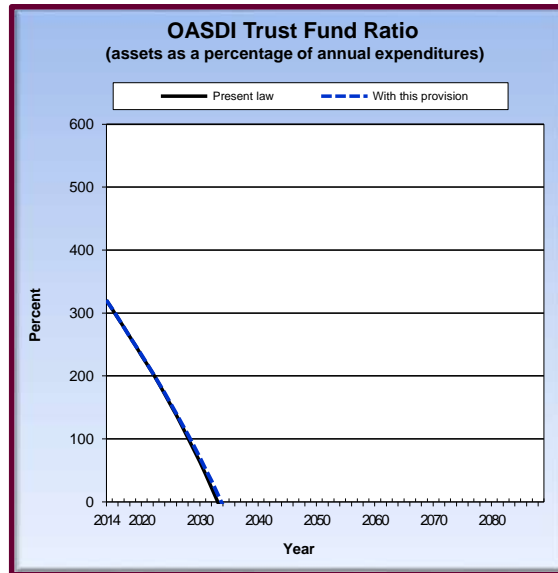
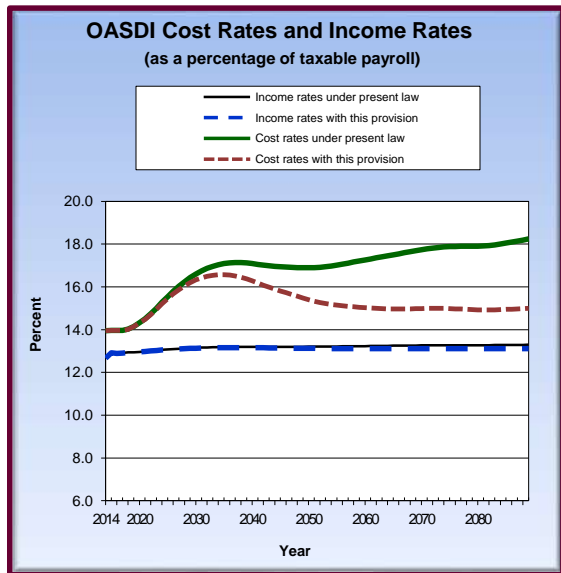


Summary Measures and Graphs

Category of Change: Level of Monthly Benefits

Proposed Provision: Progressive indexing (30th percentile) of PIA factors beginning with individuals newly eligible for OASI benefits in 2017, continuing through 2054, and resuming in 2075: Create a new bend point at the 30th percentile of the AIME distribution of newly retired workers. Maintain current-law benefits for earners at the 30th percentile and below. Reduce the 32 and 15 percent factors above the 30th percentile such that the initial benefit for a worker with AIME equal to the taxable maximum is reduced by 1.13 percent per year as compared to current law (for the years that progressive indexing applies). Disabled workers are: (a) not affected prior to normal retirement age; and (b) subject to a proportional reduction in benefits, based on the worker's years of disability, upon conversion to retired-worker beneficiary status.

Present Law [percent of payroll]		Change From Present 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
-2.88	-4.90	1.24	3.04	43%	62%



Estimates based on the intermediate assumptions of the 2014 Trustees Report

Office of the Chief Actuary, Social Security
September 18, 2014