March 29, 2012

The Honorable Tom Harkin
United States Senate
Washington, D.C. 20510

Dear Senator Harkin:

I am writing in response to your request for estimates of the financial effects on Social Security of the "Rebuild America Act" which you are introducing today. This Bill includes three provisions with direct effects on Social Security benefits and tax revenues. Enactment of these three provisions would increase benefits and extend solvency for the Social Security program. We have enjoyed working closely with Zachary Schechter-Steinberg and Michael Kreps of your staff, and Ken Mannella and Dena Berglund of the Social Security Administration Office of Legislation and Congressional Affairs, in developing this proposal to meet your goals.

The enclosed tables provide estimates of the effects of the three provisions on the cost, income, and trust fund assets 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 three provisions. Our estimates do not reflect any direct or indirect effects that may result from enactment of other provisions of this Bill. We estimate that enactment of these provisions would extend solvency of the OASDI program for an additional 16 years, with the projected year of exhaustion of combined OASI and DI Trust Fund reserves moving from 2036 under current law to 2052 under the proposal. We base all estimates on the intermediate assumptions of the 2011 Trustees Report.

The estimates provided here reflect the combined effort of many in the Office of the Chief Actuary, but most particularly Alice Wade, Christopher Chaplain, Daniel Nickerson, Tiffany Bosley, Katie Kraft, and Jason Schultz.
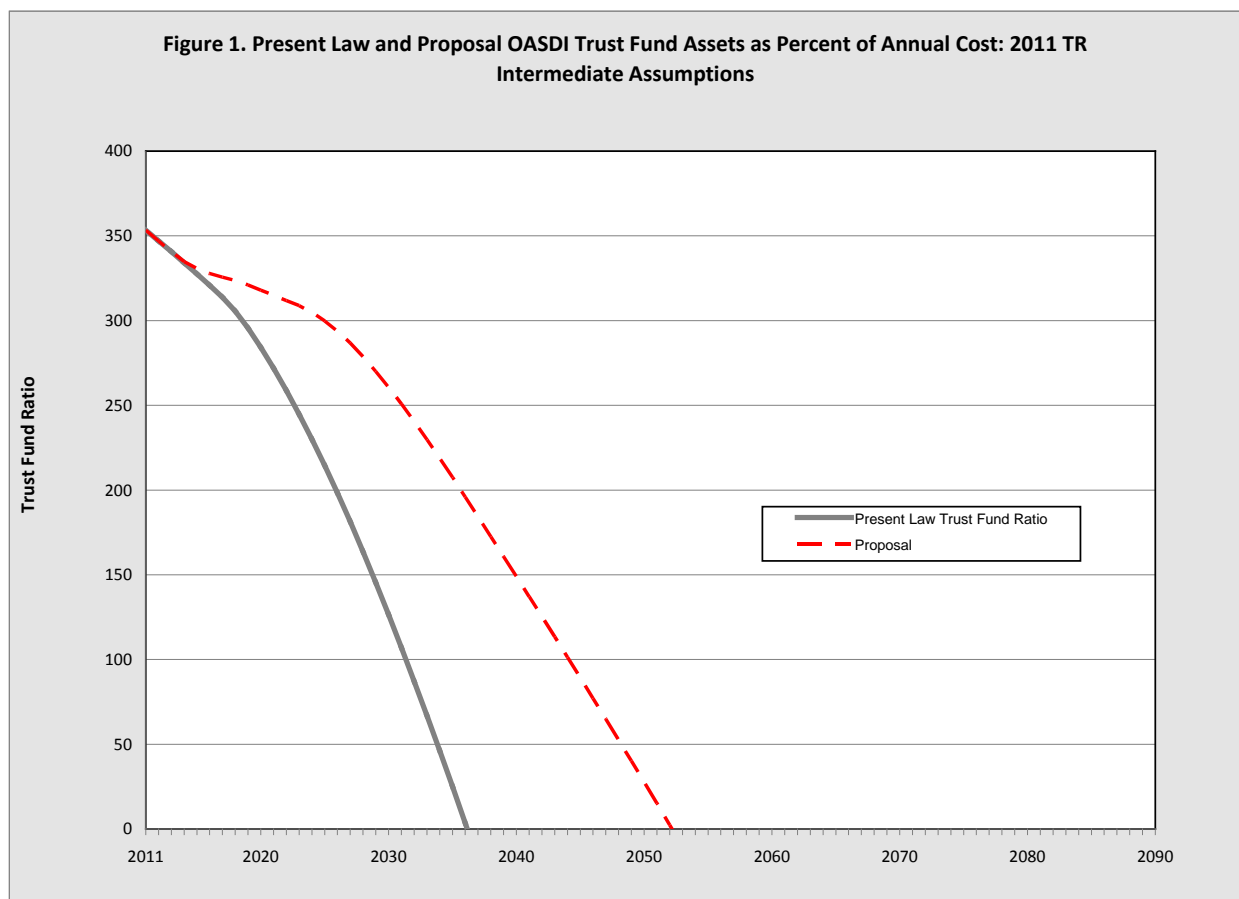
The Bill includes the following three provisions with direct effects on the OASDI program:
1) *Eliminate the taxable maximum, fully effective 2022.* Phase in to elimination by taxing all earnings above the current law taxable maximum at a rate of 1.24 percent in 2013, 2.48 percent in 2014, …, and 12.4 percent in 2022 and later. Credit the additional earnings for benefit purposes in proportion to the applicable payroll tax rate for the year divided by 12.4. Add a new primary insurance amount (PIA) bend point reflecting the level of the current-law taxable maximum and use a 5 percent factor for average indexed monthly earnings (AIME) above this bend point.
2) *Increase the first PIA bend point 15 percent above the current law level for newly eligible beneficiaries, fully effective 2022.* Phase in by increasing the first bend point 1.5 percent for newly eligible beneficiaries in 2013, 3.0 percent for newly eligible beneficiaries in 2014, …, and 15 percent for newly eligible beneficiaries in 2022 and later.
3) *Compute the cost-of-living adjustment (COLA) using the Consumer Price Index for the Elderly (CPI-E), effective December 2013.* We estimate this new computation will increase the annual COLA by about 0.2 percentage point, on average.

The balance of this letter provides a summary of the effects of the three provisions on the actuarial status of the OASDI program, our understanding of the specifications and intent of each provision, and a description 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 assets, expressed as a percent of annual program cost, assuming enactment of the three provisions of this Bill. Assuming enactment, the OASDI program would be expected to be solvent for an additional 16 years, under the intermediate assumptions of the 2011 Trustees Report. The level of assets for the theoretical combined OASI and DI Trust Funds would decline from 353 percent of annual program cost at the beginning of 2011 until these reserves would become exhausted in 2052 (16 years later than projected exhaustion under current law). At the time of exhaustion of reserves in 2052, the program would be able to pay about 86 percent of then scheduled benefits with continuing taxes (under current law, 77 percent of scheduled benefits are projected to be payable in 2036 after exhaustion). By 2085, 82 percent of benefits scheduled under the proposal would be payable compared to 74 percent of scheduled benefits payable under present law.

Figure 1. Present Law and Proposal OASDI Trust Fund Assets as Percent of Annual Cost: 2011 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.
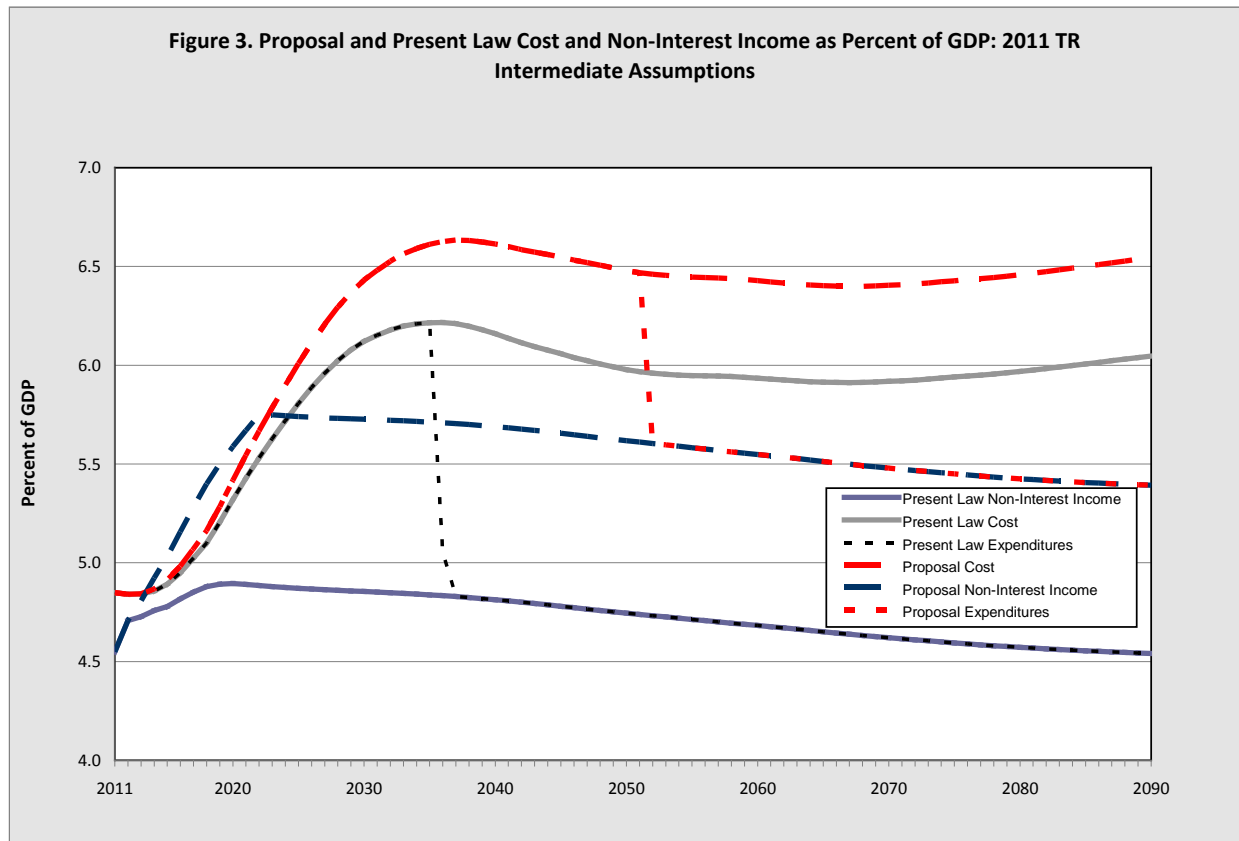
Enactment of the three provisions of this Bill would eliminate about one-half of the long-range OASDI actuarial deficit of 2.22 percent of taxable payroll under current law, lowering the OASDI actuarial deficit to 1.07 percent of payroll for the long-range period.

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 exhaustion, 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.

Figure 2. Proposal and Present Law Cost and Non-Interest Income as Percent of Taxable Payroll: 2011 TR Intermediate Assumptions
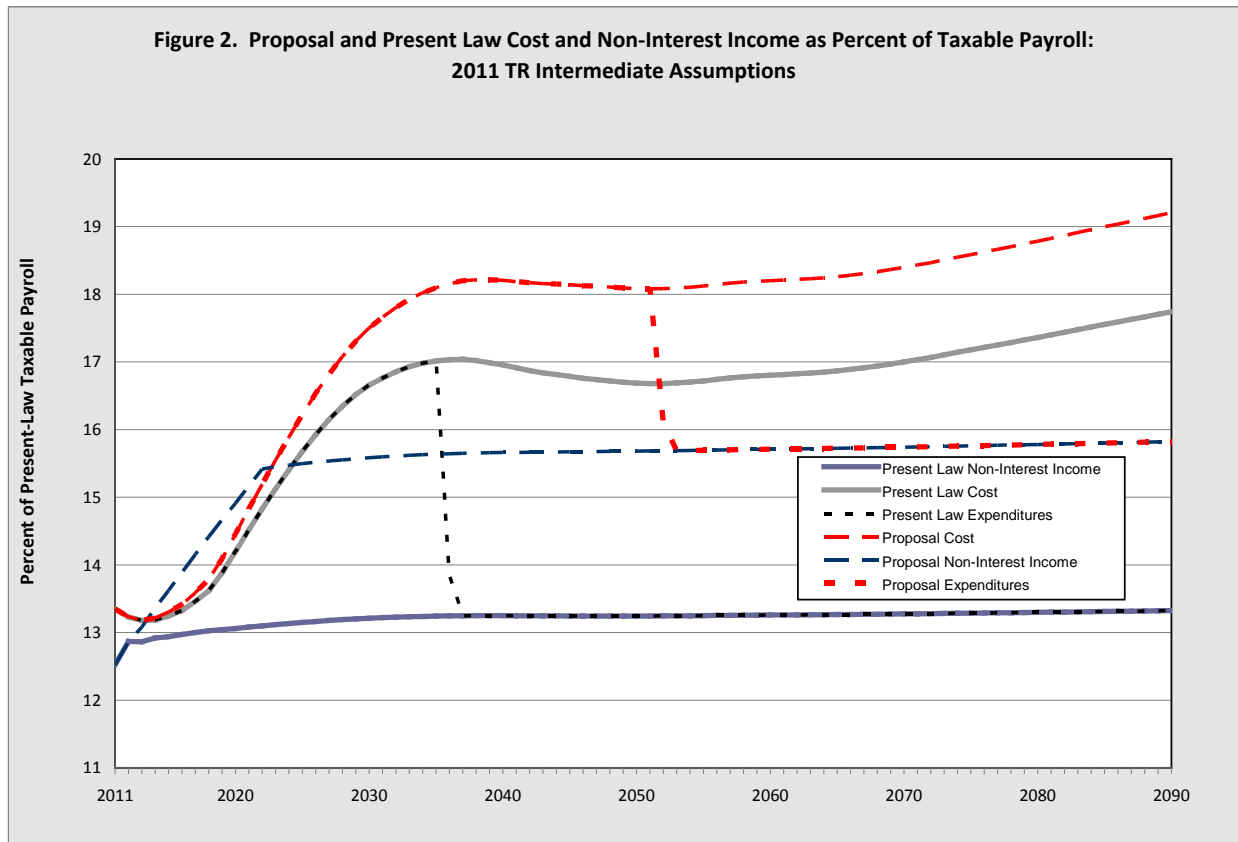
After 2013, OASDI program cost is higher under the proposal than under current law. This difference in program cost increases gradually over time to about 1.4 percent of current-law payroll by 2050. Non-interest income under the proposal is also higher than under current law, with the difference in non-interest income growing to 2 percent of payroll by 2021 and to more than 2.4 percent of payroll by 2040. The proposal improves the annual cash-flow balance (non-interest income minus program cost) by over 1.00 percent of payroll for 2017 and subsequent years. Under the proposal, annual cash-flow balance is positive for 2014 through 2022, with annual deficits rising thereafter to 3.20 percent of payroll by 2085. As a comparison, the projected annual deficit under current law is 4.24 percent of payroll for 2085.

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.

Figure 3. Proposal and Present Law Cost and Non-Interest Income as Percent of GDP: 2011 TR Intermediate Assumptions

Specification for Provisions of the Proposal

(1) Eliminate the Taxable Maximum by 2022

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 $110,100 for 2012 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 credited 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 2013. Covered earnings in excess of the maximum would be taxed at a 1.24 percent rate in 2013, at a 2.48 percent rate in 2014, at a 3.72 percent rate in 2015, … , and at a 12.4 percent rate in 2022 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 2022 and later.

Additional earnings subject to payroll tax due to this provision would also be credited toward computation of benefit levels, in proportion to the additional payroll tax rate that applies.

Earnings above the present-law taxable maximum in 2013 would be taxed at $1/10^{th}$ the rate for earnings below the maximum and would be credited $1 for every $10 toward benefit computation. Earnings in each subsequent year through 2021 would be credited at a higher rate (in proportion to the tax rate that applies). Earnings above the present-law maximum in 2022 and later would be fully credited toward benefits.

Under the current-law primary insurance amount (PIA) formula, any portion of the average indexed monthly earnings (AIME) in excess of the second PIA bend point is multiplied by a factor of 0.15 in computing the PIA. This provision adds a third PIA bend point starting for new benefit eligibility in 2013. Any portion of the AIME in excess of this new third PIA bend point would be multiplied by a factor of 0.05 in computing the PIA.

The new third PIA bend point is intended to provide less benefit credit (0.05 rather than 0.15) for career-average wage-indexed earnings in excess of the wage-indexed average level of the current law taxable maximum amount during a worker's working years. Current law specifies that the first and second PIA bend points will be $180 and $1,085 for the 1979 PIA formula, and that these levels will be indexed by the change in the national average wage index (AWI) for subsequent years. We compute that a third bend point equivalent to about $2,000 for the 1979 PIA formula, and wage indexed for 2013 and later PIA formulas in the same manner as we index the other bend points, will meet this intent.

This provision alone is estimated to reduce the long-range OASDI actuarial deficit by 1.90 percent of taxable payroll and to reduce the annual deficit for the 75th projection year (2085) by 2.10 percent of payroll.

(2) Modify the First PIA Bend Point

Under current law, any portion of the AIME that is below the first PIA bend point is multiplied by a factor of 0.90 in computing the PIA. The first bend point is increased (indexed) by the increase in the AWI. This provision would increase the level of the first PIA bend point, from the level that would apply in the absence of this provision, by 1.5 percent for 2013, 3.0 percent for 2014, …, and 15.0 percent for 2022 and all subsequent years.

This provision alone is estimated to increase the long-range OASDI actuarial deficit by 0.44 percent of taxable payroll and to increase the annual deficit for the 75th projection year (2085) by 0.70 percent of payroll.

(3) Base the COLA on CPI for the Elderly

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 Earners 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 reflecting the distribution of expenditures by urban wage earners and clerical workers.

Under this provision, effective December 2013, the Social Security COLA would be based on changes in the Consumer Price Index for the Elderly (CPI-E), rather than the CPI-W. The CPI-E

was developed by the BLS to reflect the spending patterns of consumers over age 62. Elderly consumers spend relatively more on health and housing. We assume that using the CPI-E would result in an average annual COLA of 3.0 percent per year, which is 0.2 percentage point higher than the average annual increase assumed in the 2011 Trustees Report for the CPI-W. Our assumption that the average annual increase in the CPI-E will be 0.2 percentage point greater than the CPI-W is based on analysis of the historical results for the CPI-W and the experimental CPI-E, the difference in component weights for these two series, and our assumptions about the relative levels of average annual increase in these components.

This provision alone is estimated to increase the long-range OASDI actuarial deficit by 0.35 percent of taxable payroll and to increase the annual deficit for the 75th projection year (2085) by 0.50 percent of 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 three provisions of the proposal 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, 2085.

Benefit Illustrations

Tables B1 and B2 provide illustrative examples of the projected change in benefit levels under the three 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 equal to 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. Future retirees would have three COLAs based on the CPI-E at age 65 so their expected benefit levels would be about 0.6 percentage point higher than under current law. The change in the first PIA bend point would increase the basic benefit level (PIA) for all beneficiaries with career-average indexed monthly earnings (AIME) above the current-law first bend point, and would increase benefits by the same dollar amount for all beneficiaries whose AIME is 15 percent or more above the current-law first bend point. The large majority of retired workers have AIMEs at least 15 percent above the current-law first bend point (nearly 90 percent), including all of the illustrative cases in these tables. Therefore, the percentage increase in benefits for this provision is largest for the very-low-AIME illustrative worker and is lowest for the maximum-AIME worker. 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 2051 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 provision to use the CPI-E for calculating the COLA has a 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 (assets as percent of annual program cost) for OASDI assuming enactment of the three 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 solvent for an additional 16 years assuming enactment of the three provisions. The year in which the combined assets of the OASI and DI Trust Funds would be projected to become exhausted would change from 2036 under current law to 2052 under the proposal. Even after exhaustion of the trust fund reserves, however, the actuarial status of the program would be improved as continuing income would be sufficient to pay a higher percentage of scheduled benefits than under current law. Under current law, 77 percent of benefits are projected to be payable at trust fund exhaustion in 2036, declining to 74 percent payable by 2085. Under this proposal, 100 percent of the proposed (higher) scheduled benefits would be fully payable through 2051, and 86 percent would be payable at trust fund exhaustion in 2052, declining to 82 percent payable by 2085.

The actuarial deficit for the OASDI program over the 75-year projection period would be reduced by 1.15 percent of taxable payroll, from an actuarial deficit of 2.22 percent of payroll under current law to an actuarial deficit estimated at 1.07 percent of taxable payroll under the proposal.

We project annual balances (annual income rate minus annual cost rate) to become positive for years 2014 through 2022 under the proposal and to be negative thereafter. Annual deficits (negative annual balances) after 2022 are projected to be smaller than the deficits projected under current law by over 1.00 percentage point through 2085.

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 basic Social Security provisions of the proposal, expressed in present value dollars discounted to January 1, 2011. The table indicates that the basic provisions include 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 (column 6). Under current law, no such borrowing authority exists. 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 three basic Social Security provisions of this proposal. Table **1b.n** provides the estimated nominal dollar effect of enactment of the three basic provisions of the proposal on the annual budget balances for years 2011 through 2021. 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 three basic Social Security provisions on unified budget cash flow (column 3) is expected to be positive starting for 2013, 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 three basic Social Security provisions is a reduction, starting in 2013, of the Federal debt held by the public, reaching about $3.7 trillion in present value by 2085. 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 2011 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 three 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 Assets and Unfunded Obligations

Table 1d provides estimates of the changes due to enactment of the three basic Social Security provisions of this Bill in the level of projected trust fund assets for years prior to trust fund exhaustion and the level of unfunded obligations for years after trust fund exhaustion. 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 $6.5 trillion in present value is reduced to an unfunded obligation of $2.9 trillion in present value. This $3.7 trillion change equals the following:

- A $6.7 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 $3.1 trillion increase in cost (column 3), from basing the COLA on the CPI-E, from increasing the first PIA bend point, and from additional benefits for those with earnings above the present-law taxable maximum.

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 "Rebuild America Act" Introduced by Senator Harkin

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) Eliminate the taxable maximum, fully effective 2022. Phase in to elimination by taxing all earnings above the current law taxable maximum at 1.24% in 2013, 2.48% in 2014, up to 12.4% in 2022 and later. Credit the additional earnings for benefit purposes in proportion to the applicable payroll tax rate for the year divided by 12.4. Add a new PIA bend point at the level of the current law taxable maximum and use a 5 percent factor for AIME above this bend point.	1.90	2.10
2) Increase the first PIA bend point above the current law level for workers newly eligible for benefits in 2013 and later-- by 1.5 percent for 2013, by 3.0 percent for 2014, …, and by 15 percent for 2022 and later.	-0.44	-0.70
3) Starting December 2013, compute the cost-of-living adjustment (COLA) using the Consumer Price Index for the Elderly (CPI-E). We estimate this new computation will increase the annual COLA by about 0.2 percentage point, on average...	-0.35	-0.50
Total for all provisions, including interaction................	**1.15**	**1.05**

[1]Under current law, the estimated long-range OASDI actuarial balance is -2.22 percent of taxable payroll.
[2]Under current law, the estimated 75th year annual balance is -4.24 percent of taxable payroll.

Notes: All estimates are based on the intermediate assumptions of the 2011 OASDI Trustees Report.
Estimates of individual provisions appear on a stand-alone basis relative to current law, unless otherwise stated.

Table B1. Changes in Benefits for Hypothetical Workers Beginning Benefit Receipt at age 65
Basic Social Security Provisions of the "Rebuild America Act" Introduced by Senator Harkin

Year Attain Age 65	Present Law Scheduled Monthly Benefits[3]		Scheduled Benefit Level Percent Change at age 65			Proposal Scheduled Benefit Percent of Present Law:	
	(Wage-Indexed 2011 Dollars)	(CPI-Indexed 2011 Dollars)	COLA[4]	Benefit Formula[5] (Percent change)	Total	Scheduled (Percents)	Payable
Very-Low-AIME ($10,879 for 2011[1]) 30-Year Scaled Earner (8.1% of Retirees[2])							
2011	662	662	0.0	0.0	0.0	100	100
2030	585	773	0.6	8.3	9.0	109	109
2050	586	978	0.6	8.3	8.9	109	139
2080	586	1,365	0.6	8.3	9.0	109	-
Very-Low-AIME ($10,879 for 2011[1]) 20-Year Scaled Earner (6.2% of Retirees[2])							
2011	662	662	0.0	0.0	0.0	100	100
2030	585	773	0.6	8.3	9.0	109	109
2050	586	978	0.6	8.3	8.9	109	139
2080	586	1,365	0.6	8.3	9.0	109	-
Very-Low-AIME ($10,879 for 2011[1]) 14-Year Scaled Earner (5.2% of Retirees[2])							
2011	662	662	0.0	0.0	0.0	100	100
2030	585	773	0.6	8.3	9.0	109	109
2050	586	978	0.6	8.3	8.9	109	139
2080	586	1,365	0.6	8.3	9.0	109	-
Low-AIME ($19,583 for 2011[1]) 44-Year Scaled Earner (13.4% of Retirees[2])							
2011	866	866	0.0	0.0	0.0	100	100
2030	765	1,012	0.6	7.0	7.7	108	108
2050	766	1,280	0.6	7.1	7.7	108	138
2080	766	1,786	0.6	7.1	7.7	108	-
Low-AIME ($19,583 for 2011[1]) 30-Year Scaled Earner (6.9% of Retirees[2])							
2011	866	866	0.0	0.0	0.0	100	100
2030	765	1,012	0.6	7.0	7.7	108	108
2050	766	1,280	0.6	7.1	7.7	108	138
2080	766	1,786	0.6	7.1	7.7	108	-
Low-AIME ($19,583 for 2011[1]) 20-Year Scaled Earner (2.7% of Retirees[2])							
2011	866	866	0.0	0.0	0.0	100	100
2030	765	1,012	0.6	7.0	7.7	108	108
2050	766	1,280	0.6	7.1	7.7	108	138
2080	766	1,786	0.6	7.1	7.7	108	-
Medium-AIME ($43,518 for 2011[1]) 44-Year Scaled Earner (27.0% of Retirees[2])							
2011	1,428	1,428	0.0	0.0	0.0	100	100
2030	1,261	1,667	0.6	4.3	4.9	105	105
2050	1,263	2,109	0.6	4.3	4.9	105	134
2080	1,262	2,943	0.6	4.3	4.9	105	-
Medium-AIME ($43,518 for 2011[1]) 30-Year Scaled Earner (4.3% of Retirees[2])							
2011	1,428	1,428	0.0	0.0	0.0	100	100
2030	1,261	1,667	0.6	4.3	4.9	105	105
2050	1,263	2,109	0.6	4.3	4.9	105	134
2080	1,262	2,943	0.6	4.3	4.9	105	-
High-AIME ($69,629 for 2011[1]) 44-Year Scaled Earner (20.5% of Retirees[2])							
2011	1,892	1,892	0.0	0.0	0.0	100	100
2030	1,672	2,210	0.6	3.2	3.8	104	104
2050	1,673	2,795	0.6	3.2	3.8	104	133
2080	1,673	3,900	0.6	3.2	3.8	104	-
Maximum-AIME ($106,800 for 2011[1]) Steady Earner (5.6% of Retirees[2])							
2011	2,250	2,250	0.0	0.0	0.0	100	100
2030	2,045	2,703	0.6	2.6	3.2	103	103
2050	2,043	3,412	0.6	2.6	3.2	103	132
2080	2,039	4,754	0.6	2.6	3.2	103	-

[1] Average of highest 35 years of earnings wage indexed to 2011. Earnings for the "maximum" earner are set at the present-law taxable maximum amount.

[2] Projected percent of new retired worker awards in 2050 closest to AIME levels and years of work.

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

[4] Starting Dec 2013, compute the COLA using the Consumer Price Index for the Elderly (CPI-E).

[5] Increase the current law first bend point arithmetically by 1.5 percent each year from 2013-2022 until a 15% increase takes effect for 2022 and later.

All estimates based on the intermediate assumptions of the 2011 Trustees Report.

Office of the Chief Actuary, Social Security Administration   March 29, 2012

Table B2. Changes in Benefits for Hypothetical Workers Beginning Benefit Receipt at age 65
Basic Social Security Provisions of the "Rebuild America Act" Introduced by Senator Harkin

Proposal Scheduled Benefit as Percent of Present Law Scheduled

Year Attain Age 65	Age 65	Age 75	Age 85	Age 95
		(Percent)		
Very-Low-AIME ($10,879 for 2011[1]) 30-Year Scaled Earner (8.1% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	109.0	111.1	113.3	115.5
2050	108.9	111.1	113.3	115.5
2080	109.0	111.1	113.3	115.5
Very-Low-AIME ($10,879 for 2011[1]) 20-Year Scaled Earner (6.2% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	109.0	111.1	113.3	115.5
2050	108.9	111.1	113.3	115.5
2080	109.0	111.1	113.3	115.5
Very-Low-AIME ($10,879 for 2011[1]) 14-Year Scaled Earner (5.2% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	109.0	111.1	113.3	115.5
2050	108.9	111.1	113.3	115.5
2080	109.0	111.1	113.3	115.5
Low-AIME ($19,583 for 2011[1]) 44-Year Scaled Earner (13.4% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	107.7	109.8	111.9	114.1
2050	107.7	109.8	111.9	114.1
2080	107.7	109.8	111.9	114.1
Low-AIME ($19,583 for 2011[1]) 30-Year Scaled Earner (6.9% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	107.7	109.8	111.9	114.1
2050	107.7	109.8	111.9	114.1
2080	107.7	109.8	111.9	114.1
Low-AIME ($19,583 for 2011[1]) 20-Year Scaled Earner (2.7% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	107.7	109.8	111.9	114.1
2050	107.7	109.8	111.9	114.1
2080	107.7	109.8	111.9	114.1
Medium-AIME ($43,518 for 2011[1]) 44-Year Scaled Earner (27.0% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	104.9	106.9	109.0	111.2
2050	104.9	106.9	109.0	111.2
2080	104.9	106.9	109.0	111.2
Medium-AIME ($43,518 for 2011[1]) 30-Year Scaled Earner (4.3% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	104.9	106.9	109.0	111.2
2050	104.9	106.9	109.0	111.2
2080	104.9	106.9	109.0	111.2
High-AIME ($69,629 for 2011[1]) 44-Year Scaled Earner (20.5% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	103.8	105.9	107.9	110.1
2050	103.8	105.9	107.9	110.1
2080	103.8	105.9	107.9	110.1
Maximum-AIME ($106,800 for 2011[1]) Steady Earner (5.6% of Retirees[2])				
2011	100.0	101.6	103.6	105.6
2030	103.2	105.3	107.3	109.4
2050	103.2	105.3	107.3	109.4
2080	103.2	105.3	107.3	109.4

[1] Average of highest 35 years of earnings wage indexed to 2011. Earnings for the "maximum" earner are set at the present-law taxable maximum amount.

[2] Projected percent of new retired worker awards in 2050 closest to AIME levels and years of work.

Note: Starting Dec 2013, compute the COLA using the Consumer Price Index for the Elderly (CPI-E).

Other Changes:

- Increase the current law first bend point arithmetically by 1.5 percent each year from 2013-2022 until a 15% increase takes effect for 2022 and later.

All estimates based on the intermediate assumptions of the 2011 Trustees Report.

Office of the Chief Actuary, Social Security Administration   March 29, 2012

Table B3. Important Characteristics of Hypothetical Workers in 2007

Category	Percent of Beneficiaries Within Each Category That Are:			
	Dually Entitled[2]	WEP[3]	Foreign Born	All Others[4]
Very-Low-AIME ($10,879 for 2011[1]):				
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
Low-AIME ($19,583 for 2011[1]):				
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
Medium-AIME ($43,518 for 2011[1]):				
44-Year Scaled Earner (23.0% of Retirees)	1	1	5	93
30-Year Scaled Earner (4.4% of Retirees)	1	8	26	67
High-AIME ($69,629 for 2011[1]):				
44-Year Scaled Earner (20.5% of Retirees)	0	0	6	93
Maximum-AIME ($106,800 for 2011[1]):				
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.

[1] Average of highest 35 years of earnings wage indexed to 2011. Earnings for the "maximum" earner are set at the present-law taxable maximum amount.

[2] 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.

[3] Receiving a pension from non-covered employment (primarily government employment) and are subject to the Windfall Elimination Provision (WEP).

[4] Neither foreign born, subject to WEP, or dually entitled.

Office of the Chief Actuary, Social Security Administration   February 3, 2012

Table 1 - OASDI Cost Rate, Income Rate, Annual Balance, and Trust Fund Ratio
Basic Social Security Provisions of the "Rebuild America Act" Introduced by Senator Harkin

| | 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
2011	13.35	12.52	-0.82	353	0.00	0.00	0.00
2012	13.23	12.87	-0.36	347	0.00	0.00	0.00
2013	13.18	13.08	-0.10	341	0.00	0.21	0.21
2014	13.21	13.36	0.15	335	0.03	0.45	0.42
2015	13.30	13.62	0.32	331	0.06	0.68	0.62
2016	13.42	13.88	0.47	328	0.09	0.91	0.82
2017	13.59	14.15	0.56	326	0.13	1.15	1.02
2018	13.78	14.41	0.63	324	0.17	1.39	1.22
2019	14.09	14.67	0.58	321	0.21	1.62	1.42
2020	14.45	14.91	0.46	318	0.26	1.85	1.59
2021	14.83	15.16	0.33	315	0.31	2.08	1.77
2022	15.19	15.42	0.22	312	0.37	2.32	1.95
2023	15.55	15.45	-0.10	309	0.42	2.34	1.91
2024	15.89	15.47	-0.42	305	0.48	2.34	1.86
2025	16.22	15.50	-0.72	300	0.55	2.35	1.80
2026	16.53	15.52	-1.02	294	0.61	2.35	1.74
2027	16.82	15.53	-1.28	287	0.67	2.36	1.69
2028	17.08	15.55	-1.53	279	0.73	2.36	1.63
2029	17.31	15.57	-1.74	270	0.79	2.37	1.58
2030	17.50	15.58	-1.92	261	0.85	2.37	1.53
2031	17.66	15.60	-2.06	251	0.90	2.38	1.48
2032	17.80	15.61	-2.19	240	0.95	2.38	1.43
2033	17.93	15.62	-2.31	230	1.00	2.39	1.39
2034	18.02	15.63	-2.39	219	1.04	2.39	1.35
2035	18.10	15.64	-2.46	207	1.08	2.39	1.31
2036	18.16	15.64	-2.51	196	1.12	2.40	1.28
2037	18.20	15.65	-2.55	184	1.16	2.40	1.24
2038	18.21	15.65	-2.56	172	1.19	2.41	1.21
2039	18.21	15.66	-2.56	161	1.22	2.41	1.19
2040	18.21	15.66	-2.55	149	1.25	2.41	1.16
2041	18.19	15.66	-2.53	137	1.28	2.42	1.14
2042	18.17	15.66	-2.51	125	1.30	2.42	1.12
2043	18.16	15.67	-2.49	113	1.32	2.42	1.10
2044	18.15	15.67	-2.48	101	1.34	2.42	1.09
2045	18.14	15.67	-2.47	89	1.35	2.43	1.07
2046	18.13	15.67	-2.45	77	1.37	2.43	1.06
2047	18.12	15.68	-2.44	65	1.38	2.43	1.05
2048	18.11	15.68	-2.43	53	1.39	2.43	1.05
2049	18.09	15.68	-2.42	40	1.39	2.44	1.04
2050	18.08	15.68	-2.40	28	1.40	2.44	1.04
2051	18.08	15.68	-2.40	15	1.40	2.44	1.04
2052	18.08	15.69	-2.40	2	1.40	2.44	1.04
2053	18.09	15.69	-2.40	----	1.40	2.44	1.04
2054	18.10	15.69	-2.41	----	1.40	2.44	1.04
2055	18.12	15.69	-2.43	----	1.40	2.44	1.04
2056	18.14	15.70	-2.45	----	1.40	2.45	1.04
2057	18.16	15.70	-2.46	----	1.40	2.45	1.05
2058	18.18	15.70	-2.48	----	1.40	2.45	1.05
2059	18.19	15.71	-2.48	----	1.40	2.45	1.05
2060	18.20	15.71	-2.49	----	1.40	2.45	1.05
2061	18.21	15.71	-2.50	----	1.40	2.45	1.06
2062	18.22	15.71	-2.50	----	1.39	2.45	1.06
2063	18.23	15.72	-2.51	----	1.39	2.46	1.06
2064	18.24	15.72	-2.52	----	1.39	2.46	1.06
2065	18.26	15.72	-2.54	----	1.39	2.46	1.07
2066	18.28	15.73	-2.56	----	1.39	2.46	1.07
2067	18.31	15.73	-2.58	----	1.39	2.46	1.07
2068	18.33	15.73	-2.60	----	1.39	2.46	1.07
2069	18.37	15.74	-2.63	----	1.40	2.46	1.07
2070	18.40	15.74	-2.66	----	1.40	2.47	1.07
2071	18.43	15.74	-2.69	----	1.40	2.47	1.07
2072	18.47	15.75	-2.72	----	1.40	2.47	1.07
2073	18.51	15.75	-2.76	----	1.40	2.47	1.07
2074	18.55	15.76	-2.79	----	1.41	2.47	1.07
2075	18.59	15.76	-2.83	----	1.41	2.47	1.06
2076	18.63	15.76	-2.86	----	1.41	2.48	1.06
2077	18.66	15.77	-2.90	----	1.41	2.48	1.06
2078	18.70	15.77	-2.93	----	1.42	2.48	1.06
2079	18.74	15.78	-2.97	----	1.42	2.48	1.06
2080	18.78	15.78	-3.00	----	1.42	2.48	1.06
2081	18.83	15.78	-3.04	----	1.43	2.48	1.06
2082	18.87	15.79	-3.08	----	1.43	2.48	1.05
2083	18.91	15.79	-3.12	----	1.43	2.49	1.05
2084	18.96	15.80	-3.16	----	1.44	2.49	1.05
2085	19.00	15.80	-3.20	----	1.44	2.49	1.05
2086	19.04	15.80	-3.23	----	1.45	2.49	1.04

Summarized Rates: OASDI				
	Cost Rate	Income Rate	Actuarial Balance	Year of Exhaustion[1]
2011 - 2085	17.23%	16.16%	-1.07%	2052

Summarized Rates: OASDI		
Change in Cost rate	Change in Income Rate	Change in Actuarial Balance
0.98%	2.13%	1.15%

Based on Intermediate Assumptions of the 2011 Trustees Report
[1] Under present law the year of exhaustion is 2036

Office of the Chief Actuary
Social Security Administration
March 29, 2012

Table 1a - General Fund Transfers, OASDI Trust Fund Assets, and Theoretical OASDI Assets
Basic Social Security Provisions of the "Rebuild America Act" Introduced by Senator Harkin

	Proposal General Fund Transfers			Present Value in Billions as of 1-1-2011			
						Theoretical Social Security[1] with Borrowing Authority	
		Present Value in Billions as of 1-1- 2011		Proposal Total OASDI Trust Fund Assets at End of Year	Gross Domestic Product	Net OASDI Trust Fund Assets at End of Year	
	Percentage of Payroll	Annual Amounts	Accumulated as of End of Year			Without General Fund Transfers	With Plan General Fund Transfers
Calendar Year	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2011	0.0	0.0	0.0	2,564.6	14,904.1	2,564.6	2,564.6
2012	0.0	0.0	0.0	2,545.0	14,951.5	2,545.0	2,545.0
2013	0.0	0.0	0.0	2,539.8	15,099.9	2,527.9	2,527.9
2014	0.0	0.0	0.0	2,548.7	15,251.0	2,513.4	2,513.4
2015	0.0	0.0	0.0	2,567.2	15,351.9	2,496.7	2,496.7
2016	0.0	0.0	0.0	2,594.5	15,378.4	2,476.9	2,476.9
2017	0.0	0.0	0.0	2,627.4	15,366.5	2,451.1	2,451.1
2018	0.0	0.0	0.0	2,664.5	15,366.9	2,417.9	2,417.9
2019	0.0	0.0	0.0	2,698.6	15,345.6	2,370.3	2,370.3
2020	0.0	0.0	0.0	2,725.6	15,301.1	2,305.9	2,305.9
2021	0.0	0.0	0.0	2,745.5	15,242.3	2,224.7	2,224.7
2022	0.0	0.0	0.0	2,759.0	15,159.1	2,127.6	2,127.6
2023	0.0	0.0	0.0	2,754.5	15,052.7	2,015.9	2,015.9
2024	0.0	0.0	0.0	2,732.5	14,924.4	1,890.9	1,890.9
2025	0.0	0.0	0.0	2,693.9	14,765.8	1,753.6	1,753.6
2026	0.0	0.0	0.0	2,640.0	14,596.0	1,605.5	1,605.5
2027	0.0	0.0	0.0	2,572.6	14,436.0	1,448.1	1,448.1
2028	0.0	0.0	0.0	2,493.4	14,276.4	1,282.9	1,282.9
2029	0.0	0.0	0.0	2,404.1	14,114.5	1,111.6	1,111.6
2030	0.0	0.0	0.0	2,306.7	13,958.1	935.7	935.7
2031	0.0	0.0	0.0	2,203.1	13,813.5	757.0	757.0
2032	0.0	0.0	0.0	2,094.1	13,670.9	576.1	576.1
2033	0.0	0.0	0.0	1,980.9	13,528.0	393.8	393.8
2034	0.0	0.0	0.0	1,864.7	13,387.2	211.4	211.4
2035	0.0	0.0	0.0	1,746.6	13,245.5	29.8	29.8
2036	0.0	0.0	0.0	1,627.4	13,107.1	-150.6	-150.6
2037	0.0	0.0	0.0	1,507.7	12,971.3	-329.1	-329.1
2038	0.0	0.0	0.0	1,389.0	12,843.4	-504.7	-504.7
2039	0.0	0.0	0.0	1,271.7	12,714.4	-676.9	-676.9
2040	0.0	0.0	0.0	1,156.3	12,582.3	-845.5	-845.5
2041	0.0	0.0	0.0	1,043.0	12,453.7	-1,010.4	-1,010.4
2042	0.0	0.0	0.0	932.0	12,326.2	-1,171.6	-1,171.6
2043	0.0	0.0	0.0	822.8	12,197.5	-1,329.5	-1,329.5
2044	0.0	0.0	0.0	715.4	12,069.4	-1,484.4	-1,484.4
2045	0.0	0.0	0.0	609.8	11,941.2	-1,636.3	-1,636.3
2046	0.0	0.0	0.0	506.3	11,813.2	-1,785.2	-1,785.2
2047	0.0	0.0	0.0	404.4	11,684.0	-1,931.5	-1,931.5
2048	0.0	0.0	0.0	304.4	11,555.8	-2,075.1	-2,075.1
2049	0.0	0.0	0.0	206.2	11,428.4	-2,216.1	-2,216.1
2050	0.0	0.0	0.0	109.7	11,301.9	-2,354.8	-2,354.8
2051	0.0	0.0	0.0	14.6	11,175.5	-2,491.4	-2,491.4
2052	0.0	0.0	0.0	-79.2	11,049.7	-2,626.4	-2,626.4
2053	0.0	0.0	0.0	-172.1	10,924.7	-2,759.9	-2,759.9
2054	0.0	0.0	0.0	-264.2	10,800.1	-2,892.1	-2,892.1
2055	0.0	0.0	0.0	-355.6	10,677.6	-3,023.3	-3,023.3
2056	0.0	0.0	0.0	-446.5	10,555.1	-3,153.5	-3,153.5
2057	0.0	0.0	0.0	-536.9	10,434.5	-3,282.7	-3,282.7
2058	0.0	0.0	0.0	-626.6	10,315.5	-3,410.8	-3,410.8
2059	0.0	0.0	0.0	-715.5	10,198.7	-3,537.8	-3,537.8
2060	0.0	0.0	0.0	-803.5	10,084.5	-3,663.4	-3,663.4
2061	0.0	0.0	0.0	-890.6	9,971.5	-3,787.8	-3,787.8
2062	0.0	0.0	0.0	-976.8	9,860.0	-3,911.0	-3,911.0
2063	0.0	0.0	0.0	-1,062.3	9,750.1	-4,032.9	-4,032.9
2064	0.0	0.0	0.0	-1,147.0	9,640.9	-4,153.8	-4,153.8
2065	0.0	0.0	0.0	-1,231.1	9,532.4	-4,273.6	-4,273.6
2066	0.0	0.0	0.0	-1,314.8	9,425.1	-4,392.6	-4,392.6
2067	0.0	0.0	0.0	-1,398.1	9,319.2	-4,510.8	-4,510.8
2068	0.0	0.0	0.0	-1,481.2	9,214.2	-4,628.3	-4,628.3
2069	0.0	0.0	0.0	-1,564.0	9,109.6	-4,745.1	-4,745.1
2070	0.0	0.0	0.0	-1,646.7	9,005.9	-4,861.5	-4,861.5
2071	0.0	0.0	0.0	-1,729.3	8,903.0	-4,977.2	-4,977.2
2072	0.0	0.0	0.0	-1,811.8	8,801.0	-5,092.4	-5,092.4
2073	0.0	0.0	0.0	-1,894.3	8,699.7	-5,207.2	-5,207.2
2074	0.0	0.0	0.0	-1,976.8	8,599.7	-5,321.6	-5,321.6
2075	0.0	0.0	0.0	-2,059.3	8,500.5	-5,435.5	-5,435.5
2076	0.0	0.0	0.0	-2,141.8	8,402.2	-5,548.9	-5,548.9
2077	0.0	0.0	0.0	-2,224.1	8,304.6	-5,661.8	-5,661.8
2078	0.0	0.0	0.0	-2,306.5	8,207.6	-5,774.2	-5,774.2
2079	0.0	0.0	0.0	-2,388.7	8,111.3	-5,886.2	-5,886.2
2080	0.0	0.0	0.0	-2,471.0	8,015.9	-5,997.7	-5,997.7
2081	0.0	0.0	0.0	-2,553.2	7,921.4	-6,108.7	-6,108.7
2082	0.0	0.0	0.0	-2,635.4	7,827.9	-6,219.3	-6,219.3
2083	0.0	0.0	0.0	-2,717.6	7,734.9	-6,329.5	-6,329.5
2084	0.0	0.0	0.0	-2,799.7	7,642.9	-6,439.2	-6,439.2
2085	0.0	0.0	0.0	-2,881.8	7,552.1	-6,548.4	-6,548.4

Total 2011-2085   0.0

[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 & Implications for Federal Budget and Debt of Specified Plan Provision Effects on OASDI[1] (Present Value Dollars)
Basic Social Security Provisions of the "Rebuild America Act" Introduced by Senator Harkin

Year	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)
			Billions of Present Value Dollars as of 1-1-2011				
2011	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2012	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2013	0.0	11.8	11.8	-11.8	11.8	0.0	0.0
2014	0.0	23.5	23.5	-35.3	24.0	0.0	0.0
2015	0.0	35.3	35.3	-70.6	36.8	0.0	0.0
2016	0.0	47.0	47.0	-117.6	50.1	0.0	0.0
2017	0.0	58.7	58.7	-176.3	63.8	0.0	0.0
2018	0.0	70.4	70.4	-246.7	78.3	0.0	0.0
2019	0.0	81.6	81.6	-328.2	92.9	0.0	0.0
2020	0.0	91.4	91.4	-419.7	106.8	0.0	0.0
2021	0.0	101.2	101.2	-520.9	121.5	0.0	0.0
2022	0.0	110.5	110.5	-631.4	136.5	0.0	0.0
2023	0.0	107.2	107.2	-738.6	139.7	0.0	0.0
2024	0.0	103.0	103.0	-841.6	142.2	0.0	0.0
2025	0.0	98.6	98.6	-940.2	144.6	0.0	0.0
2026	0.0	94.2	94.2	-1,034.5	145.6	0.0	0.0
2027	0.0	90.0	90.0	-1,124.5	146.5	0.0	0.0
2028	0.0	86.0	86.0	-1,210.4	147.4	0.0	0.0
2029	0.0	82.1	82.1	-1,292.5	148.2	0.0	0.0
2030	0.0	78.5	78.5	-1,371.0	149.1	0.0	0.0
2031	0.0	75.1	75.1	-1,446.1	150.0	0.0	0.0
2032	0.0	72.0	72.0	-1,518.1	151.0	0.0	0.0
2033	0.0	69.0	69.0	-1,587.0	151.9	0.0	0.0
2034	0.0	66.2	66.2	-1,653.2	152.9	0.0	0.0
2035	0.0	63.6	63.6	-1,716.8	153.9	0.0	0.0
2036	0.0	61.1	61.1	-1,778.0	155.0	0.0	0.0
2037	0.0	58.9	58.9	-1,836.8	156.0	0.0	0.0
2038	0.0	56.8	56.8	-1,893.7	157.2	0.0	0.0
2039	0.0	55.0	55.0	-1,948.6	158.5	0.0	0.0
2040	0.0	53.2	53.2	-2,001.8	159.7	0.0	0.0
2041	0.0	51.6	51.6	-2,053.4	161.0	0.0	0.0
2042	0.0	50.1	50.1	-2,103.6	162.4	0.0	0.0
2043	0.0	48.8	48.8	-2,152.4	163.7	0.0	0.0
2044	0.0	47.5	47.5	-2,199.8	165.1	0.0	0.0
2045	0.0	46.3	46.3	-2,246.2	166.6	0.0	0.0
2046	0.0	45.3	45.3	-2,291.5	168.1	0.0	0.0
2047	0.0	44.4	44.4	-2,335.9	169.6	0.0	0.0
2048	0.0	43.6	43.6	-2,379.4	171.2	0.0	0.0
2049	0.0	42.8	42.8	-2,422.3	172.9	0.0	0.0
2050	0.0	42.2	42.2	-2,464.5	174.6	0.0	0.0
2051	0.0	41.6	41.6	-2,506.1	176.3	0.0	0.0
2052	0.0	41.1	41.1	-2,547.2	178.1	0.0	0.0
2053	0.0	40.6	40.6	-2,587.8	179.8	0.0	0.0
2054	0.0	40.2	40.2	-2,628.0	181.6	0.0	0.0
2055	0.0	39.7	39.7	-2,667.7	183.3	0.0	0.0
2056	0.0	39.3	39.3	-2,707.0	185.1	0.0	0.0
2057	0.0	38.9	38.9	-2,745.8	186.8	0.0	0.0
2058	0.0	38.4	38.4	-2,784.2	188.5	0.0	0.0
2059	0.0	38.0	38.0	-2,822.3	190.2	0.0	0.0
2060	0.0	37.7	37.7	-2,860.0	191.9	0.0	0.0
2061	0.0	37.3	37.3	-2,897.2	193.6	0.0	0.0
2062	0.0	36.9	36.9	-2,934.1	195.2	0.0	0.0
2063	0.0	36.5	36.5	-2,970.6	196.9	0.0	0.0
2064	0.0	36.1	36.1	-3,006.8	198.5	0.0	0.0
2065	0.0	35.7	35.7	-3,042.5	200.0	0.0	0.0
2066	0.0	35.3	35.3	-3,077.8	201.6	0.0	0.0
2067	0.0	34.9	34.9	-3,112.6	203.1	0.0	0.0
2068	0.0	34.5	34.5	-3,147.1	204.6	0.0	0.0
2069	0.0	34.0	34.0	-3,181.1	206.0	0.0	0.0
2070	0.0	33.6	33.6	-3,214.7	207.5	0.0	0.0
2071	0.0	33.2	33.2	-3,247.9	208.9	0.0	0.0
2072	0.0	32.7	32.7	-3,280.6	210.2	0.0	0.0
2073	0.0	32.3	32.3	-3,312.9	211.6	0.0	0.0
2074	0.0	31.8	31.8	-3,344.8	212.9	0.0	0.0
2075	0.0	31.4	31.4	-3,376.2	214.2	0.0	0.0
2076	0.0	31.0	31.0	-3,407.1	215.5	0.0	0.0
2077	0.0	30.5	30.5	-3,437.7	216.7	0.0	0.0
2078	0.0	30.1	30.1	-3,467.8	218.0	0.0	0.0
2079	0.0	29.7	29.7	-3,497.5	219.2	0.0	0.0
2080	0.0	29.3	29.3	-3,526.7	220.4	0.0	0.0
2081	0.0	28.8	28.8	-3,555.5	221.6	0.0	0.0
2082	0.0	28.4	28.4	-3,583.9	222.7	0.0	0.0
2083	0.0	28.0	28.0	-3,611.9	223.9	0.0	0.0
2084	0.0	27.6	27.6	-3,639.5	225.0	0.0	0.0
2085	0.0	27.2	27.2	-3,666.6	226.1	0.0	0.0
Total 2011-85	0.0	3,666.6	3,666.6				

Based on Intermediate Assumptions of the 2011 Trustees Report.
Ultimate Real Trust Fund Yield of 2.9%

Office of the Chief Actuary
Social Security Administration
March 29, 2012

[1] 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[1] (Nominal Dollars)
Basic Social Security Provisions of the "Rebuild America Act" Introduced by Senator Harkin

			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	Change in Total Federal Debt End of Year	Change in Annual On Budget Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2011	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2012	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2013	0.0	13.1	13.1	-13.4	13.4	0.0	0.0
2014	0.0	27.3	27.3	-41.9	28.4	0.0	0.0
2015	0.0	42.7	42.7	-87.4	45.5	0.0	0.0
2016	0.0	59.5	59.5	-152.2	64.8	0.0	0.0
2017	0.0	77.7	77.7	-238.5	86.3	0.0	0.0
2018	0.0	97.6	97.6	-349.2	110.7	0.0	0.0
2019	0.0	118.4	118.4	-486.8	137.6	0.0	0.0
2020	0.0	139.2	139.2	-652.8	166.0	0.0	0.0
2021	0.0	161.7	161.7	-850.7	197.9	0.0	0.0

Based on Intermediate Assumptions of the 2011 Trustees Report.

[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 Product
Basic Social Security Provisions of the "Rebuild America Act" Introduced by Senator Harkin

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)
2011	4.85	4.85	4.55	4.85	4.85	4.55
2012	4.84	4.84	4.71	4.84	4.84	4.71
2013	4.84	4.84	4.73	4.84	4.84	4.81
2014	4.86	4.86	4.76	4.87	4.87	4.92
2015	4.89	4.89	4.78	4.91	4.91	5.03
2016	4.95	4.95	4.82	4.98	4.98	5.16
2017	5.02	5.02	4.85	5.07	5.07	5.28
2018	5.10	5.10	4.88	5.16	5.16	5.40
2019	5.21	5.21	4.89	5.28	5.28	5.50
2020	5.32	5.32	4.89	5.42	5.42	5.59
2021	5.43	5.43	4.89	5.54	5.54	5.67
2022	5.53	5.53	4.88	5.67	5.67	5.75
2023	5.63	5.63	4.88	5.78	5.78	5.75
2024	5.72	5.72	4.87	5.90	5.90	5.74
2025	5.81	5.81	4.87	6.01	6.01	5.74
2026	5.89	5.89	4.87	6.11	6.11	5.74
2027	5.96	5.96	4.86	6.21	6.21	5.73
2028	6.02	6.02	4.86	6.29	6.29	5.73
2029	6.08	6.08	4.86	6.37	6.37	5.73
2030	6.12	6.12	4.85	6.43	6.43	5.73
2031	6.15	6.15	4.85	6.48	6.48	5.72
2032	6.18	6.18	4.85	6.53	6.53	5.72
2033	6.20	6.20	4.85	6.56	6.56	5.72
2034	6.21	6.21	4.84	6.59	6.59	5.72
2035	6.22	6.22	4.84	6.61	6.61	5.71
2036	6.22	5.05	4.83	6.63	6.63	5.71
2037	6.21	4.83	4.83	6.63	6.63	5.70
2038	6.20	4.82	4.82	6.63	6.63	5.70
2039	6.18	4.82	4.82	6.62	6.62	5.69
2040	6.16	4.81	4.81	6.61	6.61	5.69
2041	6.14	4.81	4.81	6.60	6.60	5.68
2042	6.11	4.80	4.80	6.59	6.59	5.68
2043	6.09	4.79	4.79	6.57	6.57	5.67
2044	6.08	4.79	4.79	6.56	6.56	5.66
2045	6.06	4.78	4.78	6.55	6.55	5.66
2046	6.04	4.77	4.77	6.53	6.53	5.65
2047	6.02	4.77	4.77	6.52	6.52	5.64
2048	6.01	4.76	4.76	6.51	6.51	5.63
2049	5.99	4.75	4.75	6.49	6.49	5.63
2050	5.98	4.74	4.74	6.48	6.48	5.62
2051	5.97	4.74	4.74	6.47	6.47	5.61
2052	5.96	4.73	4.73	6.46	5.60	5.60
2053	5.95	4.73	4.73	6.45	5.60	5.60
2054	5.95	4.72	4.72	6.45	5.59	5.59
2055	5.95	4.71	4.71	6.45	5.58	5.58
2056	5.95	4.71	4.71	6.44	5.58	5.58
2057	5.94	4.70	4.70	6.44	5.57	5.57
2058	5.94	4.69	4.69	6.44	5.56	5.56
2059	5.94	4.69	4.69	6.43	5.55	5.55
2060	5.93	4.68	4.68	6.43	5.55	5.55
2061	5.93	4.68	4.68	6.42	5.54	5.54
2062	5.93	4.67	4.67	6.42	5.53	5.53
2063	5.92	4.66	4.66	6.41	5.53	5.53
2064	5.92	4.66	4.66	6.41	5.52	5.52
2065	5.91	4.65	4.65	6.40	5.51	5.51
2066	5.91	4.64	4.64	6.40	5.51	5.51
2067	5.91	4.64	4.64	6.40	5.50	5.50
2068	5.91	4.63	4.63	6.40	5.49	5.49
2069	5.92	4.63	4.63	6.40	5.49	5.49
2070	5.92	4.62	4.62	6.40	5.48	5.48
2071	5.92	4.62	4.62	6.41	5.47	5.47
2072	5.92	4.61	4.61	6.41	5.47	5.47
2073	5.93	4.60	4.60	6.42	5.46	5.46
2074	5.94	4.60	4.60	6.42	5.46	5.46
2075	5.94	4.59	4.59	6.43	5.45	5.45
2076	5.94	4.59	4.59	6.43	5.44	5.44
2077	5.95	4.58	4.58	6.44	5.44	5.44
2078	5.96	4.58	4.58	6.44	5.43	5.43
2079	5.96	4.58	4.58	6.45	5.43	5.43
2080	5.97	4.57	4.57	6.46	5.43	5.43
2081	5.98	4.57	4.57	6.47	5.42	5.42
2082	5.98	4.56	4.56	6.47	5.42	5.42
2083	5.99	4.56	4.56	6.48	5.41	5.41
2084	6.00	4.56	4.56	6.49	5.41	5.41
2085	6.01	4.55	4.55	6.50	5.41	5.41

Based on Intermediate Assumptions of the 2011 Trustees Report.

Table 1d - Change in Long-Range Trust Fund Assets / Unfunded Obligation
Basic Social Security Provisions of the "Rebuild America Act" Introduced by Senator Harkin

(Billions of Dollars, Present Value on 1-1-2011)

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)
2011	2,564.6	0.0	0.0	0.0	0.0	2,564.6
2012	2,545.0	0.0	0.0	0.0	0.0	2,545.0
2013	2,527.9	11.9	0.0	11.8	11.8	2,539.8
2014	2,513.4	25.1	1.6	23.5	35.3	2,548.7
2015	2,496.7	38.6	3.3	35.3	70.6	2,567.2
2016	2,476.9	52.2	5.2	47.0	117.6	2,594.5
2017	2,451.1	65.9	7.3	58.7	176.3	2,627.4
2018	2,417.9	79.9	9.5	70.4	246.7	2,664.5
2019	2,370.3	93.6	12.0	81.6	328.2	2,698.6
2020	2,305.9	106.2	14.8	91.4	419.7	2,725.6
2021	2,224.7	118.8	17.6	101.2	520.9	2,745.5
2022	2,127.6	131.1	20.6	110.5	631.4	2,759.0
2023	2,015.9	131.0	23.8	107.2	738.6	2,754.5
2024	1,890.9	129.9	26.9	103.0	841.6	2,732.5
2025	1,753.6	128.5	29.9	98.6	940.2	2,693.9
2026	1,605.5	127.1	32.9	94.2	1,034.5	2,640.0
2027	1,448.1	125.7	35.7	90.0	1,124.5	2,572.6
2028	1,282.9	124.4	38.5	86.0	1,210.4	2,493.4
2029	1,111.6	123.1	41.0	82.1	1,292.5	2,404.1
2030	935.7	121.8	43.4	78.5	1,371.0	2,306.7
2031	757.0	120.7	45.5	75.1	1,446.1	2,203.1
2032	576.1	119.5	47.5	72.0	1,518.1	2,094.1
2033	393.8	118.3	49.4	69.0	1,587.0	1,980.9
2034	211.4	117.2	51.0	66.2	1,653.2	1,864.7
2035	29.8	116.0	52.4	63.6	1,716.8	1,746.6
2036	-150.6	114.9	53.7	61.1	1,778.0	1,627.4
2037	-329.1	113.7	54.9	58.9	1,836.8	1,507.7
2038	-504.7	112.7	55.8	56.8	1,893.7	1,389.0
2039	-676.9	111.6	56.6	55.0	1,948.6	1,271.7
2040	-845.5	110.4	57.2	53.2	2,001.8	1,156.3
2041	-1,010.4	109.3	57.7	51.6	2,053.4	1,043.0
2042	-1,171.6	108.2	58.1	50.1	2,103.6	932.0
2043	-1,329.5	107.1	58.3	48.8	2,152.4	822.8
2044	-1,484.4	105.9	58.4	47.5	2,199.8	715.4
2045	-1,636.3	104.7	58.4	46.3	2,246.2	609.8
2046	-1,785.2	103.6	58.3	45.3	2,291.5	506.3
2047	-1,931.5	102.4	58.0	44.4	2,335.9	404.4
2048	-2,075.1	101.2	57.6	43.6	2,379.4	304.4
2049	-2,216.1	100.0	57.2	42.8	2,422.3	206.2
2050	-2,354.8	98.8	56.6	42.2	2,464.5	109.7
2051	-2,491.4	97.7	56.0	41.6	2,506.1	14.6
2052	-2,626.4	96.5	55.4	41.1	2,547.2	-79.2
2053	-2,759.9	95.3	54.7	40.6	2,587.8	-172.1
2054	-2,892.1	94.2	54.0	40.2	2,628.0	-264.2
2055	-3,023.3	93.0	53.3	39.7	2,667.7	-355.6
2056	-3,153.5	91.8	52.6	39.3	2,707.0	-446.5
2057	-3,282.7	90.7	51.9	38.9	2,745.8	-536.9
2058	-3,410.8	89.6	51.2	38.4	2,784.2	-626.6
2059	-3,537.8	88.5	50.5	38.0	2,822.3	-715.5
2060	-3,663.4	87.4	49.8	37.7	2,860.0	-803.5
2061	-3,787.8	86.4	49.1	37.3	2,897.2	-890.6
2062	-3,911.0	85.3	48.4	36.9	2,934.1	-976.8
2063	-4,032.9	84.3	47.8	36.5	2,970.6	-1,062.3
2064	-4,153.8	83.3	47.2	36.1	3,006.8	-1,147.0
2065	-4,273.6	82.3	46.6	35.7	3,042.5	-1,231.1
2066	-4,392.6	81.3	46.0	35.3	3,077.8	-1,314.8
2067	-4,510.8	80.3	45.4	34.9	3,112.6	-1,398.1
2068	-4,628.3	79.3	44.9	34.5	3,147.1	-1,481.2
2069	-4,745.1	78.4	44.3	34.0	3,181.1	-1,564.0
2070	-4,861.5	77.4	43.8	33.6	3,214.7	-1,646.7
2071	-4,977.2	76.5	43.3	33.2	3,247.9	-1,729.3
2072	-5,092.4	75.5	42.8	32.7	3,280.6	-1,811.8
2073	-5,207.2	74.6	42.3	32.3	3,312.9	-1,894.3
2074	-5,321.6	73.7	41.9	31.8	3,344.8	-1,976.8
2075	-5,435.5	72.8	41.4	31.4	3,376.2	-2,059.3
2076	-5,548.9	71.9	41.0	31.0	3,407.1	-2,141.8
2077	-5,661.8	71.1	40.5	30.5	3,437.7	-2,224.1
2078	-5,774.2	70.2	40.1	30.1	3,467.8	-2,306.5
2079	-5,886.2	69.3	39.7	29.7	3,497.5	-2,388.7
2080	-5,997.7	68.5	39.2	29.3	3,526.7	-2,471.0
2081	-6,108.7	67.7	38.8	28.8	3,555.5	-2,553.2
2082	-6,219.3	66.8	38.4	28.4	3,583.9	-2,635.4
2083	-6,329.5	66.0	38.0	28.0	3,611.9	-2,717.6
2084	-6,439.2	65.2	37.7	27.6	3,639.5	-2,799.7
2085	-6,548.4	<u>64.4</u>	<u>37.3</u>	<u>27.2</u>	3,666.6	-2,881.8
Total 2011-2085		6728.7	3062.0	3666.6		

Based on Intermediate Assumptions of the 2011 Trustees Report.

Ultimate Real Trust Fund Yield of 2.9%.