SOCIAL SECURITY

Office of the Chief Actuary

December 1, 2010

Mr. Erskine Bowles, Co-Chair
Mr. Alan Simpson, Co-Chair
National Commission on Fiscal Responsibility and Reform
1650 Pennsylvania Ave., NW
Washington, DC 20504

Dear Mr. Bowles and Mr. Simpson:

I am writing in response to your request for estimates of the financial effects on Social Security of the National Commission's plan that is released today. We have worked closely with Bruce Reed, Marc Goldwein, Meaghan Mann, Ed Lorenzen, and other members of your team to gain an understanding of the provisions and implications of the plan. The plan would make numerous changes to the Social Security Act and to a broad range of general tax provisions that have implications for the financial status of the OASDI program. The plan specifies eight provisions with direct effects on OASDI program benefits and tax revenues. We are providing detailed and summary estimates of the effects of these basic provisions individually and as a group. In addition, the plan makes recommendations for changes in general tax provisions that would be expected to have indirect effects on the financial status of the OASDI program. We are providing only summary estimates on a very preliminary basis for the effects on the OASDI program of two potential outcomes from the tax reform recommendations. These preliminary estimates may be revised based on further clarification of the tax provisions in the coming days.

In the enclosed tables, we are providing estimates of the effects of the basic Social Security plan provisions on the cost, income, and trust fund assets for the OASDI program, as well as the estimated effects on retired worker benefit levels for selected hypothetical worker cases. In particular, the unified budget analysis, shown in tables 1b and 1b.n, does not reflect all of the Commission plan provisions. These tables reflect the unified budget implications of only the basic Social Security plan provisions with significant direct effects on the actuarial status of the OASDI program. For example, the revenue effects for the on-budget (which excludes Social Security) of the various tax provisions are not reflected in this analysis. All estimates are based on the intermediate assumptions of the 2010 Trustees Report.

The estimates provided here reflect extraordinary effort by many in the Office of the Chief Actuary under substantial time pressure, but most particularly Alice Wade, Christopher Chaplain, Daniel Nickerson, Tiffany Bosley, and Michael Clingman.

The Commission plan includes the following eight basic provisions that have significant direct effects on the OASDI program financial operations and actuarial status:

1) After 2022, index the normal retirement age (NRA) to maintain a constant ratio of (a) life expectancy at NRA to (b) potential work years (NRA-20). Maintain the earliest eligibility age (EEA) at NRA-5. Increases in the EEA and NRA would be limited. Consistent with this intent, the following provision is included as a potential limitation. For individuals who have earned 4 quarters of coverage in 25 years before age 62, retain the EEA and NRA at 62 and 67, respectively, if AIME is under 250 percent of aged poverty (wage indexed from 2009), with this limitation phased out completely if AIME is over 400 percent of aged poverty.
2) Create a new bend point in the PIA formula at the AIME for the 50th percentile of new retired worker awards. Over the period 2017-2050, gradually reduce the 32 percent PIA factor that applied below the new bend point to 30 percent, the 32 percent PIA factor that applies above the new bend point to 10 percent, and the 15 percent PIA factor to 5 percent.
3) Change the OASDI cost of living adjustment (COLA) to be based on a chained version of the Consumer Price Index (CPI-W) starting for December 2011.
4) Beginning in 2017, increase the special minimum benefit by making the following changes. (a) A year of coverage is defined as a year in which 4 quarters of coverage are earned. (b) The minimum PIA for 30 years of coverage is equal to 125 percent of the monthly poverty level (indexed by chained CPI from 2009 to 2017 and by average wage thereafter, for successive cohorts). (c) The minimum PIA is zero for 10 or fewer years of coverage, and increases linearly for 11 through 30 years of coverage. (d) Scale year of coverage requirements for disabled workers based on years of potential work.
5) Effective for all beneficiaries in 2011 and later, provide a 5 percent increase in PIA phased in over the 20th through 24th years after initial benefit eligibility. The total increase in PIA is 5 percent of the PIA for a worker of the same age with earnings at the average (AWI) at ages 22 through 61.
6) Increase the OASDI contribution and benefit base (taxable maximum) by an additional 2 percent each year starting in 2012, until 90 percent of covered earnings are taxable. Additional increases are expected for 38 years, reaching 90 percent taxable for 2049 and later. Establish starting in 2013 a new PIA bend point at the monthly equivalent of the taxable maximum that would be determined without regard to this provision, with a benefit formula factor of 5 percent for AIME above this new bend point.
7) Allow retirees to start receiving up to one-half of their benefits at age 62 with the remainder not available until EEA. Actuarial reduction applies accordingly.
8) Cover earnings of all state and local government employees hired in 2021 and later.

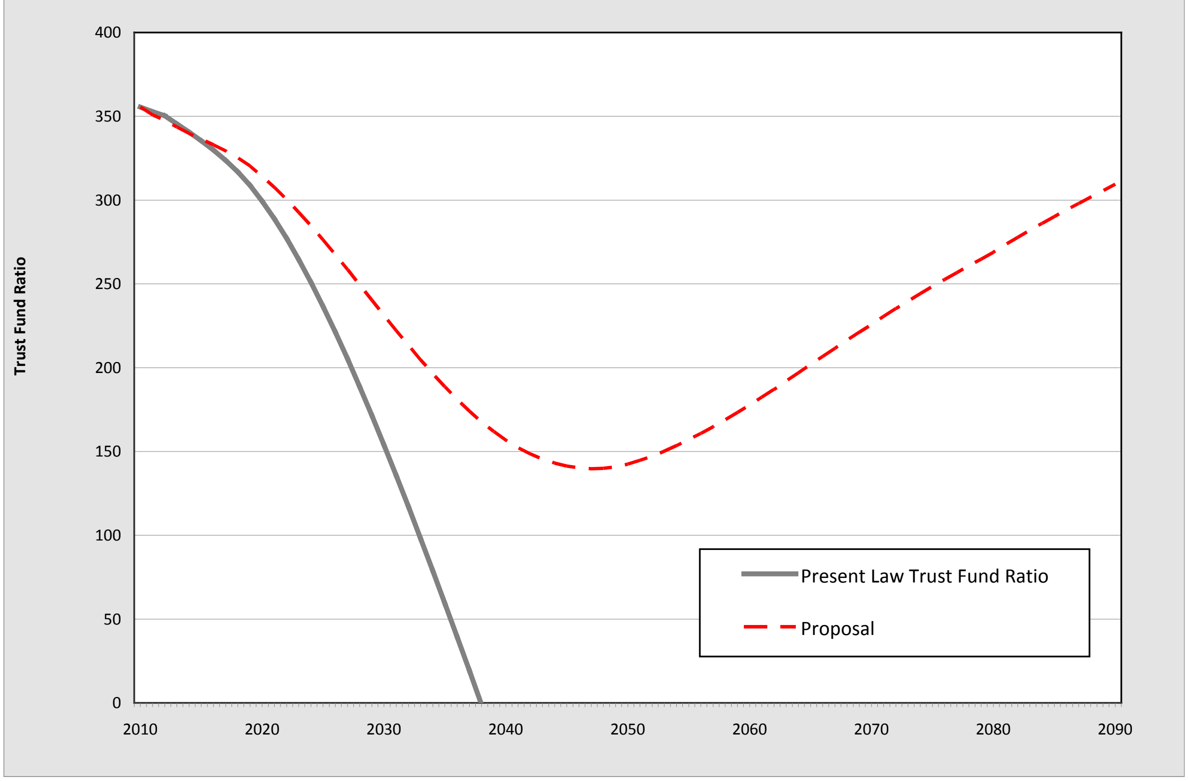
In addition, the Commission plan includes recommendations for comprehensive tax reform. While these recommendations would not directly affect OASDI benefits and tax revenue, they would, if implemented, have significant indirect effects. The Commission recommendation calls for a fast-track process to enact fundamental tax reform by 2012. The Commission provides an illustrative tax reform plan to serve as a model. In addition, the Commission recommends a fail-safe plan that would take effect automatically if the Congress does not enact comprehensive tax reform that meets specified targets by 2013. Subsequent sections of this letter describe the illustrative tax reform option and the fail-safe option and provide preliminary estimates of their potential impact on the actuarial status of the OASDI program.

The balance of this letter provides a summary of the effects of the plan on the actuarial status of the OASDI program, our understanding of the specifications of each plan provision, the estimated effects on OASDI actuarial status, and a description of our detailed financial results.

Summary of Effects of Basic Social Security Provisions 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 assets, expressed as a percent of annual program cost, assuming enactment of the eight basic Social Security provisions of the plan. Assuming enactment, the OASDI program would be expected to be solvent for the next 75 years, under the intermediate assumptions of the 2010 Trustees Report. The level of assets for the theoretical combined OASI and DI Trust Funds would decline from a current level of 355 percent of annual program cost to 140 percent of annual cost in 2047. Thereafter, the trust funds would rise, reaching 290 percent of annual program cost by the end of 2084. The combined assets would be rising as a percentage of the annual cost of the program at the end of the period. Thus, the OASDI program would meet the requirements for sustainable solvency under the intermediate assumptions of the 2010 Trustees Report with enactment of the eight basic Social Security provisions of the Commission plan.

Figure 1. Present Law and Commission Plan (Basic Social Security Provisions Only): OASDI Trust Fund Assets as Percent of Annual Cost: 2010 TR Intermediate Assumptions

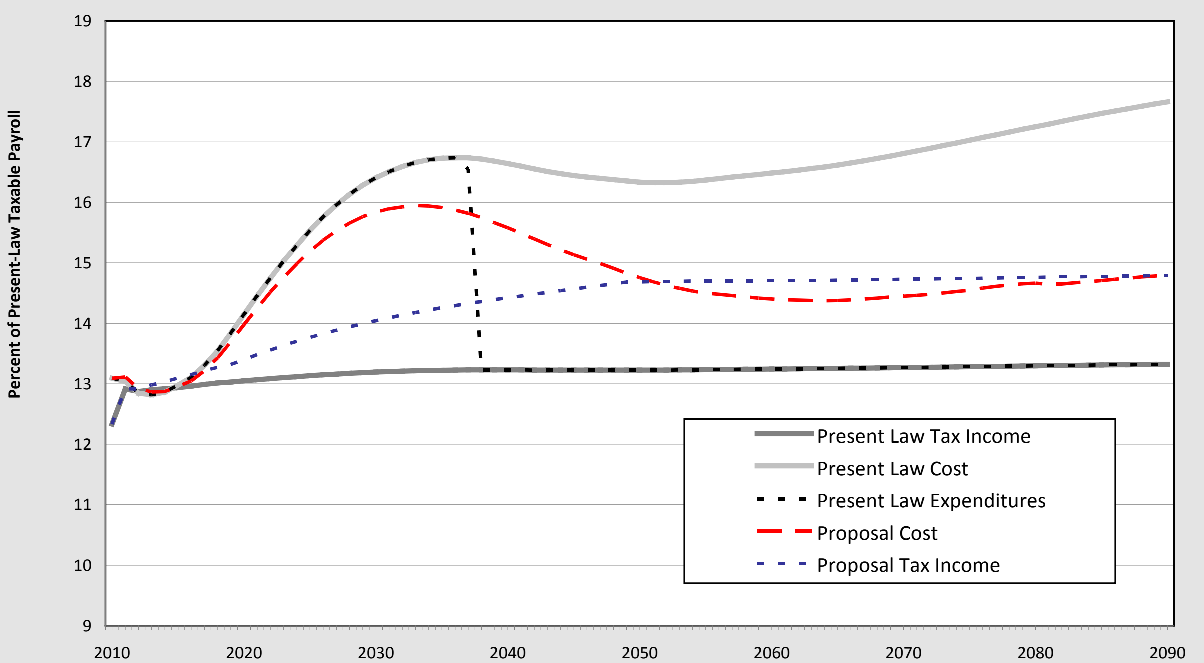


Note: *Trust Fund Ratio* for a given year is the ratio of assets in the combined OASI and DI Trust Funds at the beginning of the year to the cost of the program during the year.

Enactment of the eight basic Social Security provisions of the plan would eliminate the long-range OASDI actuarial deficit of 1.92 percent of taxable payroll under current law, and would result in a positive OASDI actuarial balance of 0.23 percent of payroll for the long-range period.

Figure 2 below illustrates annual projected levels of cost, expenditures, and tax income as a percent of the current-law level of taxable payroll. The projected levels of cost reflect the full cost of present-law scheduled benefits. After trust fund exhaustion, projected expenditures under current law include only amounts payable when less than cost. Under the basic Social Security provisions of the proposed plan, the combined OASI and DI Trust Funds would not be expected to exhaust, so payable benefits (expenditures) equal scheduled benefits over the 75-year projection period.

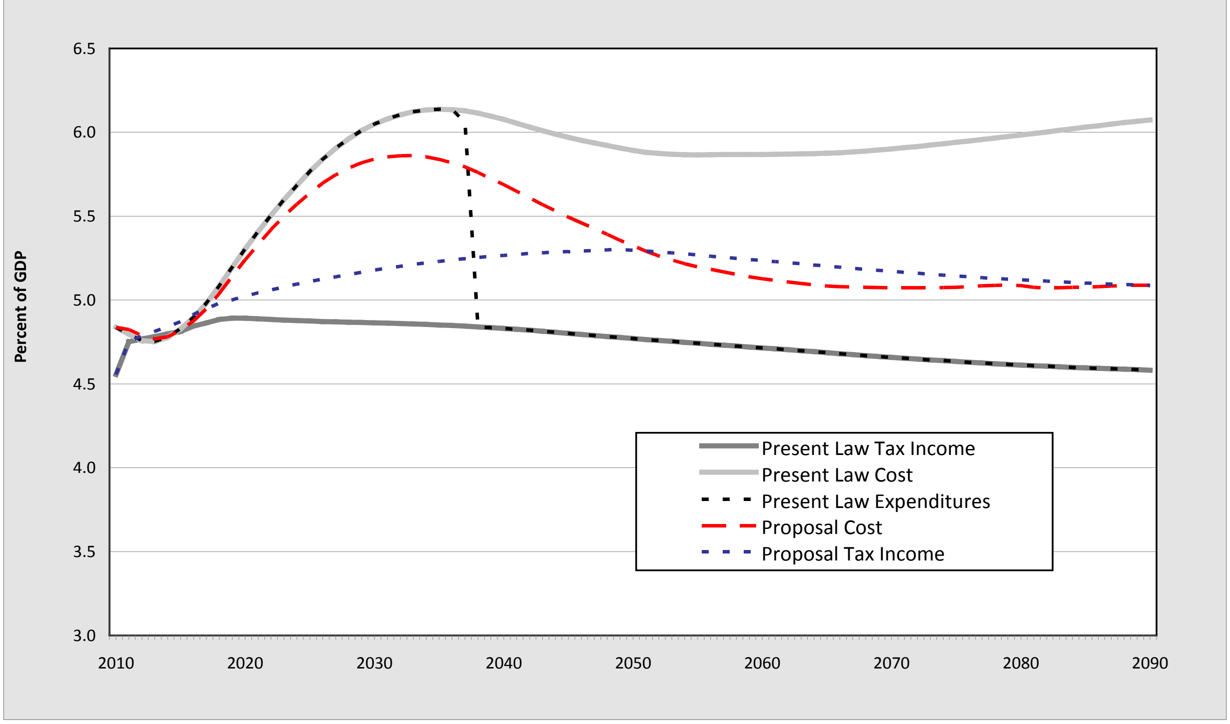
Figure 2. Commission Plan (Basic Social Security Provisions Only) and Present Law Cost and Tax Income as Percent of Taxable Payroll: 2010 TR Intermediate Assumptions



Aggregate OASDI program cost is reduced under the eight basic Social Security provisions of the proposed plan after 2014 and tax income is increased after 2011. The annual tax revenue for the OASDI program is projected to exceed the projected cost after 2051, providing positive net cash flow through 2084 and beyond. In present value terms (see Table 1d), about 46 percent of the improvement in the actuarial status of the OASDI Trust Funds through 2084 is due to increased tax revenue, and about 54 percent of the improvement is due to a ***net*** reduction in benefit cost. However, the net reduction in benefit cost results from partially offsetting effects on benefits from provisions that (a) generally reduce benefit levels (such as changes in the PIA formula and in COLAs), and (b) increase total benefits based on the expansion of the payroll tax base (such as increasing the taxable maximum and covering all state and local government employment). If provisions that expand the payroll tax base are considered as changes in revenue based on their net effect, then the overall change in the long-range actuarial balance is about 63 percent from provisions that directly affect benefit levels, and about 37 percent from the net effects of provisions intended to increase the payroll tax base. By the end of the 75-year period, 2084, about 82 percent of the change in the annual balance for the OASDI program is accomplished under the plan with provisions that directly affect benefit levels.

It is also useful to consider the projected cost 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 eight basic Social Security provisions of this proposed plan.

Figure 3. Commission Plan (Basic Social Security Provisions Only) and Present Law Cost and Tax Income as Percent of GDP: 2010 TR Intermediate Assumptions



<u>Plan Specification for Provisions Affecting the Social Security Actuarial Status</u>

A. Basic Provisions with Direct Effects on Social Security Benefit Levels and Tax Revenue

The Commission recommends eight basic provisions that would have direct effects on the Social Security actuarial status. These basic provisions are expected to restore sustainable solvency for the program. The following analysis describes these provisions and indicates their estimated effects if enacted on an individual basis.

(1) Index Normal Retirement Age after 2022; Increase Earliest Eligibility Age

Under current law, the normal retirement age (NRA) will increase to 67 for those attaining 62 in 2022 and later. No further change in program parameters to reflect continuing increases in longevity is currently scheduled in the law. This provision would index the NRA to increase for those attaining age 62 after 2022 at a rate sufficient to maintain a constant ratio of (a) expected retirement years (life expectancy at NRA) to (b) potential working years (NRA-20) at the level for 2022. Period unisex life expectancy based on Social Security/Medicare data would be used for these calculations, reflecting the change from 2018 to the fourth year prior to the year age 62 is attained. This approach would effectively offset the effect of increasing old-age life expectancy on the cost of the OASDI program relative to the payroll tax base. Under the intermediate assumptions of the 2010 Trustees Report, the NRA would be expected to increase by one month for every 2 years after 2022.

In addition, this provision would maintain after 2022 the earliest eligibility age (EEA) for retired worker benefits (currently 62) at 5 years below the NRA for each worker. We assume that increasing the EEA would increase the indexing year and the computation period in the PIA formula, with earnings indexed for the AIME to 2 years before the year of initial eligibility. However, we assume that the fully-insured requirement would not be changed. Disabled worker benefits would continue to be payable from the Disability Insurance Trust Fund until conversion to retired worker status at NRA.

The Commission intends to limit the increase in the EEA and NRA for those who would find continued work most difficult after attaining age 62. One viable approach for accomplishing this would be to limit the increase in retirement ages for low earners with long careers prior to reaching age 62. This approach is included in the specification of this provision. Specifically, increases in the EEA and NRA would be limited for workers with at least 25 years of coverage (years having earned 4 quarters of coverage) before age 62 and AIME (computed at age 62) of less than 400 percent of the Federal Aged Poverty level. For this provision, the Federal Census Aged Poverty Level for 2009 would be indexed by the AWI up to age 60 (i.e., the second year prior to potential initial eligibility). For qualifying workers with age 62 AIME below 250 percent of the indexed poverty level, no increase in the EEA and NRA above the current law levels of 62 and 67, respectively, would apply. For workers with age 62 AIME between 250 percent and 300 percent, 300 percent and 350 percent, and 350 percent and 400 percent of the indexed poverty level, 25 percent, 50 percent, and 75 percent of the full increase in the EEA and NRA, respectively, would apply, rounded to the nearest month in each case.

This provision alone is estimated to reduce the long-range OASDI actuarial deficit by 0.34 percent of taxable payroll and to reduce the annual deficit for the 75th projection year (2084) by 1.22 percent of payroll.

(2) Modify the PIA Formula

Under current law, the PIA formula provides a basic monthly benefit of 90 percent of the AIME up to the first bend point (BP1= $761 for workers newly eligible in 2010), 32 percent of AIME between the first bend point and the second bend point (BP2 = $4,586 for workers newly eligible in 2010), and 15 percent for AIME above the second bend point. This provision would introduce a new bend point at the 50th percentile level of AIME for newly eligible beneficiaries, starting in 2017. (The new bend point would be 61.5 percent of the way up from BP1 to BP2, or at a level equivalent to about $3,000 for workers newly eligible in 2010). The PIA factor applicable between BP1 and the new bend point would be gradually decreased for all beneficiaries from 32 percent to 30 percent over the period 2017 through 2050. The PIA factor applicable for AIME between the new bend point and BP2 would be gradually reduced from 32 percent to 10 percent over the period 2017 through 2050. The PIA factor applicable for AIME over BP2 would be gradually reduced from 15 percent to 5 percent over the same period.

This provision alone is estimated to reduce the long-range OASDI actuarial deficit by 0.86 percent of taxable payroll and to reduce the annual deficit for the 75th projection year (2084) by 2.12 percent of payroll.

(3) Base the COLA on a Chain-Weighted CPI

The OASDI automatic cost of living adjustment (COLA) that applies for benefit increases after the year of initial benefit eligibility is currently based on the increase in the Consumer Price Index for Urban Wage and Clerical Workers (CPI-W). The CPI-W was the only CPI series produced by the Bureau of Labor Statistics (BLS) when the COLA was enacted into law in 1972. The CPI-W computes price increases for a broad market basket of goods and services from month to month, with revisions to the weights in the market basket every two years. Thus, monthly increases in the CPI-W represent a pure measure of increase in price levels without reflecting the effects of shifts that tend to occur across broad strata of different classes of goods and services, when their price levels rise at different rates. Historical data show that for all consumers in the economy in aggregate, the relative quantity of goods and services tends to increase for strata where prices have risen less, and relative quantity tends to decrease for strata where prices have risen more.

The BLS has developed a chain-weighted formula to estimate the effects of the changes in the distribution of consumer purchases in real time, and to reflect this phenomenon in lower overall increases in the price level for the variable market basket. This formula has been implemented for the Consumer Price Index for All Urban Consumers (CPI-U) since 2000, and this alternative chain-weighted version has had the average effect of lowering measured price increases by about 0.3 percentage point per year on average.

This provision would apply a chain-weighted approach for the CPI-W in computing the COLA for December 2011 and later. We estimate that this change would reduce the size of future COLAs by 0.3 percentage point on average. This provision alone is estimated to reduce the long-range OASDI actuarial deficit by 0.50 percent of taxable payroll and to reduce the annual deficit for the 75th projection year (2084) by 0.70 percent of payroll.

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

The current-law special minimum benefit has little effect currently because the level of benefit provided has been indexed from one generation of new beneficiaries to the next by increases in the CPI. Starting in 2017, this provision would enhance the special minimum benefit to provide a PIA level at benefit eligibility equivalent to 125 percent of the 2009 Federal Poverty threshold for individuals with at least 30 *coverage years*. The poverty level used for this provision is the HHS Federal poverty level for 2009, indexed by chained CPI from 2009 to 2017, and indexed by the increase in the average wage indexing series (AWI) thereafter. For this provision, a *coverage year* is defined as a year in which earnings were sufficient to earn 4 quarters of coverage. No minimum benefit would be provided for workers with 10 or fewer coverage years. The level of the minimum would be scaled up linearly between 10 and 30 coverage years, with 5 percent of the full minimum available for each coverage year in excess of 10 coverage years. The required number of coverage years would be scaled (lowered based on years from ages 22 to 61 alive and not disabled) for workers becoming disabled or dying before attaining age 62. This provision alone is estimated to *increase* the long-range OASDI actuarial deficit by 0.15 percent of taxable payroll and to *increase* the annual deficit for the 75th projection year (2084) by 0.26 percent of payroll.

(5) Increase Benefits Starting 20 Years after Initial Eligibility

This provision would provide for a gradual increase in PIA for the 20th through 24th years after initially becoming eligible for benefits. The increase would apply for all beneficiaries in 2011 and later. The PIA upon which their benefit is based will be increased for the 20th 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 21st through 24th years of eligibility. The total 5 percent increase will continue to apply in the 25th and later years of eligibility. This provision alone is estimated to *increase* the long-range OASDI actuarial deficit by 0.15 percent of taxable payroll and to *increase* the annual deficit for the 75th projection year (2084) by 0.23 percent of payroll.

(6) Increase the OASDI Taxable Maximum Earnings Amount

Under current law, the OASDI contribution and benefit base (taxable maximum) is $106,800 for 2010 earnings in OASDI covered employment, and will be indexed to the growth rate in the average economy-wide wage level (AWI) in the future. The percentage of covered earnings that is below the base was 90 percent in 1983, was about 85 percent in 2009, and is projected to be 82.5 percent for 2019 and later under the intermediate assumptions of the 2010 Trustees Report. This provision would, beginning with 2012, increase the taxable maximum by an additional 2 percent over the increase in the AWI each year until 90 percent of covered earnings are once again below the maximum and are subject to the payroll tax. Thereafter, the maximum would be increased at the rate needed to maintain 90 percent of covered earnings taxable. We estimate that the additional 2 percent increase will be needed for 38 years, so that the goal of taxing 90 percent of covered earnings would be achieved for 2049 and later.

All earnings subject to the payroll tax under this provision would be credited to the earnings records of workers and used in computing the average indexed monthly earnings (AIME) on which the basic benefit (PIA) is based. However, for beneficiaries becoming newly eligible for benefits in 2013 or later, a new bend point in the PIA formula would be established at the monthly equivalent of the contribution and benefit base that would be determined without regard to this provision. A PIA factor of 5 percent would apply for any amount of a worker's AIME above the new bend point.

This provision alone is estimated to reduce the long-range OASDI actuarial deficit by 0.67 percent of taxable payroll and to reduce the annual deficit for the 75th projection year (2084) by 0.90 percent of payroll.

(7) Allow up to Half of Benefits at Age 62

Under this provision, all beneficiaries subject to an increase in the EEA and NRA under provision (1) would be allowed to start receiving up to one-half of the benefit for which they would be eligible at age 62. For those selecting this option, the PIA formula applicable for age 62 would apply for the portion of benefit commencing at that age. Additional actuarial reduction would apply for the portion of benefit taken at age 62, based on the NRA in effect at the time. The other half of the benefit can be taken at EEA or later. The retirement earnings test that applies for all beneficiaries below NRA would apply for benefits taken under this option. This provision alone is estimated to have a negligible effect on the long-range OASDI actuarial deficit and on the annual deficit for the 75th projection year (2084).

(8) Cover State and Local Government Employment

Currently, earnings of about 25 percent of state and local government employees are not covered under the OASDI program. This represents about 4 percent of the total U.S. workforce. This provision would cover earnings of all state and local government employees hired in 2021 and later under OASDI. This provision alone is estimated to reduce the long-range OASDI actuarial deficit by 0.16 percent of taxable payroll and to *increase* the annual deficit for the 75th projection year (2084) by 0.12 percent of payroll.

B. Provisions of Illustrative Individual Tax Reform Plan

The Commission recommends enactment of comprehensive tax reform before 2013, and provides an illustrative reform plan that would meet specified objectives for overall unified budget deficit reduction. The analysis below provides a brief description of key provisions that would be expected to have significant indirect effects on OASDI financing and very preliminary estimates of the effect on the actuarial status of the OASDI program. When combined with the estimated effects for the eight basic Social Security provisions, the effects of the illustrative tax reform plan are very roughly estimated to result in a positive OASDI actuarial balance of 0.09 percent of payroll with a combined trust fund level of about 170 percent of program cost in 2084 and rising. Thus, the overall Commission plan would still achieve sustainable solvency for the OASDI program assuming enactment of the illustrative tax reform plan.

(1) Apply OASDI Payroll Tax to Premiums for Employer Sponsored Group Health Insurance

Currently, premiums for employer sponsored group health insurance (ESI) are generally not included in earnings subject to the OASDI payroll tax or personal income tax. However, the Affordable Care Act (ACA) enacted in March establishes, effective in 2018, a 40 percent excise tax on total ESI premiums in excess of specified thresholds.

This provision would make the total premium for ESI, including the portion paid directly by the employer and the portion paid by the employee (through a section 125 plan or otherwise), included in earnings subject to the personal income tax by 2038, but not subject to payroll tax for either employer and employee. ESI premiums in excess of specified thresholds (at the 75th percentile of premiums for ESI) would be subject to personal income tax starting in 2014, with these thresholds remaining unchanged through 2018, and then gradually reduced to zero by 2038. This provision would also lower the excise tax on ESI premiums that was enacted in the ACA from 40 to 12 percent. This provision alone is estimated on a very preliminary basis to have a negligible effect on the long-range OASDI actuarial deficit and on the annual deficit for the 75th projection year (2084). The net annual effects of the components of this provision are expected to vary over the 75-year projection period, but the aggregate effect for the period as a whole is not expected to be substantial.

(2) Personal Income Tax Reform

The federal personal income tax structure would be broadened with a significant reduction in the marginal rates starting in 2012. Personal income tax would apply to three brackets with marginal rates of 12 percent (replacing 15 percent), 21 percent (replacing 28 percent and 31 percent), and 28 percent (replacing 36 percent and 39.6 percent). The standard deduction and personal and dependent exemptions would be retained. However, many categories of deductions and exclusions would be limited or eliminated. Dividends and capital gains (other than from sale of one's home) would be included as regular income. With the level of detail available at this time, it is difficult to develop an estimate of the effect of these changes. Thus, the estimate provided here is very preliminary and subject to change as more information becomes available on the precise provisions. Overall, however, the lower marginal tax rates are expected to have a large effect on taxation of OASDI benefits, reducing revenue from taxation of OASDI benefits by roughly 20 percent. This provision alone is estimated on a very preliminary basis to *increase* the long-range OASDI actuarial deficit by 0.16 percent of taxable payroll and to *increase* the annual deficit for the 75th projection year (2084) by 0.19 percent of current law taxable payroll.

C. Provisions of Fail-Safe Tax Reform Plan

The Commission recommends enactment of comprehensive tax reform before 2013, and provides a fail-safe plan that that it believes should be implemented automatically in 2013 should the Congress not enact a comprehensive tax reform plan by that time. The fail-safe plan would require roughly 10-percent across-the-board reductions in (1) itemized deductions, (2) above-the-line deductions, (3) credits for individuals, (4) the exclusion for employer-provided health care, and (5) general business credits. From the brief description of the fail-safe plan in the Commission report, we cannot determine whether these reductions would apply just for personal and corporate income tax provisions, as do the provisions of the illustrative tax reform plan. If these reductions in exclusions for health care premiums and costs also apply to payroll taxable income and the excise tax on employer sponsored health insurance premiums is not reduced, then this fail-safe plan would be expected to have a small positive effect on the actuarial status of the OASDI program. With the level of detail provided, we cannot provide even a rough preliminary estimate of the effect of the fail-safe plan.

Detailed Financial Results for the Basic Social Security Provisions

Summary Results by Provision

Table A provides estimates of the effects on the OASDI long-range actuarial balance for each of the eight basic Social Security provisions of the proposed plan separately and on a combined basis. Summary estimates are also provided 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 75th projection year, 2084.

Benefit Illustrations

Tables B1 and B2 provide illustrative examples of the projected change in benefit levels under the eight basic Social Security provisions of this proposed plan for beneficiaries retiring at age 65 in future years at various earnings levels. Table B1 compares the initial benefit levels under the proposed plan to both scheduled and payable present-law benefit levels. Table B1 illustrates that benefits projected for the scaled very low, low, and medium earners retiring after 2037 are higher under the proposed plan than are projected to be payable under current law.

Table B2 compares the change in benefit levels at ages 65, 75, 85, and 95 to scheduled benefits under present law. Table B2 shows that projected benefits under the basic Social Security proposed plan tend to decline in relation to present-law scheduled benefits between ages 65 and 75, and also between ages 85 and 95, because of the provision to use the chain-weighted CPI for the COLA. Between ages 75 and 85, the benefit under the proposed plan grows faster than the current law benefit for scaled medium and lower earners, because the increase for the 20th through 24th years of eligibility is more than the reduction in the COLA between ages 75 and 85. For scaled high and steady maximum earners, proposal benefits grow slower than current law benefits between ages 75 and 85, because the earliest eligibility age (EEA) at that point is increased significantly above 62.

It is important to note that the hypothetical workers represented in these tables reflect the average career earnings patterns of workers who started receiving retirement benefits under the Social Security program in recent years. While many workers have gaps in their careers, the hypothetical workers represented in these tables are assumed to have earnings at some level, consistently, from their early 20's until the year before retirement at age 65. As a result, the hypothetical workers reflected here all have long careers, and thus the low and very low scaled earners qualify for the limitation on increased retirement ages and for the full minimum benefit. For example, workers with career average AIME equal to the level of the low and very low scaled earners, but with less than 25 years of work at the level needed to earn four quarters of coverage, would be subject to the full reduction in benefit for longevity indexing the NRA shown for high and maximum earners. Only about 20 percent of recent retirees with AIME closest to the scaled very low earner, and about 70 percent of recent retirees with AIME nearest the low scaled earner, had 25 or more years of earnings sufficient to earn four quarters of coverage. However, some of these individuals may be dually eligible for spouse benefits or for widow benefits at some point in the future.

The illustrations in Tables B1 and B2 do not reflect the implications of the various tax changes in the overall Commission plan. The effects of these tax provisions are complex and difficult to model at the individual level.

Trust Fund Operations

Table 1 shows the annual cost and income rates, annual balances, and trust fund ratios (assets as percent of annual program cost) for OASDI assuming enactment of all of the provisions of the plan. 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 solvent throughout the 75-year projection period assuming enactment of the plan provisions. After 2048, the trust fund ratio is projected to rise steadily, reaching 290 percent of the next year's annual program cost at the end of the 75-year projection period. The actuarial deficit for the OASDI program over the 75-year projection period would be eliminated and replaced by a positive actuarial balance estimated at 0.23 percent of taxable payroll.

Annual balances are projected to be small positive amounts starting in 2052 and lasting through 2084, with current program tax revenue exceeding current program cost.

Program Transfers and Assets

Column 4 of **Table 1a** provides a projection of the asset level for the combined OASI and DI Trust Funds under the proposed plan, expressed in present value dollars discounted to January 1, 2010. The table indicates that the plan includes no new specified transfers of general revenue to the trust funds. For purpose of comparison, the net OASDI Trust Fund assets, expressed in present value dollars, are also shown for a ***theoretical*** Social Security program where borrowing authority is assumed for the trust funds. Under current law, no such borrowing authority exists. Gross Domestic Product (GDP), expressed in present value dollars, is shown in column 6 for comparison with other values in the table.

Effect of Basic Social Security Provisions on the Federal Unified Budget

Table 1b shows the projected effect, in present value discounted dollars, on the Federal unified budget cash flows and balances, assuming enactment of the basic Social Security provisions of the plan that we have specifically scored as having significant effects on the OASDI program actuarial status. The potential effects on the on-budget from the tax-reform provisions are not reflected in these estimates. Table 1b.n provides the estimated nominal dollar effect of enactment of the specified provisions of the plan on the annual unified budget balances for years 2010 through 2019. All values in these tables represent the amount of the *change* from the level that would be projected under current law due to enactment of the specified provisions.

The effect of the basic Social Security provisions on unified budget cash flow (column 3) is expected to be negative for years 2011 and 2012, largely due to the benefit increase for those with 20 or more years of benefit eligibility starting in 2011. It is important to note that the revenue to the General Fund of the Treasury from the changes in corporate and personal income tax is not reflected in these tables. Thus, the unified budget effects are by no means a complete indication of the effects of the overall plan.

The remaining specified provisions of the plan rapidly result in substantial positive net changes in unified budget cash flow after 2012. Column 4 of Table 1b indicates that the projected effect of implementing the basic Social Security provisions is a reduction starting in 2014 on the Federal debt held by the public. Column 5 provides the projected effect of specified plan 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. It is important to note that these estimates are based on the intermediate assumptions of the 2010 Trustees Report and thus are not consistent with estimates made by the OMB or the CBO 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 basic Social Security provisions of the Commission plan. 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 Assets and Unfunded Obligations

Table 1d provides estimates of the changes due to the basic Social Security provisions of the Commission plan in the level of projected trust fund assets under present law and, for years after trust fund exhaustion under present law, the level of unfunded obligations. 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 $5.4 trillion in present value is replaced with a positive trust fund balance of $1.1 trillion in present value. This change is the combination of the following:

- A $3.0 trillion increase in revenue (column 2), plus
- A $3.5 trillion reduction in cost (column 3).

As noted earlier, the relative size of the reduction in aggregate cost under the basic Social Security provisions is low compared to the proportion of change related to direct benefit reductions. This is because additional OASDI benefits from provisions that expand the payroll tax base substantially offset a portion of the direct reductions in OASDI benefits from modifications in the benefit formula and the COLA.

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

Sincerely,

Stephen C. Goss

Stephen C. Goss
Chief Actuary

Enclosures

Table A--Estimated Long-Range OASDI Financial Effects of the Plan Proposed by the National Commission on Fiscal Responsibility and Reform: Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

Provision	Estimated Change in Long-Range OASDI Actuarial Balance 1/ (as a percent of payroll)	Estimated Change in Annual Balance in 75th year 2/ (as a percent of payroll)
1) After the NRA reaches age 67, index the NRA to maintain a constant ratio of life expectancy at NRA to potential work years (NRA-20) and maintain the earliest eligibility age (EEA) at 5 years less than the normal retirement age (NRA) in the future. Also, include a "hardship exemption" with no EEA/NRA change if a worker has 25 years of earnings of at least the level needed for 4 quarters of coverage, and average indexed monthly earnings (AIME) less than 250% of the individual aged Federal poverty level (wage-indexed from 2009). The hardship exemption is phased out for those with AIME above 400% of the poverty level.....	0.34	1.22
2) Create a new bend point at the 50th percentile of new retired worker entitlements. Beginning for those newly eligible in 2017, do the following: a) reduce the 32 percent PIA formula factor below the new bend point to 30% by 2050; b) reduce the 32 percent PIA factor above the new bend point to 10 percent by 2050; and c) reduce the 15 percent factor to 5 by 2050......................	0.86	2.12
3) Starting with the December 2011 cost-of-living adjustment (COLA), compute the COLA using a chain-weighted version of the consumer price index for urban wage earners and clerical workers (CPI-W). This new computation is estimated to result in an annual COLA that is 0.3 percentage point less, on average...........................	0.50	0.70
4) Beginning for those newly eligible for benefits in 2017, increase the special minimum benefit by making the following changes. (a) A year of coverage is defined as a year in which 4 quarters of coverage are earned. (b) Set the PIA for 30 years of coverage equal to 125 percent of the monthly poverty level (about $1,128 in 2009). The PIA per year of coverage (after the first 10 years) would be $1,128/20 = $56.40. (c) Increase the PIA per year of coverage from 2009 to the year of implementation, 2017, using the chain-CPI index; then index the initial PIA per year of coverage by wage growth for successive cohorts, so that the special minimum keeps up with the wage-indexed benefit formula. Scale work requirements for disabled workers based on the years of potential work (not disabled)..	-0.15	-0.26
5) Provide a 5% uniform benefit increase, beginning 20 years after eligibility. The benefit increase would be phased in at 1% per year from the 20th through 24th years after initial benefit eligibility. For disabled workers the eligibility age would be the initial entitlement year to the benefit. The benefit increase is equal to 5% of the PIA of a worker assumed to have career-average earnings equal to SSA's average wage index	-0.15	-0.23

Table A--Estimated Long-Range OASDI Financial Effects of the Plan Proposed by the National Commission on Fiscal Responsibility and Reform: Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

Provision	Estimated Change in Long-Range OASDI Actuarial Balance 1/ (as a percent of payroll)	Estimated Change in Annual Balance in 75th year 2/ (as a percent of payroll)
6) Increase contribution and benefit base ("taxable maximum") by an additional 2 percent per year beginning in 2012 until taxable earnings are equal to 90 percent of covered earnings (estimated to occur in 2049). Additional taxable earnings would be credited for the purpose of computing benefits. Create a new bend point equal to the current-law taxable maximum and provide a 5 percent PIA formula factor for AIME above the new bend point...........................	0.67	0.90
7) Allow retirees to collect up to half their benefits at age 62, with the other half available independently starting at EEA. Actuarial reduction or delayed retirement increment applies to each half separately based on starting age. The retirement earnings test would apply for benefits payable before EEA. Also, the PIA for the portion of the benefit starting at age 62 would be computed with the PIA formula appropriate for the year of attaining 62 (with indexing of earnings for AIME to 2 years earlier)..............................	3/	3/
8) Cover state and local government employees newly hired after 2020...	0.16	-0.12
Total for provisions 1-8	**2.15**	**4.20**

1/ Under current law, the long-range OASDI actuarial balance is estimated at -1.92 percent of taxable payroll.
2/ Under current law, the estimated 75th year annual balance is -4.12 percent of taxable payroll.
3/ The estimated change is negligible, that is, less than 0.005 percent of taxable payroll.

Notes: All estimates are based on the intermediate assumptions of the 2010 OASDI Trustees Report.
Estimates of individual provisions appear on a stand-alone basis relative to current law, unless otherwise stated.

SSA/Office of the Chief Actuary
December 1, 2010

Table B1. Changes in Benefits for Hypothetical Workers Retiring (Stop Working) at age 65
Plan Proposed by the National Commission on Fiscal Responsibility and Reform
Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

Year Attain Age 65	Present Law Scheduled Monthly Benefits[2] (Wage Indexed 2010 Dollars)	Present Law Scheduled Monthly Benefits[2] (Constant 2010 Dollars)	Scheduled Benefit Level Percent Change at age 65: Longevity Index NRA 1 Mth/ 2 Yrs[3]	Reduced COLA[4]	Benefit Formula[5]	Minimum Benefit[6]	Total	Proposal Scheduled Benefit Percent of Present Law: Scheduled	Payable
			(Percent change)					(Percents)	
Scaled Very Low Earner ($10,771 for 2010[1])									
2010	648	648							
2020	611	717	0.0	-0.9	0.0	39.7	38.5	138	138
2030	579	758	0.0	-0.9	-0.1	39.8	38.5	138	138
2040	578	852	0.0	-0.9	-0.2	40.0	38.5	138	177
2050	580	959	0.0	-0.9	-0.3	40.1	38.5	139	173
2060	580	1,074	0.0	-0.9	-0.3	40.1	38.5	139	175
2070	580	1,200	0.0	-0.9	-0.3	40.1	38.5	138	178
2080	580	1,341	0.0	-0.9	-0.3	40.1	38.5	138	183
Scaled Low Earner ($19,388 for 2010[1])									
2010	848	848							
2020	800	938	0.0	-0.9	0.0	6.8	5.8	106	106
2030	758	992	0.0	-0.9	-0.5	7.4	5.9	106	106
2040	756	1,115	0.0	-0.9	-1.0	7.9	5.9	106	135
2050	758	1,255	0.0	-0.9	-1.5	8.5	5.9	106	133
2060	759	1,404	0.0	-0.9	-1.7	8.6	5.9	106	134
2070	759	1,569	0.0	-0.9	-1.7	8.6	5.9	106	136
2080	758	1,754	0.0	-0.9	-1.7	8.6	5.9	106	140
Scaled Medium Earner ($43,084 for 2010[1])									
2010	1,397	1,397							
2020	1,318	1,546	0.0	-0.9	-0.2	0.0	-1.1	99	99
2030	1,248	1,634	-0.6	-0.9	-2.6	0.0	-4.0	96	96
2040	1,245	1,838	-3.2	-0.9	-4.9	0.0	-8.7	91	116
2050	1,249	2,068	-5.8	-0.9	-7.2	0.0	-13.3	87	108
2060	1,251	2,314	-8.2	-0.9	-7.9	0.0	-16.2	84	106
2070	1,251	2,586	-9.6	-0.9	-7.9	0.0	-17.5	83	106
2080	1,249	2,889	-11.5	-0.9	-7.9	0.0	-19.2	81	107
Scaled High Earner ($68,934 for 2010[1])									
2010	1,851	1,851							
2020	1,747	2,048	0.0	-0.9	-0.7	0.0	-1.5	98	98
2030	1,654	2,166	-1.3	-0.9	-7.3	0.0	-9.3	91	91
2040	1,651	2,435	-4.5	-0.9	-14.0	0.0	-18.6	81	104
2050	1,656	2,740	-7.7	-0.9	-20.7	0.0	-27.4	73	91
2060	1,658	3,067	-10.1	-0.9	-22.7	0.0	-31.1	69	87
2070	1,658	3,427	-12.5	-0.9	-22.7	0.0	-32.9	67	86
2080	1,656	3,829	-14.9	-0.9	-22.7	0.0	-34.8	65	86
Steady Maximum Earner ($106,800 for 2010[1])									
2010	2,192	2,192							
2020	2,126	2,493	0.0	-0.9	-0.9	0.0	-1.8	98	98
2030	2,021	2,646	-1.3	-0.9	-9.9	0.0	-11.9	88	88
2040	2,016	2,974	-4.5	-0.9	-18.9	0.0	-23.3	77	98
2050	2,020	3,343	-7.7	-0.9	-27.9	0.0	-34.0	66	83
2060	2,021	3,738	-10.1	-0.9	-30.6	0.0	-38.1	62	78
2070	2,021	4,177	-12.5	-0.9	-30.6	0.0	-39.8	60	77
2080	2,019	4,668	-14.9	-0.9	-30.6	0.0	-41.5	59	77

[1] Average of highest 35 years of earnings wage indexed to 2010.

[2] After trust fund exhaustion under present law continuing taxes are expected to be enough to pay about three fourths of scheduled benefits.

[3] Index the NRA to keep a constant ratio of life expectancy at NRA to (NRA-20) once the NRA reaches 67. Include hardship exemption with no EEA/NRA change if 25yrs with 4QCs and AIME <250% Federal poverty level; phased to no exemption with AIME >=400% of poverty level. The scaled very low and low earners meet the requirements for the hardship exemption. However, only about 20 percent of earners with AIMEs closest to the scaled very low earner and 70 percent of earners closest to the scaled low earner would meet these requirements.

[4] Starting Dec 2011, compute the COLA using a chained CPI-W, producing 0.3% lower annual COLAs on average.

[5] New bend point at 50th percentile of career-average earnings level; reduced PIA factors to 90/30/10/5 by 2050.

[6] Increase the PIA to a level such that a worker with 30 years of earnings at the minimum wage level would receive an adjusted PIA equal to 125% of monthly poverty level in 2009, CPI-index from 2009-2017 then wage-indexed. This provision would take full effect for all newly eligible workers in 2017.

The EEA increases under this proposal. For these illustrations, we assume the indexing year and the computation period remain as in current law - the indexing year is the year the worker reaches age 60 and the computation period is 35 years.

All estimates based on the intermediate assumptions of the 2010 Trustees Report.

Office of the Actuary
Social Security Administration
December 1, 2010

Table B2. Changes in Benefits for Hypothetical Workers Retiring (Stop Working) at age 65
Plan Proposed by the National Commission on Fiscal Responsibility and Reform
Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

Year Attain Age 65	Age 65	Age 75	Age 85[2]	Age 95
	Proposal Benefit as Percent of Present Law Scheduled (Percents)			
	Scaled Very Low Earner ($10,771 for 2010 [1])			
2010				
2020	138.5	134.5	138.6	136.6
2030	138.5	134.5	138.4	136.3
2040	138.5	134.5	138.1	135.9
2050	138.5	134.5	137.7	135.4
2060	138.5	134.5	137.5	135.2
2070	138.5	134.5	137.3	135.0
2080	138.5	134.5	137.2	134.8
	Scaled Low Earner ($19,388 for 2010 [1])			
2010				
2020	105.8	102.8	106.0	104.4
2030	105.9	102.8	105.8	104.2
2040	105.9	102.8	105.5	103.9
2050	105.9	102.8	105.2	103.5
2060	105.9	102.8	105.1	103.3
2070	105.9	102.8	105.0	103.2
2080	105.9	102.8	104.9	103.1
	Scaled Medium Earner ($43,084 for 2010 [1])			
2010				
2020	98.9	96.1	97.0	95.1
2030	96.0	93.2	94.1	92.3
2040	91.3	88.6	89.5	87.8
2050	86.7	84.2	85.0	83.4
2060	83.8	81.4	81.4	80.6
2070	82.5	80.1	80.2	79.4
2080	80.8	78.4	78.5	77.7
	Scaled High Earner ($68,934 for 2010 [1])			
2010				
2020	98.5	95.6	95.7	93.6
2030	90.7	88.1	88.3	86.4
2040	81.4	79.1	79.4	77.7
2050	72.6	70.5	70.3	69.5
2060	68.9	66.9	66.8	66.0
2070	67.1	65.1	65.0	64.3
2080	65.2	63.3	62.7	62.5
	Steady Maximum Earner ($106,800 for 2010 [1])			
2010				
2020	98.2	95.4	95.0	92.8
2030	88.1	85.6	85.4	83.5
2040	76.7	74.5	74.5	72.9
2050	66.0	64.1	63.7	62.9
2060	61.9	60.1	59.8	59.0
2070	60.2	58.5	58.2	57.5
2080	58.5	56.9	56.2	55.9

[1] Average of highest 35 years of earnings wage indexed to 2010.

[2] Increase the benefit by 5% beginning 20 years after eligibility and phased in over five years starting in 2011.

Note: Starting Dec 2011, compute the COLA using a chained CPI-W, producing 0.3% lower annual COLAs on average.

Other Changes: Index the NRA to keep a constant ratio of life expectancy at NRA to (NRA-20) once the NRA reaches 67. Include hardship EEA/NRA change if 25yrs with 4QCs and AIME <250% Federal poverty level; phased to no exemption with AIME >=400% of poverty level. The scaled very low and low earners meet the requirements for the hardship exemption. However, only about 20 percent of earners with closest to the scaled very low earner and 70 percent of earners closest to the scaled low earner would meet these requirements.

New bend point at 50th percentile of career-average earnings level; reduced PIA factors to 90/30/10/5 by 2050.

Increase the PIA to a level such that a worker with 30 years of earnings at the minimum wage level would receive an adjusted PIA equal to 125% of monthly poverty level in 2009, CPI-index from 2009-2017 then wage-indexed. This provision would take full effect for all newly eligible workers in 2017.

The EEA increases under this proposal. For these illustrations, we assume the indexing year and the computation period remain as in current law - the indexing year is the year the worker reaches age 60 and the computation period is 35 years.

All estimates based on the intermediate assumptions of the 2010 Trustees Report.

Office of the Actuary
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December 1, 2010

Table 1 - OASDI Cost Rate, Income Rate, Annual Balance, and Trust Fund Ratic

Plan Proposed by the National Commission on Fiscal Responsibility and Reform

Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

	Proposal				Change in Present Law		
	Expressed as a percentage of present-law taxable payroll			Trust Fund	Expressed as a percentage of present-law taxable payroll		
Year	Cost Rate	Income Rate	Annual Balance	Ratio 1-1-year	Cost Rate	Income Rate	Annual Balance
2010	13.09	12.33	-0.76	355	0.00	0.00	0.00
2011	13.11	12.92	-0.19	351	0.08	0.00	-0.07
2012	12.92	12.91	-0.01	348	0.08	0.04	-0.04
2013	12.86	12.98	0.12	344	0.04	0.08	0.04
2014	12.87	13.04	0.17	340	0.01	0.12	0.11
2015	12.95	13.09	0.14	336	-0.03	0.16	0.18
2016	13.05	13.15	0.11	333	-0.06	0.19	0.25
2017	13.22	13.21	0.00	329	-0.09	0.22	0.31
2018	13.43	13.27	-0.16	325	-0.12	0.26	0.37
2019	13.69	13.32	-0.38	320	-0.14	0.29	0.43
2020	13.98	13.40	-0.58	314	-0.17	0.35	0.52
2021	14.25	13.48	-0.77	308	-0.20	0.41	0.61
2022	14.52	13.56	-0.96	300	-0.23	0.47	0.70
2023	14.76	13.63	-1.13	293	-0.27	0.53	0.80
2024	14.98	13.70	-1.28	285	-0.31	0.58	0.89
2025	15.19	13.77	-1.43	276	-0.34	0.63	0.98
2026	15.37	13.83	-1.55	268	-0.38	0.68	1.07
2027	15.53	13.89	-1.64	259	-0.43	0.73	1.15
2028	15.66	13.94	-1.72	249	-0.47	0.77	1.24
2029	15.76	13.99	-1.77	240	-0.52	0.81	1.33
2030	15.84	14.04	-1.79	231	-0.57	0.85	1.42
2031	15.89	14.09	-1.80	222	-0.61	0.89	1.50
2032	15.93	14.14	-1.79	213	-0.66	0.93	1.59
2033	15.94	14.18	-1.77	205	-0.71	0.96	1.68
2034	15.94	14.22	-1.72	196	-0.76	1.00	1.76
2035	15.91	14.26	-1.66	189	-0.81	1.03	1.85
2036	15.87	14.29	-1.58	181	-0.87	1.07	1.93
2037	15.82	14.33	-1.49	174	-0.92	1.10	2.02
2038	15.75	14.36	-1.39	168	-0.97	1.13	2.10
2039	15.66	14.39	-1.27	162	-1.02	1.16	2.18
2040	15.58	14.42	-1.15	157	-1.06	1.19	2.26
2041	15.49	14.45	-1.03	152	-1.11	1.22	2.34
2042	15.39	14.48	-0.91	148	-1.16	1.25	2.42
2043	15.30	14.51	-0.79	145	-1.21	1.29	2.50
2044	15.21	14.54	-0.67	143	-1.26	1.31	2.58
2045	15.13	14.57	-0.56	141	-1.31	1.34	2.66
2046	15.06	14.60	-0.46	140	-1.36	1.37	2.73
2047	14.99	14.63	-0.36	140	-1.41	1.40	2.81
2048	14.91	14.65	-0.25	140	-1.47	1.43	2.90
2049	14.83	14.68	-0.15	141	-1.52	1.46	2.98
2050	14.75	14.69	-0.07	142	-1.58	1.46	3.04
2051	14.69	14.69	0.00	145	-1.64	1.46	3.10
2052	14.63	14.69	0.07	147	-1.70	1.47	3.16
2053	14.58	14.70	0.12	150	-1.75	1.47	3.22
2054	14.53	14.70	0.17	153	-1.81	1.47	3.28
2055	14.50	14.70	0.20	157	-1.86	1.47	3.33
2056	14.48	14.70	0.22	161	-1.91	1.47	3.38
2057	14.46	14.70	0.24	165	-1.96	1.47	3.42
2058	14.44	14.70	0.27	169	-2.00	1.47	3.47
2059	14.42	14.70	0.29	173	-2.05	1.46	3.51
2060	14.40	14.71	0.30	178	-2.08	1.46	3.54
2061	14.39	14.71	0.31	182	-2.12	1.46	3.58
2062	14.38	14.71	0.32	187	-2.15	1.46	3.61
2063	14.38	14.71	0.33	192	-2.18	1.46	3.64
2064	14.37	14.71	0.34	197	-2.21	1.46	3.67
2065	14.38	14.71	0.34	202	-2.24	1.46	3.70
2066	14.39	14.72	0.33	207	-2.26	1.46	3.72
2067	14.40	14.72	0.32	212	-2.28	1.46	3.74
2068	14.42	14.72	0.31	216	-2.31	1.46	3.77
2069	14.43	14.72	0.29	221	-2.33	1.46	3.79
2070	14.45	14.73	0.28	226	-2.36	1.46	3.82
2071	14.46	14.73	0.27	231	-2.39	1.46	3.85
2072	14.48	14.73	0.25	235	-2.41	1.46	3.87
2073	14.50	14.74	0.23	240	-2.43	1.46	3.90
2074	14.53	14.74	0.21	244	-2.46	1.46	3.92
2075	14.55	14.74	0.20	249	-2.48	1.46	3.94
2076	14.58	14.75	0.16	253	-2.49	1.46	3.95
2077	14.61	14.75	0.14	257	-2.51	1.46	3.97
2078	14.63	14.75	0.12	261	-2.53	1.46	3.99
2079	14.65	14.76	0.10	265	-2.55	1.46	4.02
2080	14.66	14.76	0.10	269	-2.59	1.46	4.05
2081	14.65	14.76	0.12	273	-2.65	1.47	4.11
2082	14.65	14.77	0.12	278	-2.69	1.47	4.15
2083	14.67	14.77	0.10	282	-2.71	1.47	4.18
2084	14.69	14.77	0.08	286	-2.74	1.47	4.20
2085	14.71	14.78	0.07	290	-2.76	1.47	4.23

Summarized Rates: OASDI

	Cost Rate	Income Rate	Actuarial Balance	Year of Exhaustion[1]
2010 - 2084	14.76%	14.99%	0.23%	N/A

Summarized Rates: OASDI

Change in Cost rate	Change in Income Rate	Change in Actuarial Balance
-1.17%	0.99%	2.15%

Based on Intermediate Assumptions of the 2010 Trustees Report

[1] Under present law the year of exhaustion is 2037

Office of the Chief Actuary
Social Security Administration
December 1, 2010

Table 1a - General Fund Transfers, OASDI Trust Fund Assets, and Theoretical OASDI Assets
Plan Proposed by the National Commission on Fiscal Responsibility and Reform
Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

	Proposal General Fund Transfers			*Present Value in Billions as of 1-1-2010*			
		Present Value in Billions as of 1-1- 2010		Proposal Total OASDI Trust Fund		Theoretical Social Security[1] with Borrowing Authority — Net OASDI Trust Fund Assets at End of Year	
Calendar Year	Percentage of Payroll (1)	Annual Amounts (2)	Accumulated as of End of Year (3)	Assets at End of Year (5)	Gross Domestic Product (6)	Without General Fund Transfers (7)	With Plan General Fund Transfers (8)
2010	0.0	0.0	0.0	2,500.1	14,440.7	2,500.1	2,500.1
2011	0.0	0.0	0.0	2,490.1	14,447.1	2,493.9	2,493.9
2012	0.0	0.0	0.0	2,490.0	14,629.9	2,495.8	2,495.8
2013	0.0	0.0	0.0	2,497.0	14,850.2	2,500.7	2,500.7
2014	0.0	0.0	0.0	2,506.7	15,008.0	2,504.4	2,504.4
2015	0.0	0.0	0.0	2,515.2	15,093.9	2,502.6	2,502.6
2016	0.0	0.0	0.0	2,521.7	15,113.0	2,495.2	2,495.2
2017	0.0	0.0	0.0	2,522.2	15,084.7	2,478.0	2,478.0
2018	0.0	0.0	0.0	2,514.0	14,993.3	2,448.8	2,448.8
2019	0.0	0.0	0.0	2,493.8	14,866.6	2,404.4	2,404.4
2020	0.0	0.0	0.0	2,462.5	14,744.5	2,344.3	2,344.3
2021	0.0	0.0	0.0	2,421.1	14,612.8	2,269.2	2,269.2
2022	0.0	0.0	0.0	2,370.0	14,470.7	2,180.2	2,180.2
2023	0.0	0.0	0.0	2,310.7	14,322.0	2,078.2	2,078.2
2024	0.0	0.0	0.0	2,244.0	14,168.7	1,964.7	1,964.7
2025	0.0	0.0	0.0	2,170.8	14,006.1	1,840.6	1,840.6
2026	0.0	0.0	0.0	2,092.3	13,848.9	1,707.4	1,707.4
2027	0.0	0.0	0.0	2,010.0	13,695.6	1,566.5	1,566.5
2028	0.0	0.0	0.0	1,924.9	13,543.6	1,419.1	1,419.1
2029	0.0	0.0	0.0	1,838.4	13,388.7	1,266.6	1,266.6
2030	0.0	0.0	0.0	1,751.6	13,238.7	1,110.6	1,110.6
2031	0.0	0.0	0.0	1,665.6	13,096.4	951.9	951.9
2032	0.0	0.0	0.0	1,581.0	12,955.3	791.4	791.4
2033	0.0	0.0	0.0	1,498.7	12,814.6	629.9	629.9
2034	0.0	0.0	0.0	1,419.4	12,675.9	468.5	468.5
2035	0.0	0.0	0.0	1,344.0	12,539.7	308.0	308.0
2036	0.0	0.0	0.0	1,273.0	12,408.4	149.0	149.0
2037	0.0	0.0	0.0	1,206.7	12,278.7	-7.9	-7.9
2038	0.0	0.0	0.0	1,145.8	12,153.7	-162.2	-162.2
2039	0.0	0.0	0.0	1,090.9	12,027.7	-313.2	-313.2
2040	0.0	0.0	0.0	1,041.5	11,899.8	-460.7	-460.7
2041	0.0	0.0	0.0	997.9	11,774.2	-604.7	-604.7
2042	0.0	0.0	0.0	960.0	11,649.7	-745.2	-745.2
2043	0.0	0.0	0.0	927.7	11,526.1	-882.3	-882.3
2044	0.0	0.0	0.0	900.6	11,403.5	-1,016.3	-1,016.3
2045	0.0	0.0	0.0	878.3	11,281.3	-1,147.4	-1,147.4
2046	0.0	0.0	0.0	860.4	11,159.4	-1,275.9	-1,275.9
2047	0.0	0.0	0.0	846.8	11,036.6	-1,402.0	-1,402.0
2048	0.0	0.0	0.0	837.5	10,914.9	-1,525.6	-1,525.6
2049	0.0	0.0	0.0	832.4	10,794.6	-1,646.9	-1,646.9
2050	0.0	0.0	0.0	830.5	10,674.1	-1,766.0	-1,766.0
2051	0.0	0.0	0.0	831.3	10,553.6	-1,883.2	-1,883.2
2052	0.0	0.0	0.0	834.4	10,434.0	-1,998.8	-1,998.8
2053	0.0	0.0	0.0	839.5	10,314.8	-2,113.3	-2,113.3
2054	0.0	0.0	0.0	846.2	10,196.3	-2,226.7	-2,226.7
2055	0.0	0.0	0.0	854.1	10,078.9	-2,339.4	-2,339.4
2056	0.0	0.0	0.0	862.6	9,963.1	-2,451.4	-2,451.4
2057	0.0	0.0	0.0	871.7	9,849.3	-2,562.8	-2,562.8
2058	0.0	0.0	0.0	881.6	9,737.3	-2,673.5	-2,673.5
2059	0.0	0.0	0.0	892.2	9,627.1	-2,783.4	-2,783.4
2060	0.0	0.0	0.0	903.0	9,517.7	-2,892.6	-2,892.6
2061	0.0	0.0	0.0	914.2	9,409.2	-3,001.2	-3,001.2
2062	0.0	0.0	0.0	925.5	9,301.9	-3,109.2	-3,109.2
2063	0.0	0.0	0.0	936.9	9,196.0	-3,216.6	-3,216.6
2064	0.0	0.0	0.0	948.4	9,091.8	-3,323.4	-3,323.4
2065	0.0	0.0	0.0	959.7	8,988.7	-3,429.7	-3,429.7
2066	0.0	0.0	0.0	970.5	8,886.5	-3,535.7	-3,535.7
2067	0.0	0.0	0.0	980.9	8,785.3	-3,641.3	-3,641.3
2068	0.0	0.0	0.0	990.7	8,685.0	-3,746.7	-3,746.7
2069	0.0	0.0	0.0	1,000.1	8,585.5	-3,851.9	-3,851.9
2070	0.0	0.0	0.0	1,009.0	8,487.0	-3,956.9	-3,956.9
2071	0.0	0.0	0.0	1,017.4	8,388.8	-4,061.7	-4,061.7
2072	0.0	0.0	0.0	1,025.2	8,292.1	-4,166.3	-4,166.3
2073	0.0	0.0	0.0	1,032.4	8,196.2	-4,270.8	-4,270.8
2074	0.0	0.0	0.0	1,039.0	8,101.5	-4,375.1	-4,375.1
2075	0.0	0.0	0.0	1,045.0	8,007.1	-4,479.3	-4,479.3
2076	0.0	0.0	0.0	1,050.0	7,913.4	-4,583.2	-4,583.2
2077	0.0	0.0	0.0	1,054.3	7,820.3	-4,687.0	-4,687.0
2078	0.0	0.0	0.0	1,058.0	7,727.4	-4,790.5	-4,790.5
2079	0.0	0.0	0.0	1,061.2	7,635.8	-4,893.8	-4,893.8
2080	0.0	0.0	0.0	1,064.2	7,545.2	-4,996.8	-4,996.8
2081	0.0	0.0	0.0	1,067.7	7,455.5	-5,099.6	-5,099.6
2082	0.0	0.0	0.0	1,071.2	7,366.6	-5,202.1	-5,202.1
2083	0.0	0.0	0.0	1,074.2	7,278.4	-5,304.4	-5,304.4
2084	0.0	0.0	0.0	1,076.7	7,191.1	-5,406.3	-5,406.3
Total 2010-2084	0.0						

Based on the Intermediate Assumptions of the 2010 Trustees Report
Ultimate Real Trust Fund Yield of 2.9%

Office of the Chief Actuary
Social Security Administration
December 1, 2010

[1] 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 & Unified Budget Implications of Specified Plan Provision Effects on OASDI[1] (Present Value Dollars)
Plan Proposed by the National Commission on Fiscal Responsibility and Reform
Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

	Billions of Present Value Dollars as of 1-1-2010				
Year	Specified General Fund Transfers (1)	Basic Changes in OASDI Cash Flow (2)	Change in Annual Unified Budget Cash Flow (3) = (1)+(2)	Change in Debt Held by Public at End of Year (4)	Change in Annual Unified Budget Balance (5)
2010	0.0	0.0	0.0	0.0	0.0
2011	0.0	-3.8	-3.8	3.8	-3.8
2012	0.0	-2.0	-2.0	5.8	-2.2
2013	0.0	2.1	2.1	3.8	1.8
2014	0.0	6.1	6.1	-2.3	5.9
2015	0.0	10.2	10.2	-12.5	10.3
2016	0.0	14.0	14.0	-26.5	14.6
2017	0.0	17.6	17.6	-44.2	19.0
2018	0.0	21.1	21.1	-65.2	23.3
2019	0.0	24.2	24.2	-89.4	27.6
2020	0.0	28.7	28.7	-118.2	33.4
2021	0.0	33.6	33.6	-151.8	39.9
2022	0.0	38.0	38.0	-189.8	46.1
2023	0.0	42.6	42.6	-232.4	52.9
2024	0.0	46.9	46.9	-279.3	59.6
2025	0.0	50.8	50.8	-330.2	66.1
2026	0.0	54.7	54.7	-384.9	72.8
2027	0.0	58.6	58.6	-443.5	79.6
2028	0.0	62.3	62.3	-505.8	86.6
2029	0.0	65.9	65.9	-571.7	93.6
2030	0.0	69.4	69.4	-641.1	100.6
2031	0.0	72.7	72.7	-713.8	107.7
2032	0.0	75.9	75.9	-789.7	114.9
2033	0.0	79.1	79.1	-868.8	122.3
2034	0.0	82.2	82.2	-950.9	129.7
2035	0.0	85.1	85.1	-1,036.0	137.0
2036	0.0	87.9	87.9	-1,123.9	144.6
2037	0.0	90.7	90.7	-1,214.6	152.1
2038	0.0	93.4	93.4	-1,308.0	159.8
2039	0.0	96.0	96.0	-1,404.0	167.5
2040	0.0	98.2	98.2	-1,502.2	174.9
2041	0.0	100.4	100.4	-1,602.6	182.5
2042	0.0	102.6	102.6	-1,705.2	190.2
2043	0.0	104.8	104.8	-1,810.0	198.0
2044	0.0	106.9	106.9	-1,916.9	205.8
2045	0.0	108.8	108.8	-2,025.7	213.6
2046	0.0	110.6	110.6	-2,136.3	221.3
2047	0.0	112.4	112.4	-2,248.7	229.2
2048	0.0	114.3	114.3	-2,363.1	237.2
2049	0.0	116.3	116.3	-2,479.4	245.4
2050	0.0	117.1	117.1	-2,596.5	252.6
2051	0.0	118.0	118.0	-2,714.5	259.9
2052	0.0	118.8	118.8	-2,833.3	267.2
2053	0.0	119.5	119.5	-2,952.8	274.4
2054	0.0	120.2	120.2	-3,073.0	281.6
2055	0.0	120.5	120.5	-3,193.5	288.4
2056	0.0	120.5	120.5	-3,314.0	295.0
2057	0.0	120.5	120.5	-3,434.5	301.7
2058	0.0	120.6	120.6	-3,555.1	308.3
2059	0.0	120.5	120.5	-3,675.5	314.8
2060	0.0	120.1	120.1	-3,795.7	321.0
2061	0.0	119.7	119.7	-3,915.4	327.2
2062	0.0	119.3	119.3	-4,034.7	333.3
2063	0.0	118.8	118.8	-4,153.5	339.3
2064	0.0	118.3	118.3	-4,271.8	345.3
2065	0.0	117.6	117.6	-4,389.4	351.1
2066	0.0	116.8	116.8	-4,506.2	356.7
2067	0.0	116.0	116.0	-4,622.2	362.3
2068	0.0	115.3	115.3	-4,737.5	367.9
2069	0.0	114.5	114.5	-4,852.0	373.5
2070	0.0	113.8	113.8	-4,965.8	379.0
2071	0.0	113.2	113.2	-5,079.0	384.6
2072	0.0	112.5	112.5	-5,191.5	390.1
2073	0.0	111.7	111.7	-5,303.2	395.4
2074	0.0	110.9	110.9	-5,414.1	400.8
2075	0.0	110.1	110.1	-5,524.3	406.0
2076	0.0	109.0	109.0	-5,633.2	410.9
2077	0.0	108.0	108.0	-5,741.2	415.9
2078	0.0	107.2	107.2	-5,848.5	421.0
2079	0.0	106.5	106.5	-5,955.0	426.2
2080	0.0	106.0	106.0	-6,061.0	431.5
2081	0.0	106.3	106.3	-6,167.3	437.5
2082	0.0	106.0	106.0	-6,273.3	443.0
2083	0.0	105.2	105.2	-6,378.5	448.1
2084	0.0	104.5	104.5	-6,483.0	453.1
Total 2010-84	0.0	6,483.0	6,483.0		

Based on Intermediate Assumptions of the 2010 Trustees Report.
Ultimate Real Trust Fund Yield of 2.9%

Office of the Chief Actuary
Social Security Administration
December 1, 2010

[1] Effects of tax provisions on the On-Budget are not reflected in this table.

Table 1b.n - OASDI Changes & Unified Budget Implications of Specified Plan Porvision Effects on OASDI[1] (Nominal Dollars)

Plan Proposed by the National Commission on Fiscal Responsibility and Reform

Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

	Billions of Nominal Dollars				
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
	(1)	(2)	(3) = (1)+(2)	(4)	(5)
2010	0.0	0.0	0.0	0.0	0.0
2011	0.0	-4.1	-4.1	4.2	-4.2
2012	0.0	-2.2	-2.2	6.7	-2.5
2013	0.0	2.4	2.4	4.5	2.2
2014	0.0	7.5	7.5	-2.9	7.4
2015	0.0	13.1	13.1	-16.6	13.6
2016	0.0	19.0	19.0	-36.8	20.3
2017	0.0	25.1	25.1	-64.5	27.7
2018	0.0	31.6	31.6	-100.3	35.8
2019	0.0	38.3	38.3	-145.0	44.7

Based on Intermediate Assumptions of the 2010 Trustees Report.

Office of the Chief Actuary
Social Security Administration
December 1, 2010

[1] 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 F
Plan Proposed by the National Commission on Fiscal Responsibility and Reform
Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

	Present Law OASDI			Proposal OASDI		
Calendar Year	Cost (1)	Expenditures (Payable) (2)	Tax Income (3)	Cost (4)	Expenditures (Payable) (5)	Tax Income (6)
2010	4.84	4.84	4.56	4.84	4.84	4.56
2011	4.80	4.80	4.75	4.82	4.82	4.75
2012	4.76	4.76	4.77	4.79	4.79	4.78
2013	4.75	4.75	4.78	4.77	4.77	4.81
2014	4.78	4.78	4.80	4.78	4.78	4.84
2015	4.83	4.83	4.81	4.82	4.82	4.87
2016	4.90	4.90	4.84	4.88	4.88	4.92
2017	4.98	4.98	4.86	4.95	4.95	4.95
2018	5.08	5.08	4.88	5.04	5.04	4.98
2019	5.20	5.20	4.89	5.14	5.14	5.00
2020	5.30	5.30	4.89	5.24	5.24	5.02
2021	5.41	5.41	4.89	5.33	5.33	5.04
2022	5.51	5.51	4.88	5.42	5.42	5.06
2023	5.60	5.60	4.88	5.50	5.50	5.08
2024	5.68	5.68	4.88	5.57	5.57	5.09
2025	5.77	5.77	4.87	5.64	5.64	5.11
2026	5.84	5.84	4.87	5.70	5.70	5.12
2027	5.90	5.90	4.87	5.75	5.75	5.14
2028	5.96	5.96	4.87	5.79	5.79	5.15
2029	6.01	6.01	4.87	5.82	5.82	5.17
2030	6.05	6.05	4.86	5.84	5.84	5.18
2031	6.08	6.08	4.86	5.85	5.85	5.19
2032	6.10	6.10	4.86	5.86	5.86	5.20
2033	6.12	6.12	4.86	5.86	5.86	5.21
2034	6.13	6.13	4.85	5.85	5.85	5.22
2035	6.14	6.14	4.85	5.84	5.84	5.23
2036	6.14	6.14	4.85	5.82	5.82	5.24
2037	6.13	6.06	4.84	5.79	5.79	5.25
2038	6.11	4.84	4.84	5.76	5.76	5.25
2039	6.10	4.84	4.84	5.72	5.72	5.26
2040	6.08	4.83	4.83	5.69	5.69	5.27
2041	6.05	4.83	4.83	5.65	5.65	5.27
2042	6.03	4.82	4.82	5.61	5.61	5.28
2043	6.01	4.81	4.81	5.57	5.57	5.28
2044	5.99	4.81	4.81	5.53	5.53	5.29
2045	5.97	4.80	4.80	5.49	5.49	5.29
2046	5.95	4.79	4.79	5.46	5.46	5.29
2047	5.94	4.79	4.79	5.43	5.43	5.30
2048	5.92	4.78	4.78	5.39	5.39	5.30
2049	5.91	4.78	4.78	5.36	5.36	5.30
2050	5.89	4.77	4.77	5.32	5.32	5.30
2051	5.88	4.76	4.76	5.29	5.29	5.29
2052	5.87	4.76	4.76	5.26	5.26	5.29
2053	5.87	4.75	4.75	5.24	5.24	5.28
2054	5.87	4.75	4.75	5.22	5.22	5.28
2055	5.87	4.74	4.74	5.20	5.20	5.27
2056	5.87	4.74	4.74	5.18	5.18	5.26
2057	5.87	4.73	4.73	5.17	5.17	5.25
2058	5.87	4.73	4.73	5.15	5.15	5.25
2059	5.87	4.72	4.72	5.14	5.14	5.24
2060	5.87	4.71	4.71	5.13	5.13	5.24
2061	5.87	4.71	4.71	5.12	5.12	5.23
2062	5.87	4.70	4.70	5.11	5.11	5.22
2063	5.87	4.70	4.70	5.10	5.10	5.22
2064	5.87	4.69	4.69	5.09	5.09	5.21
2065	5.88	4.69	4.69	5.08	5.08	5.20
2066	5.88	4.68	4.68	5.08	5.08	5.20
2067	5.88	4.67	4.67	5.08	5.08	5.19
2068	5.89	4.67	4.67	5.08	5.08	5.18
2069	5.89	4.66	4.66	5.07	5.07	5.18
2070	5.90	4.66	4.66	5.07	5.07	5.17
2071	5.91	4.65	4.65	5.07	5.07	5.17
2072	5.92	4.65	4.65	5.07	5.07	5.16
2073	5.92	4.64	4.64	5.07	5.07	5.15
2074	5.93	4.64	4.64	5.07	5.07	5.15
2075	5.94	4.63	4.63	5.08	5.08	5.14
2076	5.95	4.63	4.63	5.08	5.08	5.14
2077	5.96	4.62	4.62	5.08	5.08	5.13
2078	5.97	4.62	4.62	5.09	5.09	5.13
2079	5.97	4.62	4.62	5.09	5.09	5.12
2080	5.98	4.61	4.61	5.09	5.09	5.12
2081	5.99	4.61	4.61	5.08	5.08	5.12
2082	6.00	4.61	4.61	5.07	5.07	5.11
2083	6.01	4.60	4.60	5.07	5.07	5.11
2084	6.02	4.60	4.60	5.08	5.08	5.10

Based on Intermediate Assumptions of the 2010 Trustees Report.

Office of the Chief Actuary
Social Security Administration
December 1, 2010

Table 1d - Change in Long-Range Trust Fund Assets / Unfunded Obligation
Plan Proposed by the National Commission on Fiscal Responsibility and Reform
Basic Provisions Only -- Those with Direct Effects on Social Security Benefits or Tax Revenue

(Billions of Dollars, Present Value on 1-1-2010)

Year	Present Law OASDI Trust Fund Assets / Unfunded Obligation Through End of Year	Changes in OASDI Income	Changes in OASDI Cost	Basic Changes in OASDI Cash Flow	Total Change Through End of Year	Proposal OASDI Trust Fund Assets / Unfunded Obligation Through End of Year
	(1)	(2)	(3)	(4) = (2)-(3)	(5) = cumulative sum(4)	(6) = (1)+(5)
2010	2,500.1	0.0	0.0	0.0	0.0	2,500.1
2011	2,493.9	0.2	4.0	-3.8	-3.8	2,490.1
2012	2,495.8	2.4	4.3	-2.0	-5.8	2,490.0
2013	2,500.7	4.5	2.4	2.1	-3.8	2,497.0
2014	2,504.4	6.6	0.5	6.1	2.3	2,506.7
2015	2,502.6	8.8	-1.4	10.2	12.5	2,515.2
2016	2,495.2	10.7	-3.3	14.0	26.5	2,521.7
2017	2,478.0	12.6	-5.0	17.6	44.2	2,522.2
2018	2,448.8	14.5	-6.6	21.1	65.2	2,514.0
2019	2,404.4	16.2	-8.0	24.2	89.4	2,493.8
2020	2,344.3	19.2	-9.5	28.7	118.2	2,462.5
2021	2,269.2	22.6	-11.0	33.6	151.8	2,421.1
2022	2,180.2	25.6	-12.5	38.0	189.8	2,370.0
2023	2,078.2	28.4	-14.3	42.6	232.4	2,310.7
2024	1,964.7	30.8	-16.1	46.9	279.3	2,244.0
2025	1,840.6	32.9	-17.9	50.8	330.2	2,170.8
2026	1,707.4	35.0	-19.7	54.7	384.9	2,092.3
2027	1,566.5	36.9	-21.7	58.6	443.5	2,010.0
2028	1,419.1	38.6	-23.8	62.3	505.8	1,924.9
2029	1,266.6	40.2	-25.8	65.9	571.7	1,838.4
2030	1,110.6	41.6	-27.8	69.4	641.1	1,751.6
2031	951.9	43.0	-29.6	72.7	713.8	1,665.6
2032	791.4	44.3	-31.6	75.9	789.7	1,581.0
2033	629.9	45.5	-33.6	79.1	868.8	1,498.7
2034	468.5	46.6	-35.6	82.2	950.9	1,419.4
2035	308.0	47.6	-37.5	85.1	1,036.0	1,344.0
2036	149.0	48.6	-39.4	87.9	1,123.9	1,273.0
2037	-7.9	49.5	-41.2	90.7	1,214.6	1,206.7
2038	-162.2	50.4	-43.0	93.4	1,308.0	1,145.8
2039	-313.2	51.1	-44.9	96.0	1,404.0	1,090.9
2040	-460.7	51.9	-46.3	98.2	1,502.2	1,041.5
2041	-604.7	52.6	-47.8	100.4	1,602.6	997.9
2042	-745.2	53.3	-49.3	102.6	1,705.2	960.0
2043	-882.3	54.0	-50.8	104.8	1,810.0	927.7
2044	-1,016.3	54.6	-52.3	106.9	1,916.9	900.6
2045	-1,147.4	55.1	-53.7	108.8	2,025.7	878.3
2046	-1,275.9	55.6	-55.0	110.6	2,136.3	860.4
2047	-1,402.0	56.0	-56.4	112.4	2,248.7	846.8
2048	-1,525.6	56.4	-57.9	114.3	2,363.1	837.5
2049	-1,646.9	56.8	-59.5	116.3	2,479.4	832.4
2050	-1,766.0	56.3	-60.8	117.1	2,596.5	830.5
2051	-1,883.2	55.7	-62.3	118.0	2,714.5	831.3
2052	-1,998.8	55.1	-63.8	118.8	2,833.3	834.4
2053	-2,113.3	54.5	-65.1	119.5	2,952.8	839.5
2054	-2,226.7	53.8	-66.3	120.2	3,073.0	846.2
2055	-2,339.4	53.1	-67.4	120.5	3,193.5	854.1
2056	-2,451.4	52.4	-68.1	120.5	3,314.0	862.6
2057	-2,562.8	51.7	-68.9	120.5	3,434.5	871.7
2058	-2,673.5	51.0	-69.6	120.6	3,555.1	881.6
2059	-2,783.4	50.3	-70.2	120.5	3,675.5	892.2
2060	-2,892.6	49.6	-70.5	120.1	3,795.7	903.0
2061	-3,001.2	48.9	-70.8	119.7	3,915.4	914.2
2062	-3,109.2	48.3	-71.0	119.3	4,034.7	925.5
2063	-3,216.6	47.7	-71.1	118.8	4,153.5	936.9
2064	-3,323.4	47.0	-71.2	118.3	4,271.8	948.4
2065	-3,429.7	46.4	-71.2	117.6	4,389.4	959.7
2066	-3,535.7	45.8	-71.0	116.8	4,506.2	970.5
2067	-3,641.3	45.2	-70.8	116.0	4,622.2	980.9
2068	-3,746.7	44.7	-70.6	115.3	4,737.5	990.7
2069	-3,851.9	44.1	-70.4	114.5	4,852.0	1,000.1
2070	-3,956.9	43.5	-70.3	113.8	4,965.8	1,009.0
2071	-4,061.7	43.0	-70.2	113.2	5,079.0	1,017.4
2072	-4,166.3	42.4	-70.0	112.5	5,191.5	1,025.2
2073	-4,270.8	41.9	-69.8	111.7	5,303.2	1,032.4
2074	-4,375.1	41.4	-69.5	110.9	5,414.1	1,039.0
2075	-4,479.3	40.9	-69.3	110.1	5,524.3	1,045.0
2076	-4,583.2	40.3	-68.6	109.0	5,633.2	1,050.0
2077	-4,687.0	39.8	-68.2	108.0	5,741.2	1,054.3
2078	-4,790.5	39.3	-67.9	107.2	5,848.5	1,058.0
2079	-4,893.8	38.8	-67.7	106.5	5,955.0	1,061.2
2080	-4,996.8	38.3	-67.7	106.0	6,061.0	1,064.2
2081	-5,099.6	37.9	-68.4	106.3	6,167.3	1,067.7
2082	-5,202.1	37.4	-68.6	106.0	6,273.3	1,071.2
2083	-5,304.4	36.9	-68.3	105.2	6,378.5	1,074.2
2084	-5,406.3	36.5	-68.0	104.5	6,483.0	1,076.7
Total 2010-2084		3000.8	-3482.2	6483.0		

Based on Intermediate Assumptions of the 2010 Trustees Report

Ultimate Real Trust Fund Yield of 2.9%.

Office of the Chief Actuary
Social Security Administration
December 1, 2010