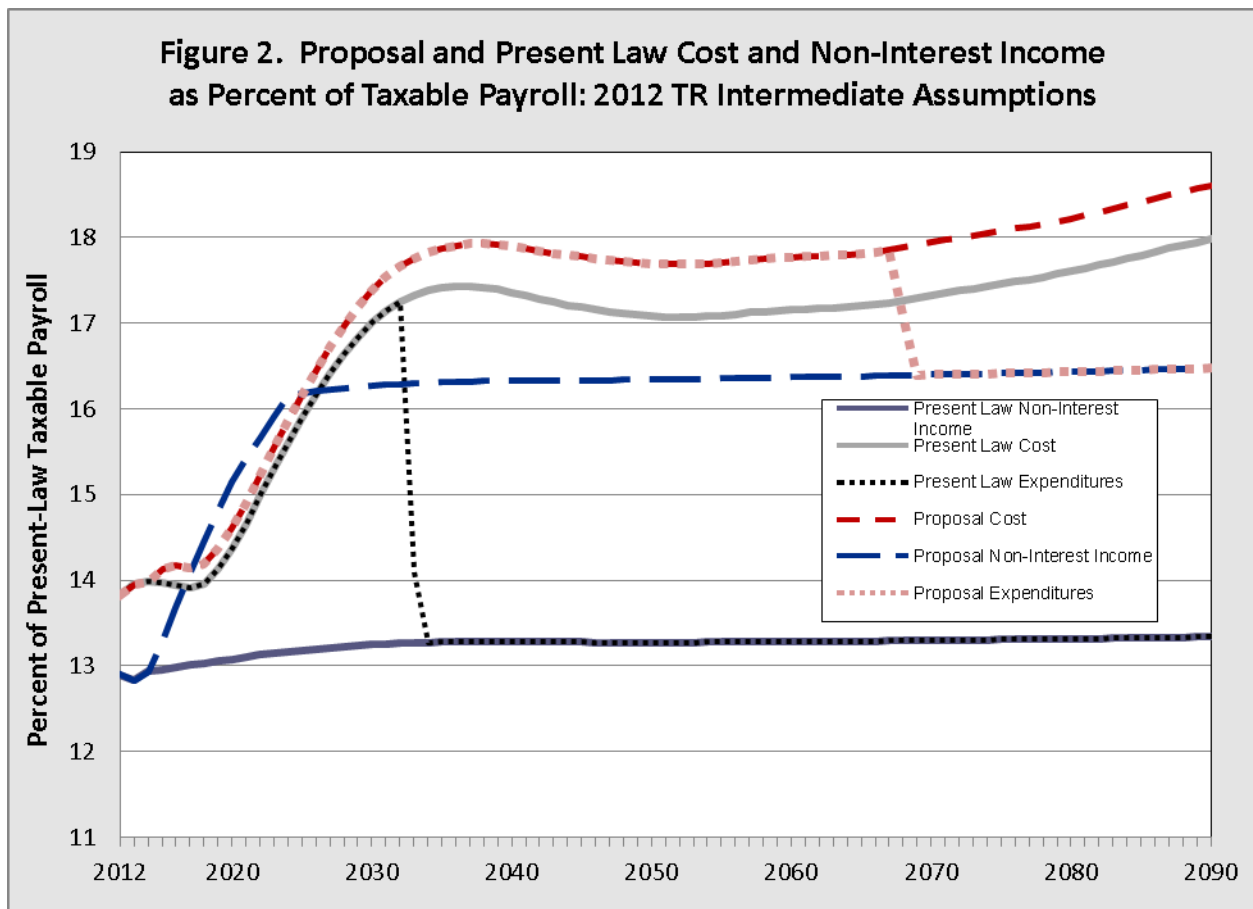


Note: *Trust Fund Ratio* for a given year is the ratio of reserves in the combined OASI and DI Trust Funds at the beginning of the year to the cost of the program during the year.

Assuming enactment of the Bill, the level of reserves for the theoretical combined OASI and DI Trust Funds declines from 340 percent of annual program cost at the beginning of 2012 until these reserves are depleted in 2068 (35 years later than projected depletion under current law). At the time of reserve depletion in 2068, the program would be able to pay about 91 percent of then scheduled benefits with continuing taxes (under current law, 75 percent of scheduled benefits are projected to be payable in 2033 after depletion with this percentage rising slightly to 76 percent for 2068). By 2086, 89 percent of benefits scheduled under the proposal would be payable compared to 73 percent of scheduled benefits payable under present law.

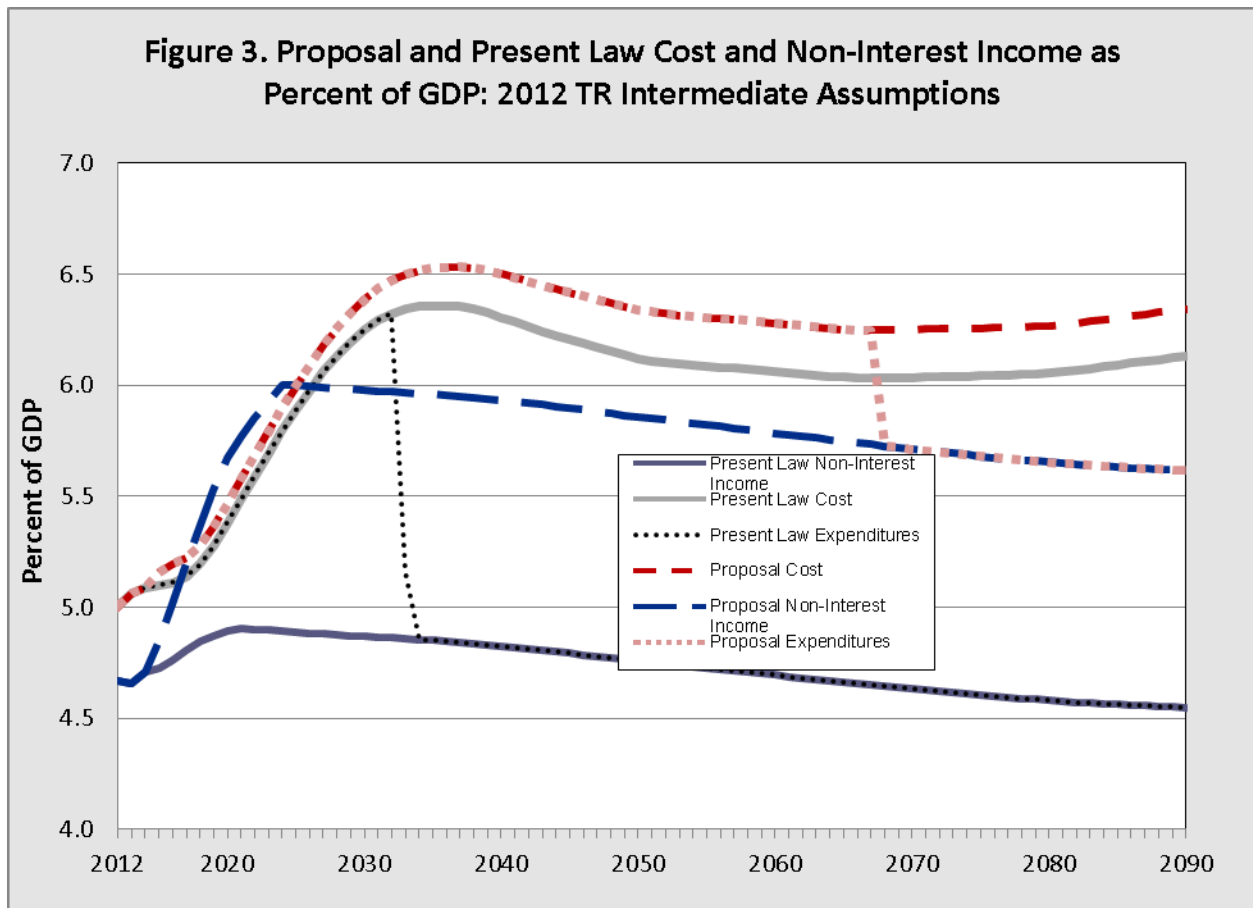
Enactment of the five provisions of this Bill would eliminate almost 84 percent of the long-range OASDI actuarial deficit of 2.67 percent of taxable payroll under current law, lowering the OASDI actuarial deficit to 0.44 percent of payroll for the long-range period.

Figure 2 below illustrates annual projected levels of cost, expenditures, and non-interest income as a percent of the current-law taxable payroll. The projected levels of cost reflect the full cost of scheduled benefits under both present law and the proposal. After trust fund reserve depletion, projected expenditures under current law and under the proposal include only amounts payable from projected tax revenues (non-interest income), which are less than projected cost.



After 2014, OASDI program cost is higher under the proposal than under current law. This difference in program cost increases gradually over time to about 0.6 percent of current-law payroll by 2080. Non-interest income under the proposal is also higher than under current law, with the difference in non-interest income growing from 0.3 percent of payroll in 2015 to 3.0 percent of payroll by 2040. The proposal improves the annual cash-flow balance (non-interest income minus program cost) by 2.7 percent of payroll for 2025, with the improvement generally declining to 2.5 percent of payroll by 2086. Under the proposal, annual cash-flow balance is positive for 2018 through 2025, with annual deficits rising thereafter to 2.0 percent of payroll by 2086. As a comparison, the projected annual deficit under current law is 4.50 percent of payroll for 2086.

It is also useful to consider the projected cost, expenditures, and income for the OASDI program expressed as a percentage of Gross Domestic Product (GDP). The graph below illustrates these levels under both current law and the proposal.



### **Specification for Provisions of the Proposal**

#### (1) Enhance the Special Minimum Benefit for Long-Career Low Earners

The present-law special minimum benefit has little effect currently because the level of benefit has been indexed from one generation of new beneficiaries to the next by increases in the CPI. This provision establishes a new minimum PIA under the OASDI program beginning with newly eligible beneficiaries in 2015.

For workers who become eligible for old-age or disability benefits or die in 2015 and later years, the full minimum PIA equals the Health and Human Services (HHS) annual individual poverty level for the year prior to eligibility divided by 12. For 2015, we project the full minimum PIA for eligible workers will be \$950 (the estimated HHS poverty level for 2014 divided by 12). This amount equals the monthly poverty level for 2012 (\$931), multiplied by the assumed

increase in the CPI-W from the third calendar quarter of 2011 to the third calendar quarter of 2013).

The percentage of the full minimum PIA that is applicable for a worker under this provision is determined by the number of years of work (YOWs) the worker has earned. YOWs are determined for a worker as the number of quarters of coverage divided by 4 (and truncating any fraction). A worker can be credited with up to five additional YOWs, reflecting years they are caring for and living with a child under age 6. However, any quarters of coverage earned in such childcare year would not be counted in determining YOWs based on earned quarter of coverage.

For workers with 30 or more years of work, the minimum PIA is equal to 100 percent of the poverty level described above. This percent is reduced by 3 and 1/3 percentage points from 100 for each year of work less than 30 years, with no minimum benefit for 10 or less years of work. For example, a worker with 28 YOWs would receive a PIA equal to 93 1/3 percent of the HHS poverty level in the prior year (if higher), and a worker with 11 YOWs would receive a PIA of 36 2/3 percent of the HHS poverty level in the prior year (if higher).

This provision alone is estimated to increase the long-range OASDI actuarial deficit by 0.02 percent of taxable payroll. The change in the annual deficit for the 75<sup>th</sup> projection year (2086) is negligible (between -0.005 and 0.005 percent of payroll).

#### (2) Increase Benefits Starting 16 Years after Initial Eligibility

This provision provides for a gradual increase in PIA for the 16<sup>th</sup> through 20<sup>th</sup> years after initially becoming eligible for benefits. The increase would apply for all OASDI beneficiaries in 2015 and later. The PIA upon which their benefit is based will be increased for the 16<sup>th</sup> year of eligibility by 1 percent of the PIA amount for a worker of the same age who has earnings equal to the average (AWI) starting at age 20, up through the year prior to initial benefit eligibility. The PIA will be further increased by an additional 1 percent of the AWI-earner's PIA in the 17<sup>th</sup> through 20<sup>th</sup> years of eligibility. The total 5 percent increase will continue to apply in the 21<sup>st</sup> and later years of eligibility.

This provision alone is estimated to increase the long-range OASDI actuarial deficit by 0.23 percent of taxable payroll and to increase the annual deficit for the 75<sup>th</sup> projection year (2086) by 0.31 percent of payroll.

#### (3) Continue Benefits for Children of Disabled or Deceased Workers until age 22

Under current law, minor children under the age of 18, and high school students under age 19 are entitled to benefits if they are the child of a retired, disabled, or deceased worker. This provision extends benefits for children until the age of 22 if they are a child of a disabled or deceased worker.

This provision alone is estimated to increase the long-range OASDI actuarial deficit by 0.06 percent of taxable payroll and to increase the annual deficit for the 75<sup>th</sup> projection year (2086) by 0.06 percent of payroll.

#### (4) Eliminate the Taxable Maximum by 2024

Under current law, payroll taxes totaling 12.4 percent apply to covered earnings in a year up to the contribution and benefit base, or taxable maximum. This taxable maximum is \$113,700 for 2013 and increases in the future in line with increases in the national average wage index (AWI). All covered earnings subject to the payroll tax are also creditable toward computation of potential benefits as well as attainment of insured status.

Under this provision, all covered earnings in excess of the present-law taxable maximum would be subject to some payroll tax starting in 2015. Covered earnings in excess of the maximum would be taxed at a 1.24 percent rate in 2014, at a 2.48 percent rate in 2015, at a 3.72 percent rate in 2016, . . . , and at a 12.4 percent rate in 2024 and later years. Therefore, all covered earnings above and below the present-law taxable maximum would be taxed at the full 12.4 percent payroll tax rate for 2024 and later.

Under this provision as modified, the primary insurance amount (PIA) would be determined by adding an additional bend point to the current law PIA formula. Under current law, the PIA is calculated as 90 percent of earnings under the first bend point, plus 32 percent of earnings above the first bend point and below the second bend point, plus 15 percent of earnings above the second bend point. The additional bend point would equal the monthly equivalent of the current law taxable maximum for the second year prior to initial eligibility (determined without regard to the changes made in this provision). A PIA factor of 3 percent would apply to earnings above the new bend point.

This provision alone is estimated to reduce the long-range OASDI actuarial deficit by 1.92 percent of taxable payroll and to reduce the annual deficit for the 75<sup>th</sup> projection year (2086) by 2.18 percent of payroll.

#### (5) Increase the Payroll Tax Rate by 2020

Currently the combined payroll tax rate for OASDI taxable earnings is 12.4 percent (6.2 percent each for employees and employers). This provision would increase the combined tax rate by 0.1 percentage point per year beginning in 2015 through 2020, bringing the combined rate to 12.5 percent in 2015, 12.6 percent in 2016 percent, . . . , and 13.0 percent in 2020 and later years.

This provision alone is estimated to reduce the long-range OASDI actuarial deficit by 0.53 percent of taxable payroll and to reduce the annual deficit for the 75<sup>th</sup> projection year (2086) by 0.60 percent of taxable payroll.

## Detailed Financial Results for the Provisions of the Proposal

### Summary Results by Provision

**Table A** provides estimates of the effects on the OASDI long-range actuarial balance for each of the five provisions of the proposal separately and on a combined basis. The table also includes summary estimates for the effect on the annual balance (the difference between income rate and the cost rate, expressed as a percent of present-law taxable payroll) for the 75<sup>th</sup> projection year, 2086.

### Benefit Illustrations

**Tables B1 and B2** provide illustrative examples of the projected change in benefit levels under the five provisions for beneficiaries retiring at age 65 in future years at five selected earnings levels, with selected numbers of years of work. The “Maximum-AIME Steady Earner” is assumed to have earnings at ages 22 through 64 that equal the present-law taxable maximum level (equivalent to \$110,100 in 2012). As a result, the provision to increase the taxable maximum does not affect benefit levels illustrated in these tables. **Table B3** provides additional important information on characteristics of the illustrative retiring workers.

Table B1 compares the initial benefit levels assuming retirement at age 65 under the basic provisions of the proposal to both scheduled and payable present-law benefit levels. The proposed minimum benefit does not affect any of our hypothetical workers, because our very low hypothetical workers already receive a higher present law benefit in 2030, 2050, and 2080. The final two columns of this table show the level of scheduled benefits under the proposal as a percentage of present law scheduled and present law payable benefits, respectively. In the final column, no percentage is provided for years after 2068 because scheduled benefits under the proposal would not be fully payable.

Table B2 compares the change in scheduled benefit levels at ages 65, 75, 85, and 95 under the proposal to scheduled benefits under present law, assuming retirement at age 65. Table B2 shows that projected scheduled benefits under the provisions of this proposal increase in relation to present-law scheduled benefits between ages 65 and 95, because the increase in benefits for beneficiaries with 16 or more years of eligibility has a positive cumulative effect as beneficiaries age.

The hypothetical workers represented in these tables reflect average career-earnings patterns of workers who started receiving retirement benefits under the Social Security program in recent years. The tables subdivide workers with very low and low career-average earnings levels by their numbers of years of non-zero earnings.

Table B3 provides information helpful in interpreting the benefit illustrations in tables B1 and B2. Percentages in Table B3 are based on tabulations from a 10-percent sample of newly-entitled retired workers in 2007. Table B3 displays the percentages of these newly-entitled retired workers in 2007 that are closest to each of the illustrative examples and are:



- 1) “Dually Entitled”, meaning they received a higher spouse or widow(er) benefit based on the career earnings of their husband or wife,
- 2) “WEP” (Windfall Elimination Provision), meaning that they received a reduced benefit due to having a pension based on earnings that were not covered under the OASDI program (primarily certain government workers), and they had less than 30 years of substantial earnings that were taxable under the OASDI program,
- 3) “Foreign Born”, meaning that they entered the Social Security coverage area after birth (and generally after entering working ages), and
- 4) “All Others”, meaning they had none of the three characteristics listed above.

The extent to which retired-worker beneficiaries represented by each of the illustrative examples has any of the characteristics listed above (dually entitled, WEP, foreign born) is important because such individuals are less dependent on the OASDI benefit that relates to their own career-average earnings level.

### Trust Fund Operations

**Table 1** shows the annual cost and income rates, annual balances, and trust fund ratios (reserves as percent of annual program cost) for OASDI assuming enactment of the five basic Social Security provisions of the proposal. This table also shows the change from present law in these cost rates, income rates, and balances. Included at the bottom of this table are summarized rates for the 75-year (long-range) period.

Table 1 indicates that the OASDI program is projected to be fully solvent for an additional 35 years assuming enactment of the five provisions. The year in which the combined reserves of the OASI and DI Trust Funds are projected to become depleted would change from 2033 under current law to 2068 under the proposal. Even after depletion of the trust fund reserves, however, the actuarial status of the program is improved as continuing income would be sufficient to pay a higher percentage of scheduled benefits than under current law. Under current law, 75 percent of benefits are projected to be payable at trust fund reserve depletion in 2033, declining to 73 percent payable by 2086. Under this proposal, 100 percent of the proposed (higher) scheduled benefits would be fully payable through 2067, and 91 percent would be payable at trust fund reserve depletion in 2068, declining to 89 percent payable by 2086.

The actuarial deficit for the OASDI program over the 75-year projection period is reduced by 2.23 percent of taxable payroll, from an actuarial deficit of 2.67 percent of payroll under current law to an actuarial deficit estimated at 0.44 percent of taxable payroll under the proposal.

We project annual balances (annual income rate minus annual cost rate) to become positive for years 2018 through 2025 under the proposal and to be negative thereafter. Annual deficits (negative annual balances) after 2025 are projected to be smaller than the deficits projected under current law by 2.45 percentage points or more through 2086.

### Program Transfers and Trust Fund Reserves

Column 4 of **Table 1a** provides a projection of the level of reserves for the theoretical combined OASI and DI Trust Funds under the basic Social Security provisions of the proposal, expressed in present value dollars discounted to January 1, 2012. The table indicates that the basic provisions include no new specified transfers of general revenue to the trust funds. For purpose of comparison, the OASDI Trust Fund reserves, expressed in present value dollars, are also shown for the current-law Social Security program both without the added general fund transfers (if any) provided under the proposal (column 6) and with the proposal added transfers (column 7). Note that negative values in columns 4, 6, and 7 represent the “unfunded obligation” for the program through the year. The unfunded obligation is the present value of the shortfall of revenue needed to pay full scheduled benefits on a timely basis from the date of trust fund reserve depletion to the end of the indicated year. Gross Domestic Product (GDP), expressed in present value dollars, is shown in column 5 for comparison with other values in the table.

### Effect of the Basic Social Security Provisions on the Federal Budget

**Table 1b** shows the projected effect, in present value discounted dollars, on the Federal budget (unified-budget and on-budget) cash flows and balances, assuming enactment of the five basic Social Security provisions of this proposal. **Table 1b.n** provides the estimated nominal dollar effect of enactment of the five basic provisions of the proposal on the annual budget balances for years 2012 through 2022. All values in these tables represent the amount of the *change* from the level projected under current law.

The effect of the five basic Social Security provisions on unified budget cash flow (column 3) is expected to be positive starting for 2015, reflecting the gradual application of the payroll tax to earnings above the current-law taxable maximum amount.

Column 4 of **Table 1b** indicates that the projected effect of implementing the five basic Social Security provisions is a reduction, starting in 2015, of the Federal debt held by the public, reaching about \$7.6 trillion in present value by 2086. Column 5 provides the projected effect of the basic Social Security provisions on the annual unified budget balances, including both the cash flow effect in column 3 and the additional interest on the accumulated debt indicated in column 4. Columns 6 and 7 indicate that the basic Social Security provisions of this proposal would have no expected direct effects on the on-budget cash flow, or on the total Federal debt, in the future.

It is important to note that these estimates are based on the intermediate assumptions of the 2012 Trustees Report and thus are not consistent with estimates made by the Office of Budget and Management or the Congressional Budget Office based on their assumptions.

### Annual Trust Fund Operations as a Percent of GDP

**Table 1c** provides annual cost, annual expenditures (on a payable basis), and annual tax income for the OASDI program expressed as a percentage of GDP. These values are shown for both

present law and assuming enactment of the five basic Social Security provisions of the Bill. Showing the annual trust fund flows as a percent of GDP provides an additional perspective on these trust fund operations in relation to the total value of goods and services produced in the United States. The relationship between income and cost is similar when expressed as a percent of GDP to that when expressed as a percent of taxable payroll (see Table 1).

#### Effects on Trust Fund Reserves and Unfunded Obligations

**Table 1d** provides estimates of the changes due to enactment of the five basic Social Security provisions of this Bill in the level of projected trust fund reserves for years prior to trust fund reserve depletion and the level of unfunded obligations for years after trust fund reserve depletion. All values in the table are expressed in present-value discounted dollars. For the 75-year (long-range) period as a whole, the present-law unfunded obligation of \$8.6 trillion in present value is reduced to an unfunded obligation of \$1.0 trillion in present value. This \$7.6 trillion change equals the following:

- A \$9.2 trillion increase in revenue (column 2), primarily from additional payroll tax but also reflecting additional taxation of benefits revenues arising from increased aggregate benefit levels, *minus*
- A \$1.6 trillion increase in cost (column 3), from additional benefits for worker beneficiaries on the rolls for 16 or more years, earnings above the present-law taxable maximum, and the enhanced special minimum benefit.

We hope these estimates will be helpful. Please let me know if we may provide further assistance.

Sincerely,



Stephen C. Goss  
Chief Actuary

Enclosures

**Table A--Estimated Long-Range OASDI Financial Effects of the Basic Social Security Provisions of the “Social Security Enhancement and Protection Act of 2013” Introduced by Representative Moore**

<u>Provision</u>	<u>Estimated Change in Long-Range OASDI Actuarial Balance <sup>1</sup> (as a percent of payroll)</u>	<u>Estimated Change in Annual Balance in 75<sup>th</sup> year <sup>2</sup> (as a percent of payroll)</u>
1) Beginning for those newly eligible for OASDI benefits in 2015, increase the special minimum benefit to 100 percent of poverty by making the following changes: (a) The number of years of work (YOW) is determined as total quarters of coverage divided by 4, ignoring any fraction. Up to 5 additional years with a child under in 6 may be counted as YOWs. (b) Set the PIA for 30 or more YOWs equal to 100 percent of the monthly HHS poverty level for the year prior to eligibility. For workers between 11 and 29 YOCs, reduce the special minimum by 3 1/3 percentage point per YOC so that at 29 YOCs the minimum would be 96 2/3% of poverty, ..., down to 11 YOCs at 36 2/3% of poverty. No minimum for 10 or fewer YOCs. ....	-0.02	0.00
2) Effective in 2015, provide a 5-percent uniform PIA increase 20 years after eligibility. The benefit increase is phased in at 1 percent per year from the 16 <sup>th</sup> through 20 <sup>th</sup> years after initial eligibility. The full PIA increase is equal to 5 percent of the PIA of a worker assumed to have career-average earnings equal to SSA’s average wage index.....	-0.23	-0.31
3) Beginning in 2015, extend eligibility for benefits for children of disabled or deceased workers until age 22 if the child is in high school, college or vocational school.....	-0.06	-0.06
4) Eliminate contribution and benefit base by raising the payroll tax for earnings over the current-law taxable maximum by 1.24 percent each year from 2015-2024. Additional earnings taxed are creditable for benefits. Add a new bend point at the current law taxable maximum, with a 3-percent factor on average indexed monthly earnings (AIME) above the new bend point.....	1.92	2.18
5) Beginning in 2015, increase the combined OASDI payroll tax rate by 0.1 percentage point per year until reaching 13.0 percent for 2020 and later .....	0.53	0.60
<b>Total for all provisions, including interaction .....</b>	<b>2.23</b>	<b>2.51</b>

<sup>1</sup>Under current law, the estimated long-range OASDI actuarial balance is -2.67 percent of taxable payroll.

<sup>2</sup>Under current law, the estimated 75<sup>th</sup> year annual balance is -4.50 percent of taxable payroll.

Notes: All estimates are based on the intermediate assumptions of the 2012 OASDI Trustees Report.

Estimates of individual provisions appear on a stand-alone basis relative to current law, unless otherwise stated.

Social Security Administration  
Office of the Chief Actuary  
March 29, 2013

**Table B1. Changes in Benefits for Hypothetical Workers Beginning Benefit Receipt at age 65**  
**Bill "Social Security Enhancement and Protection Act of 2013" introduced by Representative Moore**

Year Attain Age 65	<u>Scheduled Benefit Level Percent Change at age 65</u>				<u>Proposal Scheduled Benefit</u>	
	<u>Present Law Scheduled</u>		<u>Minimum</u>	<u>Total</u>	<u>Percent of Present Law:</u>	
	<u>Monthly Benefits<sup>3</sup></u>	<u>Monthly Benefits<sup>3</sup></u>	<u>Benefit<sup>4</sup></u>		<u>Scheduled</u>	<u>Payable</u>
	<u>(Wage-Indexed</u> <u>2012 Dollars)</u>	<u>(CPI-Indexed</u> <u>2012 Dollars)</u>		(Percent change)	(Percents)	
<b>Very-Low-AIME (\$11,161 for 2012<sup>1</sup>) 30-Year Scaled Earner (8.1% of Retirees<sup>2</sup>)</b>						
2012	678	678	0.0	0.0	100	100
2030	602	790	0.0	0.0	100	100
2050	602	989	0.0	0.0	100	100
2080	602	1,361	0.0	0.0	100	-
<b>Very-Low-AIME (\$11,161 for 2012<sup>1</sup>) 20-Year Scaled Earner (6.0% of Retirees<sup>2</sup>)</b>						
2012	678	678	0.0	0.0	100	100
2030	602	790	0.0	0.0	100	100
2050	602	989	0.0	0.0	100	100
2080	602	1,361	0.0	0.0	100	-
<b>Very-Low-AIME (\$11,161 for 2012<sup>1</sup>) 14-Year Scaled Earner (5.2% of Retirees<sup>2</sup>)</b>						
2012	678	678	0.0	0.0	100	100
2030	602	790	0.0	0.0	100	100
2050	602	989	0.0	0.0	100	100
2080	602	1,361	0.0	0.0	100	-
<b>Low-AIME (\$20,090 for 2012<sup>1</sup>) 44-Year Scaled Earner (13.5% of Retirees<sup>2</sup>)</b>						
2012	886	886	0.0	0.0	100	100
2030	787	1,034	0.0	0.0	100	100
2050	788	1,294	0.0	0.0	100	100
2080	788	1,781	0.0	0.0	100	-
<b>Low-AIME (\$20,090 for 2012<sup>1</sup>) 30-Year Scaled Earner (6.7% of Retirees<sup>2</sup>)</b>						
2012	886	886	0.0	0.0	100	100
2030	787	1,034	0.0	0.0	100	100
2050	788	1,294	0.0	0.0	100	100
2080	788	1,781	0.0	0.0	100	-
<b>Low-AIME (\$20,090 for 2012<sup>1</sup>) 20-Year Scaled Earner (2.8% of Retirees<sup>2</sup>)</b>						
2012	886	886	0.0	0.0	100	100
2030	787	1,034	0.0	0.0	100	100
2050	788	1,294	0.0	0.0	100	100
2080	788	1,781	0.0	0.0	100	-
<b>Medium-AIME (\$44,644 for 2012<sup>1</sup>) 44-Year Scaled Earner (27.2% of Retirees<sup>2</sup>)</b>						
2012	1,460	1,460	0.0	0.0	100	100
2030	1,297	1,704	0.0	0.0	100	100
2050	1,299	2,133	0.0	0.0	100	100
2080	1,299	2,934	0.0	0.0	100	-
<b>Medium-AIME (\$44,644 for 2012<sup>1</sup>) 30-Year Scaled Earner (4.2% of Retirees<sup>2</sup>)</b>						
2012	1,460	1,460	0.0	0.0	100	100
2030	1,297	1,704	0.0	0.0	100	100
2050	1,299	2,133	0.0	0.0	100	100
2080	1,299	2,934	0.0	0.0	100	-
<b>High-AIME (\$71,430 for 2012<sup>1</sup>) 44-Year Scaled Earner (20.9% of Retirees<sup>2</sup>)</b>						
2012	1,936	1,936	0.0	0.0	100	100
2030	1,719	2,258	0.0	0.0	100	100
2050	1,721	2,827	0.0	0.0	100	100
2080	1,721	3,888	0.0	0.0	100	-
<b>Maximum-AIME (\$110,100 for 2012<sup>1</sup>) 43-Year Steady Earner (5.4% of Retirees<sup>2</sup>)</b>						
2012	2,311	2,311	0.0	0.0	100	100
2030	2,102	2,761	0.0	0.0	100	100
2050	2,102	3,453	0.0	0.0	100	100
2080	2,098	4,740	0.0	0.0	100	-

<sup>1</sup> Average of highest 35 years of earnings wage indexed to 2012.

<sup>2</sup> Projected percent of new retired worker awards in 2050 closest to AIME levels and years of work.

<sup>3</sup> After trust fund exhaustion under present law continuing taxes are expected to be enough to pay about three fourths of scheduled benefits.

<sup>4</sup> Increase the PIA to a level such that a worker with 30 / 11 years of earning 4 quarters of coverage (including up to 5 child care years) would receive an adjusted PIA equal to 100% / 36 2/3% of HHS monthly poverty level in 2012, CPI-index to year of eligibility. This provision would take full effect for all newly eligible workers in 2015.

All estimates based on the intermediate assumptions of the 2012 Trustees Report.

**Table B2. Changes in Benefits for Hypothetical Workers Beginning Benefit Receipt at age 65**  
**Bill "Social Security Enhancement and Protection Act of 2013" introduced by Representative Moore**

**Proposal Scheduled Benefit as Percent of Present Law Scheduled**

Year Attain Age 65	Age 65	Age 75	Age 85 <sup>3</sup>	Age 95 <sup>3</sup>
	(Percent)			
<b>Very-Low-AIME (\$11,161 for 2012<sup>1</sup>) 30-Year Scaled Earner (8.1% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	110.8	110.8
2030	100.0	100.0	110.8	110.8
2050	100.0	100.0	110.8	110.8
2080	100.0	100.0	110.8	110.8
<b>Very-Low-AIME (\$11,161 for 2012<sup>1</sup>) 20-Year Scaled Earner (6.0% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	110.8	110.8
2030	100.0	100.0	110.8	110.8
2050	100.0	100.0	110.8	110.8
2080	100.0	100.0	110.8	110.8
<b>Very-Low-AIME (\$11,161 for 2012<sup>1</sup>) 14-Year Scaled Earner (5.2% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	110.8	110.8
2030	100.0	100.0	110.8	110.8
2050	100.0	100.0	110.8	110.8
2080	100.0	100.0	110.8	110.8
<b>Low-AIME (\$20,090 for 2012<sup>1</sup>) 44-Year Scaled Earner (13.5% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	108.2	108.2
2030	100.0	100.0	108.2	108.2
2050	100.0	100.0	108.2	108.2
2080	100.0	100.0	108.2	108.2
<b>Low-AIME (\$20,090 for 2012<sup>1</sup>) 30-Year Scaled Earner (6.7% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	108.2	108.2
2030	100.0	100.0	108.2	108.2
2050	100.0	100.0	108.2	108.2
2080	100.0	100.0	108.2	108.2
<b>Low-AIME (\$20,090 for 2012<sup>1</sup>) 20-Year Scaled Earner (2.8% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	108.2	108.2
2030	100.0	100.0	108.2	108.2
2050	100.0	100.0	108.2	108.2
2080	100.0	100.0	108.2	108.2
<b>Medium-AIME (\$44,644 for 2012<sup>1</sup>) 44-Year Scaled Earner (27.2% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	105.0	105.0
2030	100.0	100.0	105.0	105.0
2050	100.0	100.0	105.0	105.0
2080	100.0	100.0	105.0	105.0
<b>Medium-AIME (\$44,644 for 2012<sup>1</sup>) 30-Year Scaled Earner (4.2% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	105.0	105.0
2030	100.0	100.0	105.0	105.0
2050	100.0	100.0	105.0	105.0
2080	100.0	100.0	105.0	105.0
<b>High-AIME (\$71,430 for 2012<sup>1</sup>) 44-Year Scaled Earner (20.9% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	103.8	103.8
2030	100.0	100.0	103.8	103.8
2050	100.0	100.0	103.8	103.8
2080	100.0	100.0	103.8	103.8
<b>Maximum-AIME (\$110,100 for 2012<sup>1</sup>) 43-Year Steady Earner (5.4% of Retirees<sup>2</sup>)</b>				
2012	100.0	100.0	103.2	103.2
2030	100.0	100.0	103.1	103.1
2050	100.0	100.0	103.1	103.1
2080	100.0	100.0	103.1	103.1

<sup>1</sup> Average of highest 35 years of earnings wage indexed to 2012.

<sup>2</sup> Projected percent of new retired worker awards in 2050 closest to AIME levels and years of work.

<sup>3</sup> Beginning in 2015, increase the benefit 16-20 years after eligibility based on 1% of the average retired worker PIA in the prior year.

**Other Changes:**

- Increase the PIA to a level such that a worker with 30 / 11 years of earning 4 quarters of coverage (including up to 5 child care years) would receive an adjusted PIA equal to 100% / 36 2/3% of HHS monthly poverty level in 2012, CPI-index to year of eligibility. This provision would take full effect for all newly eligible workers in 2015.

All estimates based on the intermediate assumptions of the 2012 Trustees Report.

**Table B3. Important Characteristics of Hypothetical Workers in 2007**

**Percent of Beneficiaries Within Each Category That Are:**

<u>Category</u>	<u>Dually Entitled</u> <sup>2</sup>	<u>WEP</u> <sup>3</sup>	<u>Foreign Born</u>	<u>All Others</u> <sup>4</sup>
<b>Very-Low-AIME (\$11,161 for 2012<sup>1</sup>):</b>				
30-Year Scaled Earner (9.3% of Retirees)	47	6	11	40
20-Year Scaled Earner (5.8% of Retirees)	38	16	21	31
14-Year Scaled Earner (5.3% of Retirees)	22	21	45	20
<b>Low-AIME (\$20,090 for 2012<sup>1</sup>):</b>				
44-Year Scaled Earner (13.1% of Retirees)	15	2	6	78
30-Year Scaled Earner (5.9% of Retirees)	16	9	18	59
20-Year Scaled Earner (3.1% of Retirees)	10	23	35	37
<b>Medium-AIME (\$44,644 for 2012<sup>1</sup>):</b>				
44-Year Scaled Earner (23.0% of Retirees)	1	1	5	93
30-Year Scaled Earner (4.4% of Retirees)	1	8	26	67
<b>High-AIME (\$71,430 for 2012<sup>1</sup>):</b>				
44-Year Scaled Earner (20.5% of Retirees)	0	0	6	93
<b>Maximum-AIME (\$110,100 for 2012<sup>1</sup>):</b>				
Steady Earner (9.4% of Retirees)	0	0	7	93

Note 1: Percents based on tabulations of a 10-percent sample of newly entitled retired-worker beneficiaries in 2007 (169,725 records). We can be 95 percent confident that each of the values shown above is within 1.4 percentage points of the value we would find using 100 percent of the retirees in 2007.

Note 2: The sum of the percentages for each category (sum across rows) could be greater than 100 percent because some beneficiaries can be classified in more than one of the following groups: dually entitled, WEP, and foreign born.

<sup>1</sup> Average of highest 35 years of earnings wage indexed to 2012.

<sup>2</sup> Under current law, entitled to an additional benefit based on someone else's account. The dually entitled percent is a minimum value. Some beneficiaries that are not currently dually entitled could become dually entitled in the future.

<sup>3</sup> Covered by pension from government employment and are subject to the windfall elimination provision (WEP).

<sup>4</sup> Neither foreign born, subject to WEP, or dually entitled.

**Table 1 - OASDI Cost Rate, Income Rate, Annual Balance, and Trust Fund Ratio**  
**Bill "Social Security Enhancement and Protection Act of 2013" introduced by Representative Moore**

Year	Proposal			Trust Fund Ratio 1-1-year	Change from Present Law		
	Expressed as a percentage of present-law taxable payroll				Expressed as a percentage of present-law taxable payroll		
	Cost Rate	Income Rate	Annual Balance		Cost Rate	Income Rate	Annual Balance
2012	13.83	12.89	-0.93	340	0.00	0.00	0.00
2013	13.95	12.83	-1.12	329	0.00	0.00	0.00
2014	13.98	12.93	-1.05	315	0.00	0.00	0.00
2015	14.13	13.29	-0.84	299	0.17	0.34	0.17
2016	14.17	13.68	-0.49	286	0.23	0.70	0.47
2017	14.14	14.07	-0.07	277	0.23	1.06	0.83
2018	14.19	14.45	0.26	271	0.23	1.41	1.19
2019	14.37	14.80	0.44	267	0.23	1.75	1.52
2020	14.61	15.15	0.54	264	0.24	2.08	1.84
2021	14.90	15.41	0.51	262	0.24	2.30	2.06
2022	15.22	15.66	0.44	261	0.25	2.54	2.28
2023	15.55	15.91	0.36	259	0.26	2.76	2.50
2024	15.87	16.15	0.28	258	0.27	2.99	2.71
2025	16.17	16.18	0.01	257	0.29	3.00	2.72
2026	16.46	16.20	-0.25	256	0.30	3.01	2.70
2027	16.73	16.22	-0.51	254	0.32	3.01	2.69
2028	16.97	16.24	-0.74	251	0.34	3.01	2.68
2029	17.19	16.25	-0.93	247	0.35	3.02	2.66
2030	17.38	16.27	-1.11	242	0.37	3.02	2.65
2031	17.53	16.28	-1.25	237	0.39	3.02	2.63
2032	17.66	16.29	-1.37	232	0.41	3.02	2.62
2033	17.75	16.30	-1.45	226	0.42	3.03	2.60
2034	17.82	16.31	-1.51	220	0.44	3.03	2.59
2035	17.87	16.31	-1.56	214	0.46	3.03	2.57
2036	17.90	16.32	-1.59	207	0.48	3.04	2.56
2037	17.92	16.32	-1.60	201	0.49	3.04	2.55
2038	17.93	16.32	-1.60	195	0.51	3.04	2.53
2039	17.92	16.33	-1.59	188	0.52	3.04	2.52
2040	17.89	16.33	-1.57	182	0.54	3.05	2.51
2041	17.87	16.33	-1.54	176	0.55	3.05	2.50
2042	17.84	16.33	-1.51	170	0.56	3.05	2.49
2043	17.82	16.33	-1.49	164	0.57	3.05	2.48
2044	17.79	16.33	-1.46	158	0.58	3.05	2.47
2045	17.78	16.33	-1.44	152	0.59	3.06	2.47
2046	17.76	16.33	-1.42	147	0.60	3.06	2.46
2047	17.74	16.34	-1.40	141	0.60	3.06	2.46
2048	17.72	16.34	-1.38	135	0.61	3.06	2.46
2049	17.70	16.34	-1.36	130	0.61	3.07	2.46
2050	17.69	16.34	-1.35	124	0.61	3.07	2.45
2051	17.69	16.34	-1.34	118	0.61	3.07	2.45
2052	17.69	16.35	-1.34	113	0.62	3.07	2.45
2053	17.69	16.35	-1.34	107	0.62	3.07	2.45
2054	17.70	16.35	-1.35	101	0.62	3.07	2.46
2055	17.71	16.35	-1.36	95	0.62	3.08	2.46
2056	17.72	16.36	-1.37	88	0.62	3.08	2.46
2057	17.74	16.36	-1.38	82	0.62	3.08	2.46
2058	17.75	16.36	-1.39	76	0.62	3.08	2.47
2059	17.76	16.37	-1.40	69	0.61	3.08	2.47
2060	17.77	16.37	-1.40	62	0.61	3.08	2.47
2061	17.78	16.37	-1.41	55	0.61	3.09	2.47
2062	17.78	16.37	-1.41	48	0.61	3.09	2.47
2063	17.79	16.38	-1.41	41	0.61	3.09	2.48
2064	17.80	16.38	-1.42	34	0.61	3.09	2.48
2065	17.81	16.38	-1.43	27	0.61	3.09	2.48
2066	17.83	16.38	-1.45	19	0.61	3.09	2.48
2067	17.86	16.39	-1.47	12	0.61	3.10	2.48
2068	17.88	16.39	-1.49	4	0.62	3.10	2.48
2069	17.91	16.39	-1.52	----	0.62	3.10	2.48
2070	17.94	16.40	-1.55	----	0.62	3.10	2.48
2071	17.97	16.40	-1.57	----	0.62	3.10	2.48
2072	18.00	16.40	-1.59	----	0.62	3.10	2.48
2073	18.02	16.41	-1.62	----	0.62	3.11	2.48
2074	18.05	16.41	-1.64	----	0.62	3.11	2.49
2075	18.08	16.41	-1.67	----	0.62	3.11	2.49
2076	18.11	16.42	-1.69	----	0.62	3.11	2.49
2077	18.13	16.42	-1.71	----	0.62	3.11	2.49
2078	18.16	16.42	-1.73	----	0.62	3.11	2.50
2079	18.19	16.43	-1.76	----	0.62	3.12	2.50
2080	18.22	16.43	-1.79	----	0.62	3.12	2.50
2081	18.26	16.44	-1.82	----	0.62	3.12	2.50
2082	18.29	16.44	-1.85	----	0.62	3.12	2.50
2083	18.33	16.44	-1.89	----	0.62	3.12	2.50
2084	18.37	16.45	-1.92	----	0.62	3.12	2.51
2085	18.41	16.45	-1.96	----	0.62	3.13	2.51
2086	18.45	16.46	-2.00	----	0.62	3.13	2.51
2087	18.49	16.46	-2.03	----	0.62	3.13	2.51

Summarized Rates: OASDI				
	Cost Rate	Income Rate	Actuarial Balance	Year of reserve depletion <sup>1</sup>
2012 - 2086	17.15%	16.71%	-0.44%	2068

Summarized Rates: OASDI			
Change in Cost rate	Change in Income Rate	Change in Actuarial Balance	
0.46%	2.69%	2.23%	

Based on Intermediate Assumptions of the 2012 Trustees Report  
<sup>1</sup> Under present law the year of Trust Fund reserve depletion is 2033



**Table 1a - General Fund Transfers, OASDI Trust Fund Assets, and Theoretical OASDI Assets**  
**Bill "Social Security Enhancement and Protection Act of 2013" introduced by Representative Moore**

Calendar Year	Proposal General Fund Transfers			Present Value in Billions as of 1-1-2012			
	Percentage of Payroll (1)	Present Value in Billions as of 1-1- 2012		Proposal Total OASDI Trust Fund Assets at End of Year (4)	Gross Domestic Product (5)	Theoretical Social Security <sup>1</sup> with Borrowing Authority	
		Annual Amounts (2)	Accumulated as of End of Year (3)			Net OASDI Trust Fund Assets at End of Year Without General Fund Transfers (6)	With Plan General Fund Transfers (7)
2012	0.0	0.0	0.0	2,626.1	15,439.4	2,626.1	2,626.1
2013	0.0	0.0	0.0	2,563.5	15,479.7	2,563.5	2,563.5
2014	0.0	0.0	0.0	2,504.0	15,668.0	2,504.0	2,504.0
2015	0.0	0.0	0.0	2,455.6	15,946.3	2,445.4	2,445.4
2016	0.0	0.0	0.0	2,427.2	16,203.4	2,389.0	2,389.0
2017	0.0	0.0	0.0	2,423.2	16,420.0	2,334.6	2,334.6
2018	0.0	0.0	0.0	2,439.9	16,593.0	2,278.0	2,278.0
2019	0.0	0.0	0.0	2,467.9	16,683.5	2,211.2	2,211.2
2020	0.0	0.0	0.0	2,502.5	16,728.5	2,130.5	2,130.5
2021	0.0	0.0	0.0	2,535.4	16,749.9	2,034.1	2,034.1
2022	0.0	0.0	0.0	2,563.8	16,737.3	1,919.6	1,919.6
2023	0.0	0.0	0.0	2,587.0	16,689.8	1,787.1	1,787.1
2024	0.0	0.0	0.0	2,605.5	16,605.5	1,637.9	1,637.9
2025	0.0	0.0	0.0	2,607.5	16,481.0	1,473.7	1,473.7
2026	0.0	0.0	0.0	2,593.4	16,309.8	1,296.2	1,296.2
2027	0.0	0.0	0.0	2,564.2	16,115.0	1,106.7	1,106.7
2028	0.0	0.0	0.0	2,522.2	15,930.5	907.3	907.3
2029	0.0	0.0	0.0	2,469.4	15,741.8	700.0	700.0
2030	0.0	0.0	0.0	2,407.3	15,549.2	486.3	486.3
2031	0.0	0.0	0.0	2,337.7	15,364.4	268.0	268.0
2032	0.0	0.0	0.0	2,262.7	15,192.0	47.0	47.0
2033	0.0	0.0	0.0	2,183.9	15,025.3	-175.3	-175.3
2034	0.0	0.0	0.0	2,102.7	14,863.7	-397.4	-397.4
2035	0.0	0.0	0.0	2,020.3	14,704.0	-618.4	-618.4
2036	0.0	0.0	0.0	1,937.2	14,544.1	-837.5	-837.5
2037	0.0	0.0	0.0	1,854.2	14,387.6	-1,054.2	-1,054.2
2038	0.0	0.0	0.0	1,772.2	14,234.9	-1,267.7	-1,267.7
2039	0.0	0.0	0.0	1,691.8	14,084.3	-1,477.4	-1,477.4
2040	0.0	0.0	0.0	1,613.6	13,932.5	-1,682.8	-1,682.8
2041	0.0	0.0	0.0	1,537.6	13,781.3	-1,883.9	-1,883.9
2042	0.0	0.0	0.0	1,463.9	13,632.3	-2,080.7	-2,080.7
2043	0.0	0.0	0.0	1,392.4	13,484.0	-2,273.4	-2,273.4
2044	0.0	0.0	0.0	1,322.8	13,337.1	-2,462.4	-2,462.4
2045	0.0	0.0	0.0	1,255.2	13,192.0	-2,647.8	-2,647.8
2046	0.0	0.0	0.0	1,189.3	13,045.1	-2,829.7	-2,829.7
2047	0.0	0.0	0.0	1,125.3	12,896.0	-3,008.1	-3,008.1
2048	0.0	0.0	0.0	1,062.9	12,748.1	-3,183.3	-3,183.3
2049	0.0	0.0	0.0	1,002.1	12,599.8	-3,355.4	-3,355.4
2050	0.0	0.0	0.0	942.8	12,452.8	-3,524.5	-3,524.5
2051	0.0	0.0	0.0	884.6	12,305.9	-3,691.0	-3,691.0
2052	0.0	0.0	0.0	827.2	12,160.4	-3,855.2	-3,855.2
2053	0.0	0.0	0.0	770.6	12,016.5	-4,017.4	-4,017.4
2054	0.0	0.0	0.0	714.4	11,873.9	-4,177.7	-4,177.7
2055	0.0	0.0	0.0	658.7	11,733.4	-4,336.3	-4,336.3
2056	0.0	0.0	0.0	603.2	11,593.6	-4,493.3	-4,493.3
2057	0.0	0.0	0.0	548.0	11,455.7	-4,648.9	-4,648.9
2058	0.0	0.0	0.0	493.1	11,319.5	-4,802.8	-4,802.8
2059	0.0	0.0	0.0	438.7	11,184.5	-4,955.1	-4,955.1
2060	0.0	0.0	0.0	384.8	11,052.2	-5,105.7	-5,105.7
2061	0.0	0.0	0.0	331.4	10,922.0	-5,254.5	-5,254.5
2062	0.0	0.0	0.0	278.6	10,793.9	-5,401.5	-5,401.5
2063	0.0	0.0	0.0	226.3	10,667.4	-5,546.9	-5,546.9
2064	0.0	0.0	0.0	174.4	10,541.9	-5,690.7	-5,690.7
2065	0.0	0.0	0.0	122.8	10,417.7	-5,833.1	-5,833.1
2066	0.0	0.0	0.0	71.3	10,295.2	-5,974.2	-5,974.2
2067	0.0	0.0	0.0	19.7	10,174.1	-6,114.2	-6,114.2
2068	0.0	0.0	0.0	-31.9	10,053.7	-6,253.2	-6,253.2
2069	0.0	0.0	0.0	-83.8	9,934.5	-6,391.2	-6,391.2
2070	0.0	0.0	0.0	-136.0	9,816.3	-6,528.4	-6,528.4
2071	0.0	0.0	0.0	-188.3	9,699.8	-6,664.6	-6,664.6
2072	0.0	0.0	0.0	-240.7	9,584.7	-6,799.8	-6,799.8
2073	0.0	0.0	0.0	-293.1	9,470.3	-6,934.1	-6,934.1
2074	0.0	0.0	0.0	-345.7	9,356.9	-7,067.4	-7,067.4
2075	0.0	0.0	0.0	-398.3	9,244.2	-7,199.8	-7,199.8
2076	0.0	0.0	0.0	-450.9	9,133.4	-7,331.2	-7,331.2
2077	0.0	0.0	0.0	-503.4	9,023.5	-7,461.5	-7,461.5
2078	0.0	0.0	0.0	-556.1	8,914.1	-7,591.0	-7,591.0
2079	0.0	0.0	0.0	-608.8	8,805.8	-7,719.6	-7,719.6
2080	0.0	0.0	0.0	-661.7	8,698.5	-7,847.5	-7,847.5
2081	0.0	0.0	0.0	-714.9	8,592.2	-7,974.6	-7,974.6
2082	0.0	0.0	0.0	-768.3	8,486.7	-8,101.1	-8,101.1
2083	0.0	0.0	0.0	-822.0	8,381.9	-8,226.9	-8,226.9
2084	0.0	0.0	0.0	-875.9	8,278.3	-8,352.1	-8,352.1
2085	0.0	0.0	0.0	-930.2	8,175.6	-8,476.6	-8,476.6
2086	0.0	0.0	0.0	-984.8	8,074.3	-8,600.6	-8,600.6
2087	0.0	0.0	0.0	-1,039.6	7,974.3	-8,723.8	-8,723.8
Total 2012-2086		0.0					

Based on the Intermediate Assumptions of the 2012 Trustees Report  
 Ultimate Real Trust Fund Yield of 2.9%

Office of the Chief Actuary  
 Social Security Administration  
 March 29, 2013

<sup>1</sup> Theoretical Social Security is the current Social Security program with the assumption that the law is modified to permit borrowing from the General Fund of the Treasury.

**Table 1b - OASDI Changes & Implications for Federal Budget and Debt of Specified Plan Provision Effects on OASDI<sup>1</sup> (Present Value Dollars)  
 Bill "Social Security Enhancement and Protection Act of 2013" introduced by Representative Moore**

*Billions of Present Value Dollars as of 1-1-2012*

Year	Specified General Fund Transfers	Basic Changes in OASDI Cash Flow	Change in Annual Unified Budget Cash Flow	Change in Debt Held by Public at End of Year	Change in Annual Unified Budget Balance	Change in Total Federal Debt End Of Year	Change in Annual On Budget Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2012	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2013	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2014	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2015	0.0	10.2	10.2	-10.2	10.2	0.0	0.0
2016	0.0	28.0	28.0	-38.2	28.4	0.0	0.0
2017	0.0	50.5	50.5	-88.7	52.0	0.0	0.0
2018	0.0	73.3	73.3	-162.0	76.8	0.0	0.0
2019	0.0	94.7	94.7	-256.7	101.4	0.0	0.0
2020	0.0	115.4	115.4	-372.0	126.1	0.0	0.0
2021	0.0	129.3	129.3	-501.4	145.2	0.0	0.0
2022	0.0	142.8	142.8	-644.2	165.4	0.0	0.0
2023	0.0	155.7	155.7	-799.9	186.2	0.0	0.0
2024	0.0	167.7	167.7	-967.6	207.5	0.0	0.0
2025	0.0	166.2	166.2	-1,133.8	216.7	0.0	0.0
2026	0.0	163.4	163.4	-1,297.2	225.4	0.0	0.0
2027	0.0	160.3	160.3	-1,457.6	231.2	0.0	0.0
2028	0.0	157.4	157.4	-1,615.0	237.1	0.0	0.0
2029	0.0	154.5	154.5	-1,769.4	242.7	0.0	0.0
2030	0.0	151.6	151.6	-1,921.0	248.3	0.0	0.0
2031	0.0	148.7	148.7	-2,069.7	253.7	0.0	0.0
2032	0.0	146.0	146.0	-2,215.8	259.2	0.0	0.0
2033	0.0	143.4	143.4	-2,359.2	264.5	0.0	0.0
2034	0.0	140.9	140.9	-2,500.1	269.9	0.0	0.0
2035	0.0	138.5	138.5	-2,638.6	275.1	0.0	0.0
2036	0.0	136.1	136.1	-2,774.7	280.3	0.0	0.0
2037	0.0	133.7	133.7	-2,908.4	285.4	0.0	0.0
2038	0.0	131.5	131.5	-3,039.9	290.4	0.0	0.0
2039	0.0	129.3	129.3	-3,169.2	295.4	0.0	0.0
2040	0.0	127.2	127.2	-3,296.3	300.4	0.0	0.0
2041	0.0	125.1	125.1	-3,421.4	305.2	0.0	0.0
2042	0.0	123.1	123.1	-3,544.6	310.1	0.0	0.0
2043	0.0	121.2	121.2	-3,665.8	315.0	0.0	0.0
2044	0.0	119.4	119.4	-3,785.2	319.8	0.0	0.0
2045	0.0	117.7	117.7	-3,902.9	324.6	0.0	0.0
2046	0.0	116.0	116.0	-4,019.0	329.4	0.0	0.0
2047	0.0	114.4	114.4	-4,133.4	334.1	0.0	0.0
2048	0.0	112.8	112.8	-4,246.2	338.7	0.0	0.0
2049	0.0	111.3	111.3	-4,357.5	343.4	0.0	0.0
2050	0.0	109.8	109.8	-4,467.3	347.9	0.0	0.0
2051	0.0	108.3	108.3	-4,575.6	352.4	0.0	0.0
2052	0.0	106.9	106.9	-4,682.4	356.9	0.0	0.0
2053	0.0	105.5	105.5	-4,787.9	361.4	0.0	0.0
2054	0.0	104.1	104.1	-4,892.1	365.8	0.0	0.0
2055	0.0	102.9	102.9	-4,994.9	370.2	0.0	0.0
2056	0.0	101.6	101.6	-5,096.5	374.6	0.0	0.0
2057	0.0	100.3	100.3	-5,196.9	378.9	0.0	0.0
2058	0.0	99.1	99.1	-5,295.9	383.1	0.0	0.0
2059	0.0	97.9	97.9	-5,393.8	387.3	0.0	0.0
2060	0.0	96.6	96.6	-5,490.5	391.4	0.0	0.0
2061	0.0	95.4	95.4	-5,585.9	395.5	0.0	0.0
2062	0.0	94.3	94.3	-5,680.2	399.5	0.0	0.0
2063	0.0	93.1	93.1	-5,773.2	403.5	0.0	0.0
2064	0.0	91.9	91.9	-5,865.2	407.4	0.0	0.0
2065	0.0	90.7	90.7	-5,955.9	411.3	0.0	0.0
2066	0.0	89.6	89.6	-6,045.5	415.1	0.0	0.0
2067	0.0	88.4	88.4	-6,133.9	418.8	0.0	0.0
2068	0.0	87.3	87.3	-6,221.2	422.5	0.0	0.0
2069	0.0	86.2	86.2	-6,307.4	426.2	0.0	0.0
2070	0.0	85.0	85.0	-6,392.4	429.7	0.0	0.0
2071	0.0	83.9	83.9	-6,476.3	433.3	0.0	0.0
2072	0.0	82.8	82.8	-6,559.2	436.8	0.0	0.0
2073	0.0	81.8	81.8	-6,641.0	440.3	0.0	0.0
2074	0.0	80.8	80.8	-6,721.8	443.7	0.0	0.0
2075	0.0	79.8	79.8	-6,801.5	447.1	0.0	0.0
2076	0.0	78.8	78.8	-6,880.3	450.5	0.0	0.0
2077	0.0	77.8	77.8	-6,958.1	453.8	0.0	0.0
2078	0.0	76.8	76.8	-7,034.9	457.1	0.0	0.0
2079	0.0	75.9	75.9	-7,110.8	460.4	0.0	0.0
2080	0.0	74.9	74.9	-7,185.8	463.6	0.0	0.0
2081	0.0	74.0	74.0	-7,259.8	466.7	0.0	0.0
2082	0.0	73.1	73.1	-7,332.8	469.8	0.0	0.0
2083	0.0	72.1	72.1	-7,405.0	472.9	0.0	0.0
2084	0.0	71.2	71.2	-7,476.1	475.9	0.0	0.0
2085	0.0	70.3	70.3	-7,546.4	478.8	0.0	0.0
2086	0.0	69.3	69.3	-7,615.7	481.8	0.0	0.0
Total 2012-86	0.0	7,615.7	7,615.7				

Based on Intermediate Assumptions of the 2012 Trustees Report.  
 Ultimate Real Trust Fund Yield of 2.9%

Office of the Chief Actuary  
 Social Security Administration  
 March 29, 2013

<sup>1</sup> Effects of tax provisions on the On-Budget are not reflected in this table.

**Table 1b.n - OASDI Changes & Implications for Federal Budget and Debt of Specified Plan Provision Effects on OASDI<sup>1</sup> (Nominal Dollars)**  
**Bill "Social Security Enhancement and Protection Act of 2013" introduced by Representative Moore**

*Billions of Nominal Dollars*

<u>Year</u>	Specified General Fund Transfers (1)	Basic Changes in OASDI Cash Flow (2)	Change in Annual Unified Budget Cash Flow (3)	Change in Debt Held by Public at End of Year (4)	Change in Annual Unified Budget Balance (5)	Change in Total Federal Debt End of Year (6)	Change in Annual On Budget Balance (7)
2012	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2013	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2014	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2015	0.0	11.7	11.7	-11.9	11.9	0.0	0.0
2016	0.0	33.4	33.4	-46.4	34.5	0.0	0.0
2017	0.0	62.7	62.7	-112.2	65.8	0.0	0.0
2018	0.0	94.7	94.7	-213.4	101.2	0.0	0.0
2019	0.0	127.5	127.5	-352.6	139.2	0.0	0.0
2020	0.0	162.1	162.1	-533.2	180.7	0.0	0.0
2021	0.0	189.7	189.7	-750.5	217.3	0.0	0.0
2022	0.0	219.1	219.1	-1,008.2	257.8	0.0	0.0

Based on Intermediate Assumptions of the 2012 Trustees Report.

Office of the Chief Actuary  
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<sup>1</sup> Effects of tax provisions on the On-Budget are not reflected in this table.

**Table 1c - Present Law and Proposal Cost, Expenditures, and Income: As Percent of Gross Domestic Product**  
**Bill "Social Security Enhancement and Protection Act of 2013" introduced by Representative Moore**

Calendar Year	Present Law OASDI			Proposal OASDI		
	Cost (1)	Expenditures (Payable) (2)	Non-Interest Income (3)	Cost (4)	Expenditures (Payable) (5)	Non-Interest Income (6)
2012	5.01	5.01	4.67	5.01	5.01	4.67
2013	5.06	5.06	4.66	5.06	5.06	4.66
2014	5.09	5.09	4.71	5.09	5.09	4.71
2015	5.10	5.10	4.73	5.16	5.16	4.85
2016	5.11	5.11	4.76	5.19	5.19	5.02
2017	5.14	5.14	4.81	5.22	5.22	5.20
2018	5.19	5.19	4.85	5.28	5.28	5.37
2019	5.28	5.28	4.87	5.36	5.36	5.53
2020	5.38	5.38	4.89	5.47	5.47	5.67
2021	5.49	5.49	4.91	5.58	5.58	5.77
2022	5.59	5.59	4.90	5.69	5.69	5.85
2023	5.70	5.70	4.90	5.79	5.79	5.93
2024	5.80	5.80	4.89	5.90	5.90	6.00
2025	5.89	5.89	4.89	6.00	6.00	6.00
2026	5.98	5.98	4.88	6.09	6.09	6.00
2027	6.06	6.06	4.88	6.18	6.18	5.99
2028	6.13	6.13	4.88	6.26	6.26	5.99
2029	6.20	6.20	4.87	6.33	6.33	5.98
2030	6.25	6.25	4.87	6.39	6.39	5.98
2031	6.29	6.29	4.87	6.44	6.44	5.98
2032	6.32	6.32	4.86	6.47	6.47	5.97
2033	6.34	5.16	4.86	6.50	6.50	5.97
2034	6.36	4.85	4.85	6.52	6.52	5.96
2035	6.36	4.85	4.85	6.53	6.53	5.96
2036	6.36	4.85	4.85	6.53	6.53	5.95
2037	6.35	4.84	4.84	6.53	6.53	5.95
2038	6.34	4.84	4.84	6.53	6.53	5.94
2039	6.33	4.83	4.83	6.52	6.52	5.94
2040	6.31	4.83	4.83	6.50	6.50	5.93
2041	6.28	4.82	4.82	6.48	6.48	5.93
2042	6.26	4.81	4.81	6.47	6.47	5.92
2043	6.24	4.81	4.81	6.45	6.45	5.91
2044	6.22	4.80	4.80	6.43	6.43	5.91
2045	6.21	4.79	4.79	6.42	6.42	5.90
2046	6.19	4.79	4.79	6.40	6.40	5.89
2047	6.17	4.78	4.78	6.39	6.39	5.88
2048	6.15	4.77	4.77	6.37	6.37	5.87
2049	6.14	4.76	4.76	6.36	6.36	5.87
2050	6.12	4.76	4.76	6.34	6.34	5.86
2051	6.11	4.75	4.75	6.33	6.33	5.85
2052	6.10	4.75	4.75	6.32	6.32	5.84
2053	6.09	4.74	4.74	6.31	6.31	5.84
2054	6.09	4.73	4.73	6.31	6.31	5.83
2055	6.08	4.73	4.73	6.30	6.30	5.82
2056	6.08	4.72	4.72	6.30	6.30	5.81
2057	6.08	4.71	4.71	6.30	6.30	5.81
2058	6.07	4.71	4.71	6.29	6.29	5.80
2059	6.07	4.70	4.70	6.29	6.29	5.79
2060	6.06	4.69	4.69	6.28	6.28	5.78
2061	6.06	4.69	4.69	6.27	6.27	5.78
2062	6.05	4.68	4.68	6.27	6.27	5.77
2063	6.05	4.68	4.68	6.26	6.26	5.76
2064	6.04	4.67	4.67	6.26	6.26	5.76
2065	6.04	4.66	4.66	6.25	6.25	5.75
2066	6.03	4.66	4.66	6.25	6.25	5.74
2067	6.03	4.65	4.65	6.25	6.25	5.73
2068	6.03	4.64	4.64	6.25	5.73	5.73
2069	6.03	4.64	4.64	6.25	5.72	5.72
2070	6.04	4.63	4.63	6.25	5.71	5.71
2071	6.04	4.63	4.63	6.25	5.71	5.71
2072	6.04	4.62	4.62	6.25	5.70	5.70
2073	6.04	4.62	4.62	6.25	5.69	5.69
2074	6.04	4.61	4.61	6.26	5.69	5.69
2075	6.04	4.61	4.61	6.26	5.68	5.68
2076	6.04	4.60	4.60	6.26	5.67	5.67
2077	6.05	4.59	4.59	6.26	5.67	5.67
2078	6.05	4.59	4.59	6.26	5.66	5.66
2079	6.05	4.59	4.59	6.26	5.66	5.66
2080	6.06	4.58	4.58	6.27	5.65	5.65
2081	6.06	4.58	4.58	6.27	5.65	5.65
2082	6.07	4.57	4.57	6.28	5.64	5.64
2083	6.08	4.57	4.57	6.29	5.64	5.64
2084	6.08	4.57	4.57	6.30	5.64	5.64
2085	6.09	4.56	4.56	6.30	5.63	5.63
2086	6.10	4.56	4.56	6.31	5.63	5.63

Based on Intermediate Assumptions of the 2012 Trustees Report.

Office of the Chief Actuary  
 Social Security Administration  
 March 29, 2013

**Table 1d - Change in Long-Range Trust Fund Assets / Unfunded Obligation**  
**Bill "Social Security Enhancement and Protection Act of 2013" introduced by Representative Moore**

(Billions of Dollars, Present Value on 1-1-2012)

Year	Present Law OASDI Trust Fund Assets / Unfunded Obligation Through End of Year (1)	Changes in OASDI Income (2)	Changes in OASDI Cost (3)	Basic Changes in OASDI Cash Flow (4) = (2)-(3)	Total Change Through End of Year (5) = cumulative sum(4)	Proposal OASDI Trust Fund Assets / Unfunded Obligation Through End of Year (6) = (1)+(5)
2012	2,626.1	0.0	0.0	0.0	0.0	2,626.1
2013	2,563.5	0.0	0.0	0.0	0.0	2,563.5
2014	2,504.0	0.0	0.0	0.0	0.0	2,504.0
2015	2,445.4	19.8	9.6	10.2	10.2	2,455.6
2016	2,389.0	41.7	13.7	28.0	38.2	2,427.2
2017	2,334.6	64.3	13.8	50.5	88.7	2,423.2
2018	2,278.0	87.3	14.0	73.3	162.0	2,439.9
2019	2,211.2	109.1	14.4	94.7	256.7	2,467.9
2020	2,130.5	130.2	14.8	115.4	372.0	2,502.5
2021	2,034.1	144.6	15.3	129.3	501.4	2,535.4
2022	1,919.6	158.7	15.8	142.8	644.2	2,563.8
2023	1,787.1	172.0	16.4	155.7	799.9	2,587.0
2024	1,637.9	184.6	16.9	167.7	967.6	2,605.5
2025	1,473.7	183.8	17.6	166.2	1,133.8	2,607.5
2026	1,296.2	181.7	18.3	163.4	1,297.2	2,593.4
2027	1,106.7	179.4	19.1	160.3	1,457.6	2,564.2
2028	907.3	177.2	19.8	157.4	1,615.0	2,522.2
2029	700.0	175.0	20.5	154.5	1,769.4	2,469.4
2030	486.3	172.8	21.2	151.6	1,921.0	2,407.3
2031	268.0	170.6	21.9	148.7	2,069.7	2,337.7
2032	47.0	168.7	22.6	146.0	2,215.8	2,262.7
2033	-175.3	166.8	23.3	143.4	2,359.2	2,183.9
2034	-397.4	164.9	24.0	140.9	2,500.1	2,102.7
2035	-618.4	163.1	24.6	138.5	2,638.6	2,020.3
2036	-837.5	161.3	25.2	136.1	2,774.7	1,937.2
2037	-1,054.2	159.5	25.8	133.7	2,908.4	1,854.2
2038	-1,267.7	157.8	26.3	131.5	3,039.9	1,772.2
2039	-1,477.4	156.1	26.8	129.3	3,169.2	1,691.8
2040	-1,682.8	154.4	27.2	127.2	3,296.3	1,613.6
2041	-1,883.9	152.6	27.6	125.1	3,421.4	1,537.6
2042	-2,080.7	150.9	27.8	123.1	3,544.6	1,463.9
2043	-2,273.4	149.2	28.0	121.2	3,665.8	1,392.4
2044	-2,462.4	147.5	28.1	119.4	3,785.2	1,322.8
2045	-2,647.8	145.8	28.1	117.7	3,902.9	1,255.2
2046	-2,829.7	144.1	28.0	116.0	4,019.0	1,189.3
2047	-3,008.1	142.3	27.9	114.4	4,133.4	1,125.3
2048	-3,183.3	140.6	27.7	112.8	4,246.2	1,062.9
2049	-3,355.4	138.8	27.6	111.3	4,357.5	1,002.1
2050	-3,524.5	137.1	27.3	109.8	4,467.3	942.8
2051	-3,691.0	135.4	27.1	108.3	4,575.6	884.6
2052	-3,855.2	133.7	26.8	106.9	4,682.4	827.2
2053	-4,017.4	132.0	26.5	105.5	4,787.9	770.6
2054	-4,177.7	130.3	26.2	104.1	4,892.1	714.4
2055	-4,336.3	128.7	25.8	102.9	4,994.9	658.7
2056	-4,493.3	127.0	25.4	101.6	5,096.5	603.2
2057	-4,648.9	125.4	25.1	100.3	5,196.9	548.0
2058	-4,802.8	123.8	24.7	99.1	5,295.9	493.1
2059	-4,955.1	122.2	24.3	97.9	5,393.8	438.7
2060	-5,105.7	120.6	24.0	96.6	5,490.5	384.8
2061	-5,254.5	119.1	23.7	95.4	5,585.9	331.4
2062	-5,401.5	117.6	23.4	94.3	5,680.2	278.6
2063	-5,546.9	116.1	23.0	93.1	5,773.2	226.3
2064	-5,690.7	114.7	22.7	91.9	5,865.2	174.4
2065	-5,833.1	113.2	22.4	90.7	5,955.9	122.8
2066	-5,974.2	111.8	22.2	89.6	6,045.5	71.3
2067	-6,114.2	110.3	21.9	88.4	6,133.9	19.7
2068	-6,253.2	108.9	21.6	87.3	6,221.2	-31.9
2069	-6,391.2	107.5	21.4	86.2	6,307.4	-83.8
2070	-6,528.4	106.2	21.2	85.0	6,392.4	-136.0
2071	-6,664.6	104.8	20.9	83.9	6,476.3	-188.3
2072	-6,799.8	103.5	20.7	82.8	6,559.2	-240.7
2073	-6,934.1	102.2	20.4	81.8	6,641.0	-293.1
2074	-7,067.4	100.9	20.1	80.8	6,721.8	-345.7
2075	-7,199.8	99.6	19.8	79.8	6,801.5	-398.3
2076	-7,331.2	98.3	19.6	78.8	6,880.3	-450.9
2077	-7,461.5	97.1	19.3	77.8	6,958.1	-503.4
2078	-7,591.0	95.8	19.0	76.8	7,034.9	-556.1
2079	-7,719.6	94.6	18.7	75.9	7,110.8	-608.8
2080	-7,847.5	93.4	18.5	74.9	7,185.8	-661.7
2081	-7,974.6	92.2	18.2	74.0	7,259.8	-714.9
2082	-8,101.1	91.0	18.0	73.1	7,332.8	-768.3
2083	-8,226.9	89.9	17.8	72.1	7,405.0	-822.0
2084	-8,352.1	88.7	17.5	71.2	7,476.1	-875.9
2085	-8,476.6	87.6	17.3	70.3	7,546.4	-930.2
2086	-8,600.6	86.5	17.1	69.3	7,615.7	-984.8
Total 2012-2086		9185.4	1569.7	7615.7		

Based on Intermediate Assumptions of the 2012 Trustees Report.

Ultimate Real Trust Fund Yield of 2.9%.

Office of the Chief Actuary  
 Social Security Administration  
 March 29, 2013