



**SOCIAL SECURITY**  
Office of the Chief Actuary

August 24, 2015

The Honorable Brian Schatz  
United States Senate  
Washington, D.C. 20510

Dear Senator Schatz:

I am writing in response to your request for updated estimates of the financial effects on Social Security of S.1940, the *Safeguarding American Families and Expanding Social Security Act of 2015*, which was introduced August 5, 2015. This Bill (hereafter referred to as the proposal) includes three provisions with direct effects on the Social Security Trust Funds. We have enjoyed working with Lenna Aoki of your staff in analyzing this proposal.

The enclosed tables provide estimates of the effects of the three provisions on the cost, income, and combined trust fund reserves for the Old Age, Survivors, and Disability Insurance (OASDI) program, as well as estimated effects on retired worker benefit levels for selected hypothetical workers. In addition, tables 1b and 1b.n provide estimates of the Federal budget implications of the three provisions and tables B1, B2, and B3 provide illustrations of the effects on benefit levels. Assuming enactment of the proposal, the projected trust fund reserve depletion year for the theoretical combined OASI and DI Trust Funds would be extended to 2048. Under current law, the projected trust fund reserve depletion year for the combined trust funds is 2033.

We base all estimates on the intermediate assumptions of the 2014 Trustees Report. The estimates and analysis provided here reflect the combined effort of many in the Office of the Chief Actuary, but most particularly Alice Wade, Christopher Chaplain, Daniel Nickerson, Jason Schultz, Kyle Burkhalter, Katie Sutton, Tiffany Bosley, and Karen Glenn.

The Bill includes the following three provisions with direct effects on the OASDI program:

- 1) *Eliminate the taxable maximum, fully effective 2020.* Phase in the elimination over 5 years by taxing all earnings above the current law taxable maximum at a rate of 2.48 percent in 2016, 4.96 percent in 2017, . . . , and 12.40 percent in 2020 and later. Credit the additional earnings for benefit purposes by: (a) calculating a second average indexed monthly earnings (“AIME+”) reflecting only earnings for each year that are above the

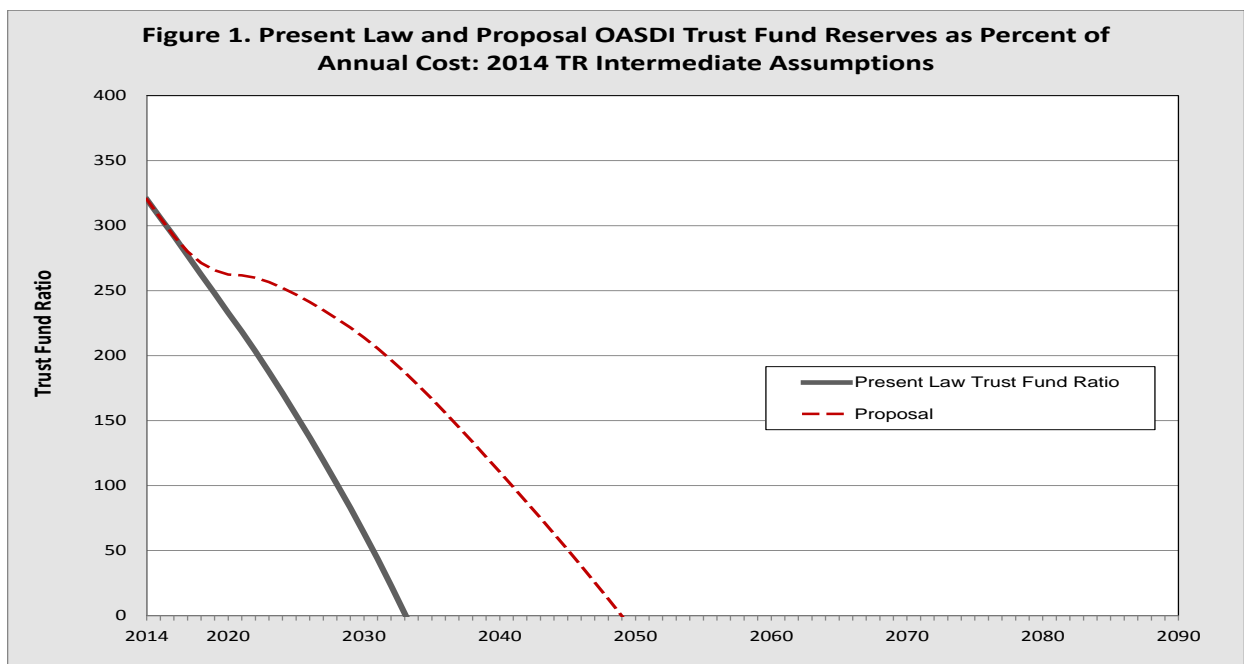
current law taxable maximum<sup>1</sup>, (b) applying a 5-percent factor on this newly computed “AIME+” to compute a second primary insurance amount (PIA), (c) adding this second primary insurance amount to the current-law primary insurance amount.

- 2) *Increase the first PIA bend point 15 percent above the current law level for newly eligible beneficiaries, fully effective 2035.* Phase in by increasing the first bend point 1 percent above the current level for newly eligible beneficiaries in 2021, 2 percent for newly eligible beneficiaries in 2022, ..., and 15 percent for newly eligible beneficiaries in 2035 and later.
- 3) *Use the Consumer Price Index for the Elderly (CPI-E) to calculate the cost-of-living adjustment (COLA), effective for December 2016 COLA.* We assume this change would increase the COLA by an average of 0.2 percentage point per year.

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 descriptions 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**

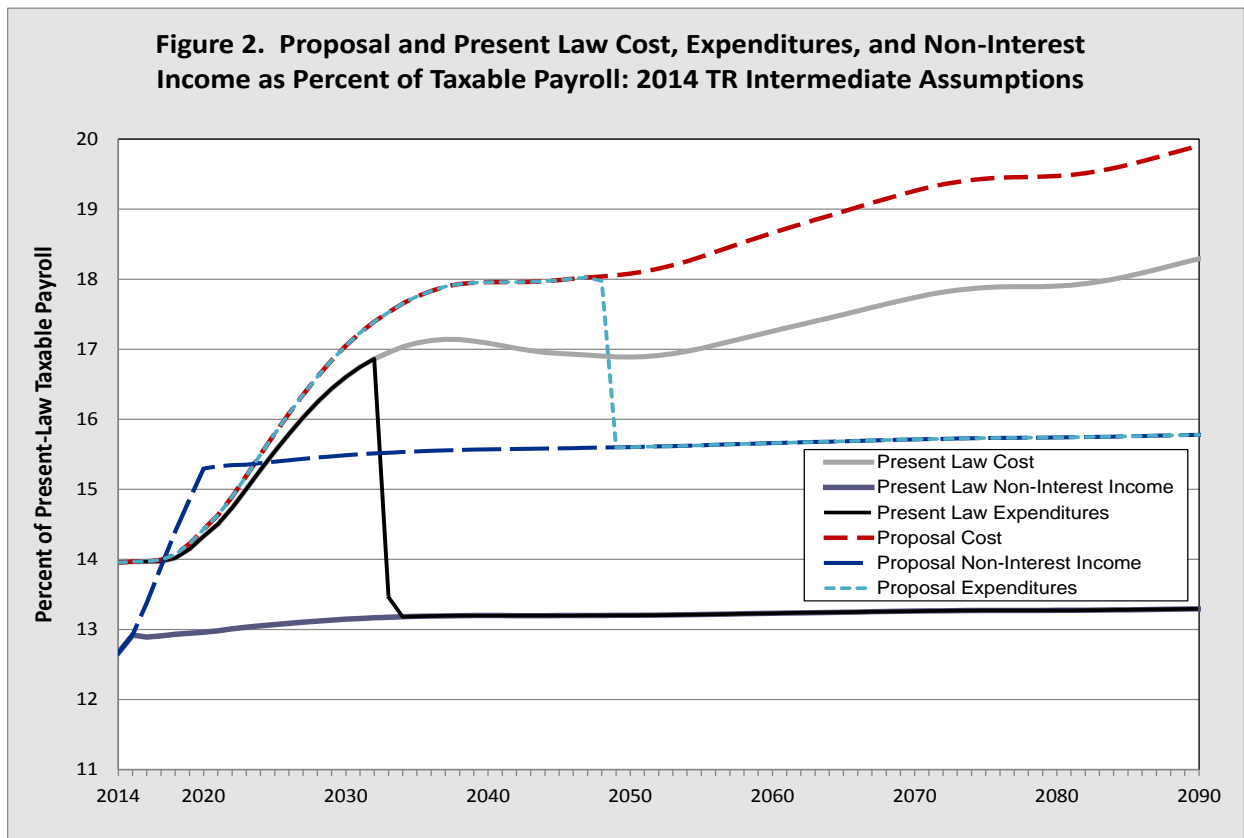
Figure 1 below illustrates the estimated change in the combined OASI and DI Trust Fund reserves, expressed as a percent of annual program cost, assuming enactment of the three provisions of this proposal. Assuming enactment, OASDI Trust Fund reserves would be expected to become depleted in 2048. We base these projections on the intermediate assumptions of the 2014 Trustees Report.



<sup>1</sup> For years 2016 through 2019, only a portion of the earnings above the current law taxable maximum is included in determining AIME+. The portion equals the ratio of the payroll tax rate applied during the year to the full payroll tax rate of 12.4 percent.

For the theoretical combined OASI and DI Trust Funds, under current law, 77 percent of scheduled benefits are projected to be payable in 2033 after reserve depletion, declining to 72 percent by 2088. Under the proposal, the reserves for the combined OASI and DI Trust Funds are projected to deplete in 2048, 15 years later than under current law. In 2048, after depletion, 86 percent of scheduled benefits would be payable on a timely basis, declining to 79 percent payable in 2088. Enactment of this proposal would reduce the long-range (75-year) actuarial deficit by 1.33 percent of taxable payroll, from a deficit of 2.88 percent of payroll under present law to a deficit of 1.55 percent of payroll under the proposal.

Figure 2 illustrates annual projected levels of cost, expenditures, and non-interest income as a percent of the present-law taxable payroll for the combined OASI and DI Trust Funds. The projected level of cost reflects the full cost of scheduled benefits under both present law and the proposal. Under the proposal, projected expenditures equal the full cost of scheduled benefits through 2047, but then are lower than the full scheduled benefit cost when trust fund reserves deplete in 2048.

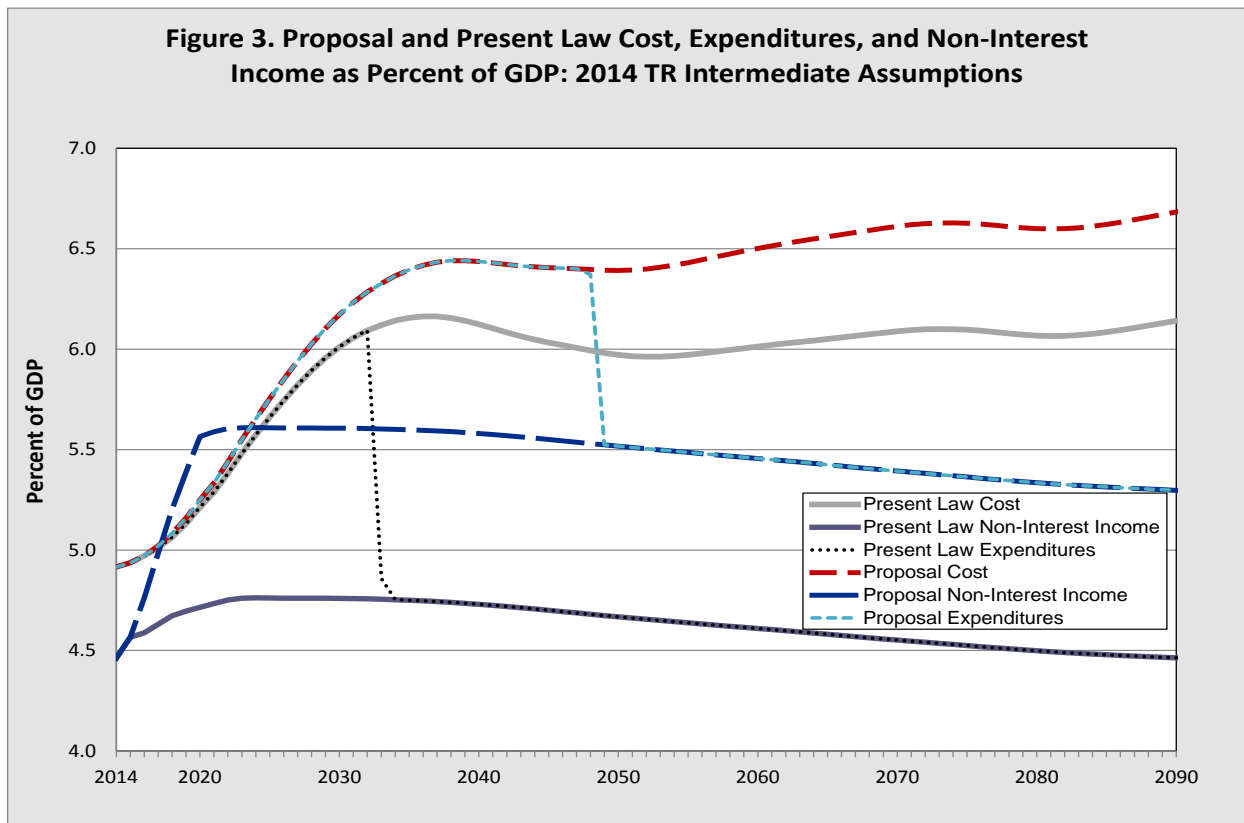


Beginning in 2017, projected OASDI program cost is higher under the proposal than under current law. This difference in program cost increases over the projection period, reaching 1.60 percent of present-law payroll for 2088. Beginning in 2016, the projected annual income rate under the proposal is higher than under current law, with the difference increasing rapidly through 2020 and increasing slowly thereafter, reaching 2.48 percent of payroll for 2088. The proposal improves the projected annual balance (non-interest income minus program cost) by

2.24 percent of payroll for 2020, with the improvement steadily decreasing to 0.88 percent of payroll for 2088.

Under the proposal, the projected OASDI annual balance is negative through 2017, positive for 2018 through 2023, and negative thereafter. Annual deficits would generally increase throughout the projection period, reaching 4.02 percent of payroll for 2088. The projected annual deficit under current law is 4.90 percent of payroll for 2088.

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). Figure 3 below illustrates these projected levels under both current law and the proposal.



**Specification of Provisions for the Proposal**

*(1) Eliminate the taxable maximum, fully effective 2020.*

Under current law, payroll taxes totaling 12.4 percent apply to OASDI covered earnings in a year up to the contribution and benefit base, or taxable maximum. This taxable maximum is \$117,000 for 2014 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 potentially creditable toward computation of potential benefits as well as attainment of insured status.

Under this provision, all earnings above the current-law taxable maximum would be fully subject to the OASDI payroll tax of 12.4 percent in 2020 and later. The portion of the full 12.4 percent tax rate that would apply to covered earnings over this taxable maximum would increase linearly, starting at 2.48 percent ( $12.4 \times 1/5$ ) for 2016 and reaching 100 percent for 2020 and later. Therefore, all covered earnings above and below the present-law taxable maximum would be taxed at the 12.4 percent payroll tax rate for 2020 and later.

Under this provision as modified, the primary insurance amount (PIA) would be determined in two components. The first component would be computed exactly as under current law, based on the average indexed monthly earnings (AIME), restricted to earnings at the level of the current-law contribution and benefit base for each year. The second component of the PIA would be computed using the “AIME+.” The AIME+ would be computed exactly like the AIME, except that annual earnings amounts used would be restricted to just the excess amount taxable (if any) over the current-law contribution and benefit base for each year.<sup>2</sup> The second component of PIA would be 5 percent of AIME+ for benefits in 2017 and later.

We estimate that enactment of this provision alone would decrease the long-range OASDI actuarial deficit by 2.09 percent of taxable payroll and would decrease the annual deficit for the 75<sup>th</sup> projection year (2088) by 2.16 percent of payroll.

*(2) Increase the first PIA bend point 15 percent above the current law level for newly eligible beneficiaries, fully effective 2035.*

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 percent for individuals newly eligible for benefits in 2021, 2 percent for 2022, ..., and 15 percent for individuals newly eligible for benefits in 2035 and all subsequent years.

We estimate that enactment of this provision alone would increase the long-range OASDI actuarial deficit by 0.37 percent of taxable payroll and would increase the annual deficit for the 75<sup>th</sup> projection year (2088) by 0.72 percent of payroll.

*(3) Use the Consumer Price Index for the Elderly (CPI-E) to calculate the cost-of-living adjustment (COLA), effective for December 2016 COLA.*

Under current law, the annual cost-of-living adjustment (COLA) applied to Social Security benefits is calculated using the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). We estimate that using the CPI-E instead of the CPI-W, beginning with the December 2016 COLA, would increase the COLA by 0.2 percentage point per year on average.

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<sup>2</sup> For years 2016 through 2019, only a portion of the earnings above the current law taxable maximum is included in determining AIME+. The portion equals the ratio of the payroll tax rate applied during the year to the full payroll tax rate of 12.4 percent.

We estimate that enactment of this provision alone would increase the long-range OASDI actuarial deficit by 0.38 percent of taxable payroll and would increase the annual deficit for the 75th projection year (2088) by 0.54 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. The table also includes estimates of the effect of each provision on the annual balance (the difference between the income rate and the cost rate, expressed as a percent of present-law taxable payroll) for the 75<sup>th</sup> projection year, 2088. Interaction among individual provisions is reflected only in the total estimates for the combined provisions.

### **Benefit Illustrations**

**Tables B1 and B2** provide illustrative examples of the projected change in benefit levels under the three provisions that affect benefit levels 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 that equal the present-law taxable maximum level (equivalent to \$117,000 for 2014). 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 provisions of the proposal to both scheduled and payable present-law benefit level. All benefit amounts under the proposal are equal to or higher than those scheduled in current law. 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.

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 of the change in computing the COLA.

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.

### **Detailed Tables Containing Annual and Summary Projections**

Enclosed with this letter are **tables 1, 1a, 1b, 1b.n, 1c, and 1d**, which provide annual and summary projections for the proposal.

#### Trust Fund Operations

**Table 1** provides projections of the financial operations of the OASDI program and shows that the combined OASDI Trust Funds would deplete in 2048 assuming enactment of this proposal. The table shows the annual cost and income rates, annual balances, and trust fund ratios (reserves as percent of annual program cost) for OASDI, as well as 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.

The actuarial balance for the OASDI program over the 75-year projection period would be improved by 1.33 percent of taxable payroll, from an actuarial deficit of 2.88 percent of payroll under current law to a deficit of 1.55 percent of taxable payroll.

#### Program Transfers and Trust Fund Reserves

Column 4 of **Table 1a** provides a projection of the level of reserves for the theoretical combined OASI and DI Trust Funds. These trust fund reserve amounts are expressed in present value dollars discounted to January 1, 2014. The table indicates that the provisions include no new specified transfers of general revenue to the Trust Funds. For purpose of comparison, the OASDI trust fund reserves, expressed in present value dollars, are also shown for the current-law Social Security program both without and with the added proposal general fund transfers (zero in this case) in columns 6 and 7.

Note that negative values in columns 4, 6, and 7 represent the “unfunded obligation” for the program through the year. The unfunded obligation is the present value of the shortfall of revenue needed to pay full scheduled benefits on a timely basis from the date of trust fund reserve depletion through the end of the indicated year. 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 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 Social Security provisions of this proposal. **Table 1b.n** provides the estimated nominal dollar effect of enactment of the proposal on annual budget balances for years 2014 through 2024. All values in these tables represent the amount of *change* from the level projected under current law for the combined OASDI Trust Fund and reflect the budget scoring convention that presumes benefits, not payable under the law after depletion of trust fund reserves, would still be paid using revenue provided from the General Fund of the Treasury obtained by additional borrowing from the public.

Column 1 of Table 1b shows the added proposal general fund transfers (zero in this case). Column 2 shows the net changes in OASDI cash flow from all provisions of the proposal.

We estimate the net effect of the proposal on unified budget cash flow (column 3) would be positive in years 2016 and later, reflecting the phasing out of the taxable maximum starting in 2016.

Column 4 of Table 1b indicates that the projected effect of implementing the three provisions is a reduction of the Federal debt held by the public, reaching about \$5.2 trillion in present value at the end of the 75-year projection period. Column 5 provides the projected effect of the proposal on the annual unified budget balances, including both the cash flow effect in column 3 and the additional interest on the accumulated debt in column 4. Columns 6 and 7 indicate that the 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 we base these estimates on the intermediate assumptions of the 2014 Trustees Report and thus are not consistent with estimates made by the Office of Management and Budget or the Congressional Budget Office based on their assumptions. In particular, all present values are discounted using trust fund yield assumptions under the intermediate assumptions of the 2014 Trustees Report.

#### Annual Trust Fund Operations as a Percent of GDP

**Table 1c** provides annual cost, annual expenditures (amount that would be payable), and annual tax income for the OASDI program expressed as a percentage of GDP for both present law and assuming enactment of the three Social Security provisions of the proposal. Showing the annual trust fund cash 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 (Table 1).

#### Effects on Trust Fund Reserves and Unfunded Obligations

**Table 1d** provides estimates of the changes in trust fund reserves. Values in this table are expressed in present value dollars discounted to January 1, 2014.

For the 75-year (long-range) period as a whole, the present-law unfunded obligation of \$10.6 trillion is reduced to \$5.4 trillion in present value. This change of \$5.2 trillion results from:

- An \$8.7 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 \$3.5 trillion increase in cost (column 3), from calculating the COLA using the CPI-E rather than the CPI-W, additional benefits for those with earnings above the present-law taxable maximum, and increasing the first PIA bend point.

We hope these estimates are 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 “Safeguarding American Families and Expanding Social Security Act of 2015” Introduced by Senator Schatz**

<u>Provision</u>	<u>Estimated Change in Long-Range OASDI Actuarial Balance <sup>1</sup> (as a percent of payroll)</u>	<u>Estimated Change in Annual Balance in 75<sup>th</sup> year <sup>2</sup> (as a percent of payroll)</u>
1) Eliminate the taxable maximum, fully effective 2020. Phase in to elimination by taxing all earnings above the current law taxable maximum at 2.48% in 2016, 4.96% in 2017, up to 12.4% in 2020 and later. Credit the additional earnings for benefit purposes by: (a) calculating a second average indexed monthly earnings (“AIME+”) reflecting only earnings taxed above the current law taxable maximum, (b) applying a 5 percent factor on this newly computed “AIME+” to develop a second component of the PIA, and (c) adding this second component to the current-law PIA.....	2.09	2.16
2) Increase the first PIA bend point above the current law level for workers newly eligible for benefits in 2021 and later; by 1 percent for 2021, by 2 percent for 2022, ..., and by 15 percent for 2035 and later.....	-0.37	-0.72
3) Starting December 2016, 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.....	-0.38	-0.54
<b>Total for all provisions, including interaction.....</b>	<b>1.33</b>	<b>0.88</b>

<sup>1</sup>Under current law, the estimated long-range OASDI actuarial balance is -2.88 percent of taxable payroll.

<sup>2</sup>Under current law, the estimated 75<sup>th</sup> year annual balance is -4.90 percent of taxable payroll.

Notes: All estimates are based on the intermediate assumptions of the 2014 OASDI Trustees Report.

Estimates of individual provisions appear on a stand-alone basis relative to current law, unless otherwise stated.

Social Security Administration  
Office of the Chief Actuary  
August 24, 2015

**Table B1. Changes in Benefits for Hypothetical Workers Beginning Benefit Receipt at age 65  
S.1940, the Safeguarding American Families and Expanding Social Security Act of 2015 ,  
introduced by Senator Schatz**

Year Attain Age 65	<u>Present Law Scheduled</u>		<u>Scheduled Benefit Level Percent Change at age 65</u>			<u>Proposal Scheduled Benefit</u>	
	<u>Monthly Benefits<sup>3</sup></u>		Reduced Benefit	Benefit Formula <sup>5</sup>	Total	<u>Percent of Present Law:</u>	
	<u>(Wage-Indexed</u>	<u>(CPI-Indexed</u>				<u>COLA<sup>4</sup></u>	<u>Formula<sup>5</sup></u>
	<u>2014 Dollars)</u>	<u>2014 Dollars)</u>	<u>(Percent change)</u>		<u>(Percents)</u>		
<b>Very-Low-AIME (\$11,697 for 2014<sup>1</sup>) 30-Year Scaled Earner (8.5% of Retirees<sup>2</sup>)</b>							
2014	705	705	0.0	0.0	0.0	100	100
2030	629	806	0.6	4.3	4.9	105	105
2050	633	1,015	0.6	8.4	9.0	109	-
2080	632	1,397	0.6	8.4	9.0	109	-
<b>Very-Low-AIME (\$11,697 for 2014<sup>1</sup>) 20-Year Scaled Earner (4.8% of Retirees<sup>2</sup>)</b>							
2014	705	705	0.0	0.0	0.0	100	100
2030	629	806	0.6	4.3	4.9	105	105
2050	633	1,015	0.6	8.4	9.0	109	-
2080	632	1,397	0.6	8.4	9.0	109	-
<b>Very-Low-AIME (\$11,697 for 2014<sup>1</sup>) 14-Year Scaled Earner (4.6% of Retirees<sup>2</sup>)</b>							
2014	705	705	0.0	0.0	0.0	100	100
2030	629	806	0.6	4.3	4.9	105	105
2050	633	1,015	0.6	8.4	9.0	109	-
2080	632	1,397	0.6	8.4	9.0	109	-
<b>Low-AIME (\$21,054 for 2014<sup>1</sup>) 44-Year Scaled Earner (15.3% of Retirees<sup>2</sup>)</b>							
2014	922	922	0.0	0.0	0.0	100	100
2030	823	1,055	0.6	3.3	3.9	104	104
2050	828	1,328	0.6	7.0	7.7	108	-
2080	827	1,828	0.6	7.0	7.7	108	-
<b>Low-AIME (\$21,054 for 2014<sup>1</sup>) 30-Year Scaled Earner (5.0% of Retirees<sup>2</sup>)</b>							
2014	922	922	0.0	0.0	0.0	100	100
2030	823	1,055	0.6	3.3	3.9	104	104
2050	828	1,328	0.6	7.0	7.7	108	-
2080	827	1,828	0.6	7.0	7.7	108	-
<b>Low-AIME (\$21,054 for 2014<sup>1</sup>) 20-Year Scaled Earner (2.4% of Retirees<sup>2</sup>)</b>							
2014	922	922	0.0	0.0	0.0	100	100
2030	823	1,055	0.6	3.3	3.9	104	104
2050	828	1,328	0.6	7.0	7.7	108	-
2080	827	1,828	0.6	7.0	7.7	108	-
<b>Medium-AIME (\$46,787 for 2014<sup>1</sup>) 44-Year Scaled Earner (29.2% of Retirees<sup>2</sup>)</b>							
2014	1,520	1,520	0.0	0.0	0.0	100	100
2030	1,356	1,739	0.6	2.0	2.6	103	103
2050	1,364	2,189	0.6	4.3	4.9	105	-
2080	1,364	3,013	0.6	4.3	4.9	105	-
<b>Medium-AIME (\$46,787 for 2014<sup>1</sup>) 30-Year Scaled Earner (2.7% of Retirees<sup>2</sup>)</b>							
2014	1,520	1,520	0.0	0.0	0.0	100	100
2030	1,356	1,739	0.6	2.0	2.6	103	103
2050	1,364	2,189	0.6	4.3	4.9	105	-
2080	1,364	3,013	0.6	4.3	4.9	105	-
<b>High-AIME (\$74,859 for 2014<sup>1</sup>) 44-Year Scaled Earner (21.5% of Retirees<sup>2</sup>)</b>							
2014	2,015	2,015	0.0	0.0	0.0	100	100
2030	1,797	2,304	0.6	1.5	2.1	102	102
2050	1,807	2,900	0.6	3.2	3.8	104	-
2080	1,807	3,992	0.6	3.2	3.8	104	-
<b>Maximum-AIME (\$117,000 for 2014<sup>1</sup>) 43-Year Steady Earner (6.0% of Retirees<sup>2</sup>)</b>							
2014	2,432	2,432	0.0	0.0	0.0	100	100
2030	2,199	2,819	0.6	1.2	1.8	102	102
2050	2,210	3,545	0.6	2.6	3.2	103	-
2080	2,204	4,870	0.6	2.6	3.2	103	-

<sup>1</sup> Average of highest 35 years of earnings wage indexed to 2014.

<sup>2</sup> Projected percent of new retired worker awards in 2050 closest to AIME levels and years of work.

<sup>3</sup> After the trust fund reserves deplete under present law continuing taxes are expected to be enough to pay about three fourths of scheduled benefits.

<sup>4</sup> Starting with the Dec 2016 COLA, compute the COLA using the CPI-E, producing 0.2% higher annual COLAs on average.

<sup>5</sup> Increase the current law first bend point arithmetically by 1 percent each year from 2021-2035 until a 15% increase takes effect for 2035 and later.

All estimates based on the intermediate assumptions of the 2014 Trustees Report.

**Table B2. Changes in Benefits for Hypothetical Workers Beginning Benefit Receipt at age 65  
S.1940, the Safeguarding American Families and Expanding Social Security Act of 2015 ,  
introduced by Senator Schatz**

**Proposal Scheduled Benefit as Percent of Present Law Scheduled**

Year Attain Age 65	Age 65	Age 75	Age 85	Age 95
		(Percent)		
		<b>Very-Low-AIME (\$11,697 for 2014<sup>1</sup>) 30-Year Scaled Earner (8.5% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	104.9	107.0	109.1	111.2
2050	109.0	111.1	113.3	115.5
2080	109.0	111.2	113.3	115.6
		<b>Very-Low-AIME (\$11,697 for 2014<sup>1</sup>) 20-Year Scaled Earner (4.8% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	104.9	107.0	109.1	111.2
2050	109.0	111.1	113.3	115.5
2080	109.0	111.2	113.3	115.6
		<b>Very-Low-AIME (\$11,697 for 2014<sup>1</sup>) 14-Year Scaled Earner (4.6% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	104.9	107.0	109.1	111.2
2050	109.0	111.1	113.3	115.5
2080	109.0	111.2	113.3	115.6
		<b>Low-AIME (\$21,054 for 2014<sup>1</sup>) 44-Year Scaled Earner (15.3% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	103.9	105.9	108.0	110.1
2050	107.7	109.8	111.9	114.1
2080	107.7	109.8	111.9	114.1
		<b>Low-AIME (\$21,054 for 2014<sup>1</sup>) 30-Year Scaled Earner (5.0% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	103.9	105.9	108.0	110.1
2050	107.7	109.8	111.9	114.1
2080	107.7	109.8	111.9	114.1
		<b>Low-AIME (\$21,054 for 2014<sup>1</sup>) 20-Year Scaled Earner (2.4% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	103.9	105.9	108.0	110.1
2050	107.7	109.8	111.9	114.1
2080	107.7	109.8	111.9	114.1
		<b>Medium-AIME (\$46,787 for 2014<sup>1</sup>) 44-Year Scaled Earner (29.2% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	102.6	104.6	106.7	108.8
2050	104.9	106.9	109.0	111.2
2080	104.9	106.9	109.0	111.2
		<b>Medium-AIME (\$46,787 for 2014<sup>1</sup>) 30-Year Scaled Earner (2.7% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	102.6	104.6	106.7	108.8
2050	104.9	106.9	109.0	111.2
2080	104.9	106.9	109.0	111.2
		<b>High-AIME (\$74,859 for 2014<sup>1</sup>) 44-Year Scaled Earner (21.5% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	102.1	104.1	106.2	108.2
2050	103.8	105.9	108.0	110.1
2080	103.8	105.9	108.0	110.1
		<b>Maximum-AIME (\$117,000 for 2014<sup>1</sup>) 43-Year Steady Earner (6.0% of Retirees<sup>2</sup>)</b>		
2014	100.0	101.6	103.6	105.6
2030	101.8	103.8	105.9	107.9
2050	103.2	105.3	107.3	109.4
2080	103.2	105.3	107.3	109.5

<sup>1</sup> Average of highest 35 years of earnings wage indexed to 2014.

<sup>2</sup> Projected percent of new retired worker awards in 2050 closest to AIME levels and years of work.

Note: Starting Dec 2016, 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 percent each year from 2021-2035 until a 15% increase takes effect for 2035 and later.

All estimates based on the intermediate assumptions of the 2014 Trustees Report.

**Table B3. Important Characteristics of Hypothetical Workers in 2007**

**Percent of Beneficiaries Within Each Category That Are:**

<u>Category</u>	<u>Dually Entitled</u> <sup>2</sup>	<u>WEP</u> <sup>3</sup>	<u>Foreign Born</u>	<u>All Others</u> <sup>4</sup>
<b>Very-Low-AIME (\$11,697 for 2014<sup>1</sup>):</b>				
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
<b>Low-AIME (\$21,054 for 2014<sup>1</sup>):</b>				
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
<b>Medium-AIME (\$46,787 for 2014<sup>1</sup>):</b>				
44-Year Scaled Earner (23.0% of Retirees)	1	1	5	93
30-Year Scaled Earner (4.4% of Retirees)	1	8	26	67
<b>High-AIME (\$74,859 for 2014<sup>1</sup>):</b>				
44-Year Scaled Earner (20.5% of Retirees)	0	0	6	93
<b>Maximum-AIME (\$117,000 for 2014<sup>1</sup>):</b>				
Steady Earner (9.4% of Retirees)	0	0	7	93

Note 1: Table B3 displays the percentages of these newly-entitled retired workers in 2007 that are closest to each of the illustrative examples.

Note 2: 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 3: 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.

<sup>1</sup> Average of highest 35 years of earnings wage indexed to 2014.

<sup>2</sup> 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.

<sup>3</sup> Covered by pension from government employment and are subject to the windfall elimination provision (WEP).

<sup>4</sup> Neither foreign born, subject to WEP, or dually entitled.

**Table 1 - OASDI Cost Rate, Income Rate, Annual Balance, and Trust Fund Ratio 1940, the "Safeguarding American Families and Expanding Social Security Act of 2015", introduced by Senator Schatz**

Year	Proposal			Trust Fund Ratio 1-1-year	Change from Present Law		
	Expressed as a percentage of present-law taxable payroll				Expressed as a percentage of present-law taxable payroll		
	Cost Rate	Income Rate	Annual Balance		Cost Rate	Income Rate	Annual Balance
2014	13.95	12.67	-1.29	320	0.00	0.00	0.00
2015	13.97	12.92	-1.05	306	0.00	0.00	0.00
2016	13.97	13.38	-0.59	292	0.00	0.49	0.49
2017	14.00	13.89	-0.10	280	0.03	0.99	0.96
2018	14.07	14.39	0.33	271	0.05	1.46	1.41
2019	14.22	14.86	0.63	266	0.08	1.91	1.84
2020	14.43	15.30	0.87	262	0.10	2.34	2.24
2021	14.63	15.33	0.70	262	0.13	2.35	2.22
2022	14.89	15.35	0.45	260	0.16	2.34	2.18
2023	15.19	15.35	0.16	257	0.19	2.32	2.13
2024	15.50	15.38	-0.12	252	0.22	2.32	2.10
2025	15.80	15.40	-0.40	247	0.25	2.33	2.07
2026	16.08	15.42	-0.66	241	0.29	2.33	2.04
2027	16.35	15.44	-0.92	235	0.33	2.33	2.01
2028	16.61	15.45	-1.15	228	0.36	2.33	1.97
2029	16.84	15.47	-1.37	222	0.40	2.34	1.93
2030	17.05	15.49	-1.56	214	0.45	2.34	1.89
2031	17.23	15.50	-1.73	206	0.49	2.34	1.86
2032	17.40	15.51	-1.88	197	0.53	2.35	1.82
2033	17.53	15.52	-2.00	187	0.57	2.35	1.78
2034	17.65	15.53	-2.12	177	0.62	2.35	1.73
2035	17.75	15.54	-2.21	167	0.66	2.36	1.69
2036	17.83	15.55	-2.28	156	0.71	2.36	1.65
2037	17.89	15.56	-2.34	145	0.75	2.36	1.61
2038	17.93	15.56	-2.37	134	0.79	2.37	1.57
2039	17.95	15.57	-2.38	122	0.83	2.37	1.54
2040	17.96	15.57	-2.39	110	0.87	2.37	1.50
2041	17.96	15.57	-2.39	99	0.91	2.38	1.46
2042	17.96	15.58	-2.38	87	0.95	2.38	1.43
2043	17.96	15.58	-2.38	75	0.98	2.38	1.40
2044	17.97	15.58	-2.39	63	1.01	2.38	1.37
2045	17.99	15.59	-2.40	51	1.05	2.39	1.34
2046	18.01	15.59	-2.42	38	1.08	2.39	1.31
2047	18.02	15.59	-2.43	26	1.11	2.39	1.29
2048	18.04	15.60	-2.44	13	1.14	2.40	1.26
2049	18.06	15.60	-2.46	---	1.16	2.40	1.24
2050	18.08	15.60	-2.48	---	1.19	2.40	1.21
2051	18.11	15.61	-2.50	---	1.21	2.41	1.19
2052	18.15	15.61	-2.54	---	1.24	2.41	1.17
2053	18.20	15.62	-2.58	---	1.26	2.41	1.15
2054	18.26	15.62	-2.63	---	1.29	2.41	1.13
2055	18.32	15.63	-2.69	---	1.31	2.42	1.11
2056	18.39	15.64	-2.75	---	1.33	2.42	1.09
2057	18.46	15.64	-2.82	---	1.35	2.42	1.07
2058	18.53	15.65	-2.88	---	1.37	2.42	1.06
2059	18.60	15.65	-2.94	---	1.39	2.43	1.04
2060	18.66	15.66	-3.00	---	1.40	2.43	1.03
2061	18.73	15.67	-3.06	---	1.42	2.43	1.01
2062	18.79	15.67	-3.12	---	1.43	2.43	1.00
2063	18.85	15.68	-3.17	---	1.45	2.44	0.99
2064	18.91	15.68	-3.23	---	1.46	2.44	0.98
2065	18.97	15.69	-3.28	---	1.47	2.44	0.97
2066	19.03	15.69	-3.34	---	1.48	2.44	0.96
2067	19.09	15.70	-3.39	---	1.49	2.45	0.95
2068	19.15	15.70	-3.45	---	1.50	2.45	0.94
2069	19.21	15.71	-3.50	---	1.51	2.45	0.94
2070	19.26	15.71	-3.55	---	1.52	2.45	0.93
2071	19.31	15.72	-3.59	---	1.53	2.45	0.92
2072	19.35	15.72	-3.63	---	1.54	2.46	0.92
2073	19.39	15.73	-3.66	---	1.54	2.46	0.91
2074	19.42	15.73	-3.69	---	1.55	2.46	0.91
2075	19.44	15.73	-3.70	---	1.56	2.46	0.91
2076	19.45	15.73	-3.72	---	1.56	2.46	0.90
2077	19.46	15.74	-3.72	---	1.56	2.46	0.90
2078	19.46	15.74	-3.72	---	1.57	2.47	0.90
2079	19.46	15.74	-3.72	---	1.57	2.47	0.90
2080	19.47	15.74	-3.73	---	1.57	2.47	0.90
2081	19.49	15.74	-3.75	---	1.57	2.47	0.90
2082	19.51	15.75	-3.77	---	1.58	2.47	0.89
2083	19.55	15.75	-3.80	---	1.58	2.47	0.89
2084	19.59	15.75	-3.83	---	1.59	2.47	0.89
2085	19.63	15.76	-3.88	---	1.59	2.48	0.89
2086	19.68	15.76	-3.92	---	1.59	2.48	0.88
2087	19.74	15.77	-3.97	---	1.60	2.48	0.88
2088	19.80	15.77	-4.02	---	1.60	2.48	0.88
2089	19.85	15.78	-4.08	---	1.61	2.48	0.87

Summarized Rates: OASDI				
	Cost Rate	Income Rate	Actuarial Balance	Year of reserve depletion <sup>1</sup>
2014 - 2088	17.68%	16.13%	-1.55%	2048

Summarized Rates: OASDI			Change in
Change in Cost rate	Change in Income Rate	Actuarial Balance	Change in
0.91%	2.24%	1.33%	

Based on Intermediate Assumptions of the 2014 Trustees Report.  
<sup>1</sup> Under present law the year of combined Trust Fund reserve depletion is 2033.

Table 1a - General Fund Transfers, OASDI Trust Fund Reserves, and Theoretical OASDI Reserves  
S.1940, the "Safeguarding American Families and Expanding Social Security Act of 2015", introduced by Senator Schatz

Calendar Year	Proposal General Fund Transfers			Present Value in Billions as of 1-1-2014			
	Percentage of Payroll	Present Value in Billions as of 1-1-2014		Proposal Total OASDI Trust Fund Reserves at End of Year	Gross Domestic Product	Theoretical Social Security <sup>1</sup> with Borrowing Authority	
		Annual Amounts	Accumulated as of End of Year			Net OASDI Trust Fund Reserves at End of Year	
		(1)	(2)			(3)	Without General Fund Transfers
(4)	(5)	(6)	(7)				
2014	0.0	0.0	0.0	2,686.5	17,248.0	2,686.5	2,686.5
2015	0.0	0.0	0.0	2,622.1	17,479.5	2,622.1	2,622.1
2016	0.0	0.0	0.0	2,585.1	17,764.0	2,585.1	2,585.1
2017	0.0	0.0	0.0	2,578.9	18,073.7	2,485.9	2,485.9
2018	0.0	0.0	0.0	2,601.2	18,375.4	2,414.4	2,414.4
2019	0.0	0.0	0.0	2,644.8	18,640.8	2,333.7	2,333.7
2020	0.0	0.0	0.0	2,705.0	18,857.5	2,240.3	2,240.3
2021	0.0	0.0	0.0	2,754.3	19,025.1	2,135.5	2,135.5
2022	0.0	0.0	0.0	2,786.9	19,140.3	2,015.5	2,015.5
2023	0.0	0.0	0.0	2,799.2	19,227.7	1,877.7	1,877.7
2024	0.0	0.0	0.0	2,791.7	19,280.8	1,722.0	1,722.0
2025	0.0	0.0	0.0	2,764.8	19,278.2	1,549.3	1,549.3
2026	0.0	0.0	0.0	2,719.5	19,215.2	1,361.3	1,361.3
2027	0.0	0.0	0.0	2,657.2	19,086.8	1,159.7	1,159.7
2028	0.0	0.0	0.0	2,579.3	18,893.0	946.6	946.6
2029	0.0	0.0	0.0	2,487.9	18,668.8	724.2	724.2
2030	0.0	0.0	0.0	2,384.8	18,445.7	494.4	494.4
2031	0.0	0.0	0.0	2,271.8	18,223.6	258.8	258.8
2032	0.0	0.0	0.0	2,150.6	18,005.7	19.3	19.3
2033	0.0	0.0	0.0	2,023.1	17,795.3	-222.4	-222.4
2034	0.0	0.0	0.0	1,889.9	17,587.9	-465.8	-465.8
2035	0.0	0.0	0.0	1,752.7	17,387.7	-709.2	-709.2
2036	0.0	0.0	0.0	1,612.7	17,192.4	-951.7	-951.7
2037	0.0	0.0	0.0	1,471.0	17,003.0	-1,192.0	-1,192.0
2038	0.0	0.0	0.0	1,329.0	16,820.9	-1,429.2	-1,429.2
2039	0.0	0.0	0.0	1,187.8	16,643.5	-1,662.3	-1,662.3
2040	0.0	0.0	0.0	1,047.9	16,469.7	-1,890.8	-1,890.8
2041	0.0	0.0	0.0	909.8	16,298.4	-2,114.6	-2,114.6
2042	0.0	0.0	0.0	773.5	16,127.3	-2,333.7	-2,333.7
2043	0.0	0.0	0.0	638.9	15,957.2	-2,548.3	-2,548.3
2044	0.0	0.0	0.0	505.5	15,789.1	-2,759.1	-2,759.1
2045	0.0	0.0	0.0	372.9	15,619.5	-2,966.4	-2,966.4
2046	0.0	0.0	0.0	241.2	15,450.2	-3,170.4	-3,170.4
2047	0.0	0.0	0.0	110.3	15,281.2	-3,371.2	-3,371.2
2048	0.0	0.0	0.0	-19.5	15,112.3	-3,568.7	-3,568.7
2049	0.0	0.0	0.0	-148.4	14,943.6	-3,763.2	-3,763.2
2050	0.0	0.0	0.0	-276.7	14,774.2	-3,955.0	-3,955.0
2051	0.0	0.0	0.0	-404.7	14,605.5	-4,144.6	-4,144.6
2052	0.0	0.0	0.0	-532.9	14,436.3	-4,332.4	-4,332.4
2053	0.0	0.0	0.0	-661.5	14,266.8	-4,518.9	-4,518.9
2054	0.0	0.0	0.0	-791.1	14,097.9	-4,704.6	-4,704.6
2055	0.0	0.0	0.0	-921.7	13,929.6	-4,889.6	-4,889.6
2056	0.0	0.0	0.0	-1,053.6	13,761.9	-5,074.2	-5,074.2
2057	0.0	0.0	0.0	-1,186.7	13,595.7	-5,258.5	-5,258.5
2058	0.0	0.0	0.0	-1,321.0	13,431.2	-5,442.5	-5,442.5
2059	0.0	0.0	0.0	-1,456.2	13,268.8	-5,626.1	-5,626.1
2060	0.0	0.0	0.0	-1,592.4	13,108.0	-5,809.3	-5,809.3
2061	0.0	0.0	0.0	-1,729.3	12,949.7	-5,992.1	-5,992.1
2062	0.0	0.0	0.0	-1,866.9	12,794.2	-6,174.3	-6,174.3
2063	0.0	0.0	0.0	-2,005.1	12,640.5	-6,356.0	-6,356.0
2064	0.0	0.0	0.0	-2,143.7	12,489.1	-6,537.2	-6,537.2
2065	0.0	0.0	0.0	-2,282.9	12,339.8	-6,717.8	-6,717.8
2066	0.0	0.0	0.0	-2,422.5	12,192.7	-6,898.0	-6,898.0
2067	0.0	0.0	0.0	-2,562.5	12,048.2	-7,077.8	-7,077.8
2068	0.0	0.0	0.0	-2,702.9	11,905.9	-7,257.0	-7,257.0
2069	0.0	0.0	0.0	-2,843.6	11,766.0	-7,435.7	-7,435.7
2070	0.0	0.0	0.0	-2,984.4	11,627.9	-7,613.7	-7,613.7
2071	0.0	0.0	0.0	-3,125.2	11,491.2	-7,791.0	-7,791.0
2072	0.0	0.0	0.0	-3,265.6	11,356.6	-7,967.3	-7,967.3
2073	0.0	0.0	0.0	-3,405.4	11,223.5	-8,142.2	-8,142.2
2074	0.0	0.0	0.0	-3,544.3	11,091.9	-8,315.6	-8,315.6
2075	0.0	0.0	0.0	-3,682.0	10,961.8	-8,487.3	-8,487.3
2076	0.0	0.0	0.0	-3,818.3	10,833.2	-8,657.0	-8,657.0
2077	0.0	0.0	0.0	-3,953.0	10,705.9	-8,824.7	-8,824.7
2078	0.0	0.0	0.0	-4,086.0	10,579.6	-8,990.2	-8,990.2
2079	0.0	0.0	0.0	-4,217.4	10,454.4	-9,153.5	-9,153.5
2080	0.0	0.0	0.0	-4,347.4	10,329.9	-9,315.0	-9,315.0
2081	0.0	0.0	0.0	-4,476.1	10,206.0	-9,474.8	-9,474.8
2082	0.0	0.0	0.0	-4,603.9	10,082.9	-9,633.2	-9,633.2
2083	0.0	0.0	0.0	-4,731.0	9,960.4	-9,790.5	-9,790.5
2084	0.0	0.0	0.0	-4,857.6	9,838.6	-9,946.7	-9,946.7
2085	0.0	0.0	0.0	-4,984.0	9,717.5	-10,102.3	-10,102.3
2086	0.0	0.0	0.0	-5,110.1	9,597.6	-10,257.1	-10,257.1
2087	0.0	0.0	0.0	-5,236.2	9,478.5	-10,411.4	-10,411.4
2088	0.0	0.0	0.0	-5,362.3	9,360.5	-10,565.1	-10,565.1
2089	0.0	0.0	0.0	-5,488.3	9,243.6	-10,718.3	-10,718.3
Total 2014-2088		0.0					

Based on the Intermediate Assumptions of the 2014 Trustees Report.  
Ultimate Real Trust Fund Yield of 2.9%.

<sup>1</sup> 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<sup>1</sup> (Present Value Dollars)  
 S.1940, the "Safeguarding American Families and Expanding Social Security Act of 2015", introduced by Senator Schatz

Billions of Present Value Dollars as of 1-1-2014

Year	Specified General Fund Transfers	Basic Changes in OASDI Cash Flow	Change in Annual Unified Budget Cash Flow	Change in Annual 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)
2014	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2015	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2016	0.0	30.8	30.8	-30.8	30.8	0.0	0.0
2017	0.0	62.3	62.3	-93.0	63.3	0.0	0.0
2018	0.0	93.8	93.8	-186.8	97.0	0.0	0.0
2019	0.0	124.3	124.3	-311.1	130.9	0.0	0.0
2020	0.0	153.6	153.6	-464.7	165.0	0.0	0.0
2021	0.0	154.1	154.1	-618.8	171.3	0.0	0.0
2022	0.0	152.6	152.6	-771.4	176.0	0.0	0.0
2023	0.0	150.1	150.1	-921.5	180.0	0.0	0.0
2024	0.0	148.2	148.2	-1,069.7	186.5	0.0	0.0
2025	0.0	145.7	145.7	-1,215.4	193.4	0.0	0.0
2026	0.0	142.8	142.8	-1,358.2	200.5	0.0	0.0
2027	0.0	139.3	139.3	-1,497.5	207.9	0.0	0.0
2028	0.0	135.2	135.2	-1,632.7	215.7	0.0	0.0
2029	0.0	131.0	131.0	-1,763.7	218.7	0.0	0.0
2030	0.0	126.7	126.7	-1,890.5	221.5	0.0	0.0
2031	0.0	122.5	122.5	-2,013.0	224.1	0.0	0.0
2032	0.0	118.3	118.3	-2,131.3	226.5	0.0	0.0
2033	0.0	114.2	114.2	-2,245.5	228.7	0.0	0.0
2034	0.0	110.2	110.2	-2,355.7	230.8	0.0	0.0
2035	0.0	106.2	106.2	-2,461.9	232.8	0.0	0.0
2036	0.0	102.4	102.4	-2,564.3	234.7	0.0	0.0
2037	0.0	98.7	98.7	-2,663.0	236.5	0.0	0.0
2038	0.0	95.2	95.2	-2,758.2	238.3	0.0	0.0
2039	0.0	91.9	91.9	-2,850.1	240.1	0.0	0.0
2040	0.0	88.7	88.7	-2,938.8	241.8	0.0	0.0
2041	0.0	85.7	85.7	-3,024.4	243.6	0.0	0.0
2042	0.0	82.8	82.8	-3,107.2	245.3	0.0	0.0
2043	0.0	80.0	80.0	-3,187.2	247.0	0.0	0.0
2044	0.0	77.3	77.3	-3,264.5	248.6	0.0	0.0
2045	0.0	74.8	74.8	-3,339.3	250.2	0.0	0.0
2046	0.0	72.3	72.3	-3,411.6	251.7	0.0	0.0
2047	0.0	69.9	69.9	-3,481.5	253.2	0.0	0.0
2048	0.0	67.7	67.7	-3,549.2	254.8	0.0	0.0
2049	0.0	65.6	65.6	-3,614.8	256.3	0.0	0.0
2050	0.0	63.5	63.5	-3,678.3	257.8	0.0	0.0
2051	0.0	61.6	61.6	-3,739.9	259.2	0.0	0.0
2052	0.0	59.7	59.7	-3,799.6	260.6	0.0	0.0
2053	0.0	57.9	57.9	-3,857.4	262.0	0.0	0.0
2054	0.0	56.1	56.1	-3,913.5	263.4	0.0	0.0
2055	0.0	54.4	54.4	-3,967.9	264.7	0.0	0.0
2056	0.0	52.8	52.8	-4,020.6	266.0	0.0	0.0
2057	0.0	51.2	51.2	-4,071.8	267.2	0.0	0.0
2058	0.0	49.7	49.7	-4,121.6	268.5	0.0	0.0
2059	0.0	48.3	48.3	-4,169.9	269.8	0.0	0.0
2060	0.0	47.0	47.0	-4,216.9	271.1	0.0	0.0
2061	0.0	45.8	45.8	-4,262.8	272.4	0.0	0.0
2062	0.0	44.6	44.6	-4,307.4	273.7	0.0	0.0
2063	0.0	43.6	43.6	-4,351.0	275.0	0.0	0.0
2064	0.0	42.5	42.5	-4,393.5	276.3	0.0	0.0
2065	0.0	41.5	41.5	-4,435.0	277.6	0.0	0.0
2066	0.0	40.6	40.6	-4,475.6	278.9	0.0	0.0
2067	0.0	39.7	39.7	-4,515.2	280.2	0.0	0.0
2068	0.0	38.8	38.8	-4,554.1	281.4	0.0	0.0
2069	0.0	38.0	38.0	-4,592.1	282.7	0.0	0.0
2070	0.0	37.2	37.2	-4,629.3	284.0	0.0	0.0
2071	0.0	36.5	36.5	-4,665.8	285.2	0.0	0.0
2072	0.0	35.8	35.8	-4,701.6	286.5	0.0	0.0
2073	0.0	35.2	35.2	-4,736.8	287.8	0.0	0.0
2074	0.0	34.6	34.6	-4,771.4	289.1	0.0	0.0
2075	0.0	34.0	34.0	-4,805.3	290.3	0.0	0.0
2076	0.0	33.4	33.4	-4,838.8	291.6	0.0	0.0
2077	0.0	32.9	32.9	-4,871.7	292.9	0.0	0.0
2078	0.0	32.5	32.5	-4,904.1	294.2	0.0	0.0
2079	0.0	32.0	32.0	-4,936.1	295.5	0.0	0.0
2080	0.0	31.5	31.5	-4,967.7	296.8	0.0	0.0
2081	0.0	31.1	31.1	-4,998.7	298.0	0.0	0.0
2082	0.0	30.6	30.6	-5,029.3	299.2	0.0	0.0
2083	0.0	30.1	30.1	-5,059.5	300.4	0.0	0.0
2084	0.0	29.7	29.7	-5,089.1	301.5	0.0	0.0
2085	0.0	29.2	29.2	-5,118.3	302.6	0.0	0.0
2086	0.0	28.7	28.7	-5,147.0	303.7	0.0	0.0
2087	0.0	28.2	28.2	-5,175.2	304.7	0.0	0.0
2088	0.0	27.7	27.7	-5,202.9	305.8	0.0	0.0
Total 2014-2088	0.0	5,202.9	5,202.9				

Based on Intermediate Assumptions of the 2014 Trustees Report.  
 Ultimate Real Trust Fund Yield of 2.9%.

Note: Changes reflect the budget scoring convention that presumes benefits not payable after reserve depletion would nonetheless be paid, based on transfers from the General Fund of the Treasury resulting in additional borrowing from the public.

<sup>1</sup> Effects of tax provisions on the On-Budget are not reflected in this table.

Office of the Chief Actuary  
 Social Security Administration  
 August 24, 2015



**Table 1b.n - OASDI Changes & Implications for Federal Budget and Debt of Specified Plan Provision Effects on OASDI<sup>1</sup> (Nominal Dollars)**  
**S.1940, the "Safeguarding American Families and Expanding Social Security Act of 2015", introduced by Senator Schatz**

*Billions of Nominal Dollars*

<u>Year</u>	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)
2014	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2015	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2016	0.0	33.5	33.5	-34.2	34.2	0.0	0.0
2017	0.0	70.2	70.2	-107.0	72.8	0.0	0.0
2018	0.0	109.5	109.5	-222.7	115.7	0.0	0.0
2019	0.0	150.4	150.4	-385.0	162.3	0.0	0.0
2020	0.0	192.9	192.9	-597.5	212.5	0.0	0.0
2021	0.0	200.8	200.8	-827.3	229.8	0.0	0.0
2022	0.0	206.6	206.6	-1,073.4	246.0	0.0	0.0
2023	0.0	211.3	211.3	-1,336.0	262.6	0.0	0.0
2024	0.0	217.3	217.3	-1,620.0	284.0	0.0	0.0

Based on Intermediate Assumptions of the 2014 Trustees Report.

Note: Changes reflect the budget scoring convention that presumes benefits not payable after reserve depletion would nonetheless be paid, based on transfers from the General Fund of the Treasury resulting in additional borrowing from the public.

<sup>1</sup> Effects of tax provisions on the On-Budget are not reflected in this table.

Office of the Chief Actuary  
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**Table 1c - Present Law and Proposal Cost, Expenditures, and Income: As Percent of Gross Domestic Product S.1940, the "Safeguarding American Families and Expanding Social Security Act of 2015", introduced by Senator Schatz**

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)
2014	4.92	4.92	4.46	4.92	4.92	4.46
2015	4.94	4.94	4.57	4.94	4.94	4.57
2016	4.97	4.97	4.59	4.97	4.97	4.76
2017	5.01	5.01	4.63	5.02	5.02	4.98
2018	5.06	5.06	4.67	5.08	5.08	5.20
2019	5.13	5.13	4.70	5.16	5.16	5.39
2020	5.21	5.21	4.71	5.25	5.25	5.57
2021	5.29	5.29	4.73	5.33	5.33	5.59
2022	5.38	5.38	4.75	5.44	5.44	5.61
2023	5.48	5.48	4.76	5.55	5.55	5.61
2024	5.57	5.57	4.76	5.65	5.65	5.61
2025	5.66	5.66	4.76	5.75	5.75	5.61
2026	5.74	5.74	4.76	5.85	5.85	5.61
2027	5.82	5.82	4.76	5.94	5.94	5.61
2028	5.89	5.89	4.76	6.03	6.03	5.61
2029	5.96	5.96	4.76	6.10	6.10	5.61
2030	6.01	6.01	4.76	6.17	6.17	5.61
2031	6.06	6.06	4.76	6.23	6.23	5.61
2032	6.09	6.09	4.76	6.29	6.29	5.61
2033	6.12	4.86	4.76	6.33	6.33	5.60
2034	6.14	4.75	4.75	6.37	6.37	5.60
2035	6.16	4.75	4.75	6.40	6.40	5.60
2036	6.16	4.75	4.75	6.42	6.42	5.60
2037	6.16	4.74	4.74	6.43	6.43	5.59
2038	6.16	4.74	4.74	6.44	6.44	5.59
2039	6.14	4.74	4.74	6.44	6.44	5.59
2040	6.12	4.73	4.73	6.44	6.44	5.58
2041	6.10	4.72	4.72	6.43	6.43	5.58
2042	6.08	4.72	4.72	6.42	6.42	5.57
2043	6.06	4.71	4.71	6.41	6.41	5.56
2044	6.05	4.71	4.71	6.41	6.41	5.56
2045	6.03	4.70	4.70	6.41	6.41	5.55
2046	6.02	4.69	4.69	6.40	6.40	5.54
2047	6.01	4.69	4.69	6.40	6.40	5.54
2048	5.99	4.68	4.68	6.40	6.37	5.53
2049	5.98	4.67	4.67	6.39	5.52	5.52
2050	5.97	4.67	4.67	6.39	5.52	5.52
2051	5.97	4.66	4.66	6.39	5.51	5.51
2052	5.96	4.66	4.66	6.40	5.50	5.50
2053	5.96	4.65	4.65	6.41	5.50	5.50
2054	5.97	4.64	4.64	6.42	5.49	5.49
2055	5.97	4.64	4.64	6.43	5.49	5.49
2056	5.98	4.63	4.63	6.45	5.48	5.48
2057	5.99	4.63	4.63	6.46	5.47	5.47
2058	6.00	4.62	4.62	6.47	5.47	5.47
2059	6.00	4.62	4.62	6.49	5.46	5.46
2060	6.01	4.61	4.61	6.50	5.46	5.46
2061	6.02	4.60	4.60	6.51	5.45	5.45
2062	6.03	4.60	4.60	6.53	5.44	5.44
2063	6.04	4.59	4.59	6.54	5.44	5.44
2064	6.04	4.59	4.59	6.55	5.43	5.43
2065	6.05	4.58	4.58	6.56	5.42	5.42
2066	6.06	4.57	4.57	6.57	5.42	5.42
2067	6.07	4.57	4.57	6.58	5.41	5.41
2068	6.07	4.56	4.56	6.59	5.41	5.41
2069	6.08	4.56	4.56	6.60	5.40	5.40
2070	6.09	4.55	4.55	6.61	5.39	5.39
2071	6.10	4.55	4.55	6.62	5.39	5.39
2072	6.10	4.54	4.54	6.63	5.38	5.38
2073	6.10	4.54	4.54	6.63	5.38	5.38
2074	6.10	4.53	4.53	6.63	5.37	5.37
2075	6.10	4.52	4.52	6.63	5.36	5.36
2076	6.09	4.52	4.52	6.62	5.36	5.36
2077	6.09	4.51	4.51	6.62	5.35	5.35
2078	6.08	4.51	4.51	6.61	5.35	5.35
2079	6.07	4.50	4.50	6.60	5.34	5.34
2080	6.07	4.50	4.50	6.60	5.34	5.34
2081	6.07	4.49	4.49	6.60	5.33	5.33
2082	6.07	4.49	4.49	6.60	5.33	5.33
2083	6.07	4.49	4.49	6.60	5.32	5.32
2084	6.08	4.48	4.48	6.61	5.32	5.32
2085	6.08	4.48	4.48	6.62	5.31	5.31
2086	6.09	4.48	4.48	6.63	5.31	5.31
2087	6.11	4.47	4.47	6.64	5.31	5.31
2088	6.12	4.47	4.47	6.66	5.30	5.30

Based on Intermediate Assumptions of the 2014 Trustees Report.

Office of the Chief Actuary  
Social Security Administration  
August 24, 2015

**Table 1d - Change in Long-Range Trust Fund Reserves / Unfunded Obligation**  
**S.1940, the "Safeguarding American Families and Expanding Social Security Act of 2015", introduced by Senator Schatz**

(Billions of Dollars, Present Value on 1-1-2014)

Year	Present Law OASDI Trust Fund Reserves / Unfunded Obligation Through End of Year	Changes in OASDI Income	Changes in OASDI Cost	Basic Changes in OASDI Cash Flow (4) = (2)-(3)	Total Change Through End of Year (5) = cumulative sum(4)	Proposal OASDI Trust Fund Reserves / Unfunded Obligation Through End of Year (6) = (1)+(5)
	(1)	(2)	(3)			(6) = (1)+(5)
2014	2,686.5	0.0	0.0	0.0	0.0	2,686.5
2015	2,622.1	0.0	0.0	0.0	0.0	2,622.1
2016	2,554.4	30.8	0.0	30.8	30.8	2,585.1
2017	2,485.9	63.9	1.7	62.3	93.0	2,578.9
2018	2,414.4	97.2	3.4	93.8	186.8	2,601.2
2019	2,333.7	129.4	5.2	124.3	311.1	2,644.8
2020	2,240.3	160.6	7.0	153.6	464.7	2,705.0
2021	2,135.5	163.0	8.9	154.1	618.8	2,754.3
2022	2,015.5	163.5	10.9	152.6	771.4	2,786.9
2023	1,877.7	163.3	13.1	150.1	921.5	2,799.2
2024	1,722.0	163.6	15.4	148.2	1,069.7	2,791.7
2025	1,549.3	163.5	17.8	145.7	1,215.4	2,764.8
2026	1,361.3	163.0	20.2	142.8	1,358.2	2,719.5
2027	1,159.7	161.9	22.6	139.3	1,497.5	2,657.2
2028	946.6	160.3	25.0	135.2	1,632.7	2,579.3
2029	724.2	158.4	27.4	131.0	1,763.7	2,487.9
2030	494.4	156.5	29.8	126.7	1,890.5	2,384.8
2031	258.8	154.7	32.2	122.5	2,013.0	2,271.8
2032	19.3	152.9	34.6	118.3	2,131.3	2,150.6
2033	-222.4	151.1	36.9	114.2	2,245.5	2,023.1
2034	-465.8	149.4	39.3	110.2	2,355.7	1,889.9
2035	-709.2	147.8	41.6	106.2	2,461.9	1,752.7
2036	-951.7	146.2	43.8	102.4	2,564.3	1,612.7
2037	-1,192.0	144.6	45.9	98.7	2,663.0	1,471.0
2038	-1,429.2	143.1	47.9	95.2	2,758.2	1,329.0
2039	-1,662.3	141.7	49.8	91.9	2,850.1	1,187.8
2040	-1,890.8	140.2	51.5	88.7	2,938.8	1,047.9
2041	-2,114.6	138.8	53.1	85.7	3,024.4	909.8
2042	-2,333.7	137.4	54.6	82.8	3,107.2	773.5
2043	-2,548.3	135.9	55.9	80.0	3,187.2	638.9
2044	-2,759.1	134.5	57.2	77.3	3,264.5	505.5
2045	-2,966.4	133.0	58.3	74.8	3,339.3	372.9
2046	-3,170.4	131.6	59.3	72.3	3,411.6	241.2
2047	-3,371.2	130.1	60.2	69.9	3,481.5	110.3
2048	-3,568.7	128.6	60.9	67.7	3,549.2	-19.5
2049	-3,763.2	127.2	61.6	65.6	3,614.8	-148.4
2050	-3,955.0	125.7	62.2	63.5	3,678.3	-276.7
2051	-4,144.6	124.2	62.7	61.6	3,739.9	-404.7
2052	-4,332.4	122.8	63.1	59.7	3,799.6	-532.9
2053	-4,518.9	121.3	63.4	57.9	3,857.4	-661.5
2054	-4,704.6	119.8	63.7	56.1	3,913.5	-791.1
2055	-4,889.6	118.3	64.0	54.4	3,967.9	-921.7
2056	-5,074.2	116.9	64.1	52.8	4,020.6	-1,053.6
2057	-5,258.5	115.4	64.2	51.2	4,071.8	-1,186.7
2058	-5,442.5	114.0	64.2	49.7	4,121.6	-1,321.0
2059	-5,626.1	112.5	64.2	48.3	4,169.9	-1,456.2
2060	-5,809.3	111.1	64.1	47.0	4,216.9	-1,592.4
2061	-5,992.1	109.7	63.9	45.8	4,262.8	-1,729.3
2062	-6,174.3	108.4	63.7	44.6	4,307.4	-1,866.9
2063	-6,356.0	107.0	63.5	43.6	4,351.0	-2,005.1
2064	-6,537.2	105.7	63.1	42.5	4,393.5	-2,143.7
2065	-6,717.8	104.3	62.8	41.5	4,435.0	-2,282.9
2066	-6,898.0	103.0	62.4	40.6	4,475.6	-2,422.5
2067	-7,077.8	101.7	62.1	39.7	4,515.2	-2,562.5
2068	-7,257.0	100.5	61.6	38.8	4,554.1	-2,702.9
2069	-7,435.7	99.2	61.2	38.0	4,592.1	-2,843.6
2070	-7,613.7	98.0	60.8	37.2	4,629.3	-2,984.4
2071	-7,791.0	96.8	60.3	36.5	4,665.8	-3,125.2
2072	-7,967.3	95.6	59.8	35.8	4,701.6	-3,265.6
2073	-8,142.2	94.4	59.3	35.2	4,736.8	-3,405.4
2074	-8,315.6	93.3	58.7	34.6	4,771.4	-3,544.3
2075	-8,487.3	92.1	58.1	34.0	4,805.3	-3,682.0
2076	-8,657.0	91.0	57.5	33.4	4,838.8	-3,818.3
2077	-8,824.7	89.9	56.9	32.9	4,871.7	-3,953.0
2078	-8,990.2	88.7	56.3	32.5	4,904.1	-4,086.0
2079	-9,153.5	87.6	55.7	32.0	4,936.1	-4,217.4
2080	-9,315.0	86.6	55.0	31.5	4,967.7	-4,347.4
2081	-9,474.8	85.5	54.4	31.1	4,998.7	-4,476.1
2082	-9,633.2	84.4	53.8	30.6	5,029.3	-4,603.9
2083	-9,790.5	83.4	53.2	30.1	5,059.5	-4,731.0
2084	-9,946.7	82.3	52.7	29.7	5,089.1	-4,857.6
2085	-10,102.3	81.3	52.1	29.2	5,118.3	-4,984.0
2086	-10,257.1	80.3	51.6	28.7	5,147.0	-5,110.1
2087	-10,411.4	79.2	51.0	28.2	5,175.2	-5,236.2
2088	-10,565.1	78.2	50.5	27.7	5,202.9	-5,362.3
Total 2014-2088		8,677.8	3,474.9	5,202.9		

Based on Intermediate Assumptions of the 2014 Trustees Report.

Ultimate Real Trust Fund Yield of 2.9%.

Office of the Chief Actuary  
 Social Security Administration  
 August 24, 2015