Summary Measures and Graphs
Category of Change: Level of Monthly Benefits

Proposed Provision: B7.10. Replace the current-law WEP with a new calculation for most OASI and DI benefits based on covered and non-covered earnings, phased in for beneficiaries becoming newly eligible in 2026 through 2035. For this new approach, compute a PIA based on all past earnings (covered and non-covered), and multiply by the "non-covered earnings ratio." This ratio is equal to the current-law concept of the average indexed monthly earnings computed without non-covered earnings divided by a modified average indexed monthly earnings that includes both covered and non-covered earnings in our records.

<table>
<thead>
<tr>
<th>Current law [percent of payroll]</th>
<th>Change from current law [percent of payroll]</th>
<th>Shortfall eliminated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-range actuarial balance</td>
<td>Annual balance in 75th year</td>
<td>Long-range actuarial balance</td>
</tr>
<tr>
<td>-2.78</td>
<td>-4.11</td>
<td>0.05</td>
</tr>
</tbody>
</table>

OASDI Cost Rates and Income Rates
(as a percentage of taxable payroll)

OASDI Trust Fund Ratio
(assets as a percentage of annual expenditures)

Estimates based on the intermediate assumptions of the 2019 Trustees Report

Office of the Chief Actuary
Social Security Administration
June 25, 2019