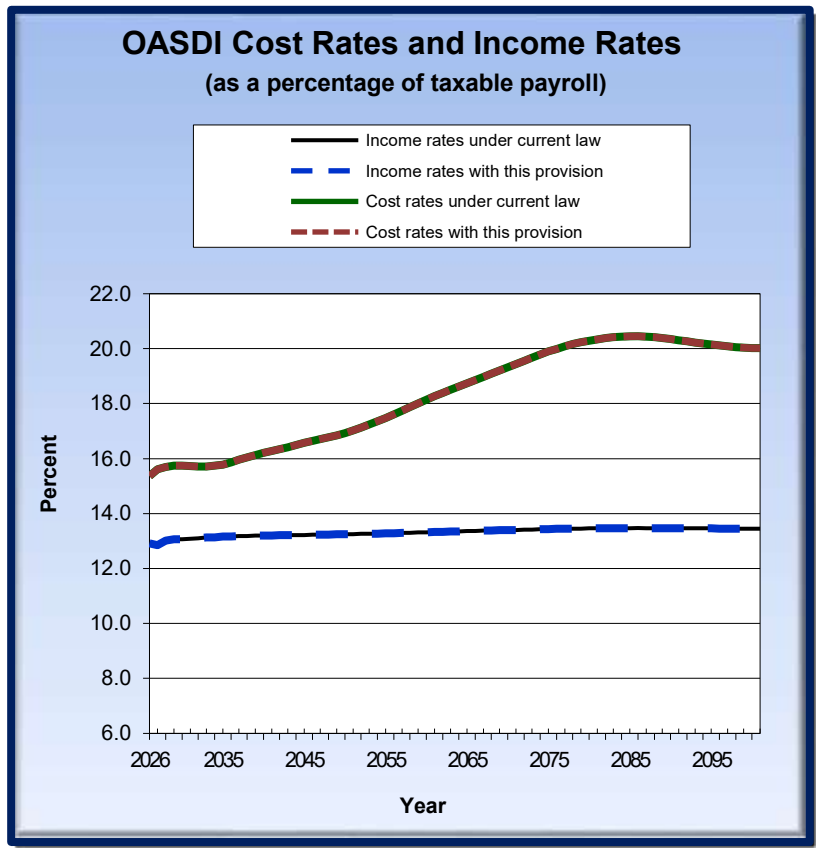
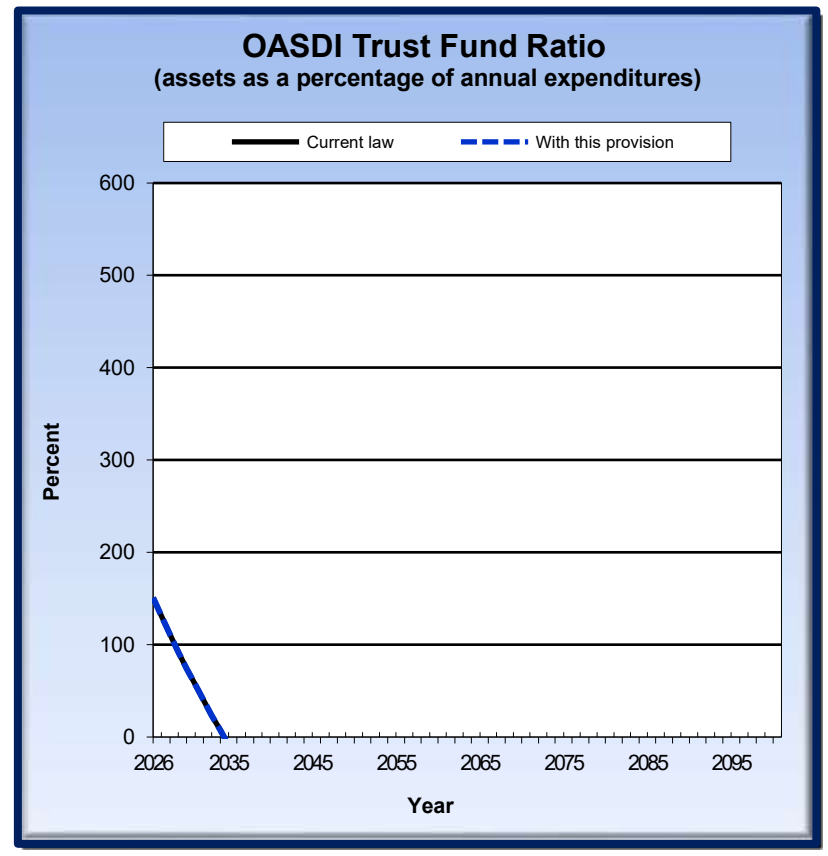
Summary Measures and Graphs

Category of Change: Trust Fund Investment in Equities

Proposed Provision: G5. Invest 15 percent of the OASI and DI Trust Fund reserves in equities (phased in 2027-2036), assuming an ultimate 2.3 percent annual real rate of return on equities. Thus, the ultimate rate of return on equities is the same as that assumed for Trust Fund bonds.

Current law [percent of payroll]		Change from current law [percent of payroll]		Shortfall eliminated	
Long-range actuarial balance	Annual balance in 75th year	Long-range actuarial balance	Annual balance in 75th year	Long-range actuarial balance	Annual balance in 75th year
-4.42	-6.57	0.00*	0.00	*	0%





* A change in the investment of trust fund reserves to include some equities affects the size of all summarized measures because increased "present-value" discounting reduces the weight on values for more distant future years. As a result, the magnitude of the current-law actuarial balance and the summarized effects of most proposals is reduced. Therefore, the size of the change in the long-range actuarial balance indicated here cannot be interpreted directly as a reduction in the shortfall. The actual reduction in the shortfall from equity investment depends on the amount of reserves that are available for investment throughout the period. For example, if provisions to change revenue or scheduled benefits resulted in a purely pay-as-you-go system (reserves just above zero throughout the period), then investment in equities would have no effect on the actuarial balance.

Estimates based on the intermediate assumptions of the 2026 Trustees Report

Actuarial Services
Social Security Administration
July 15, 2026