



SOCIAL SECURITY

MEMORANDUM

Date: September 10, 2003

Refer To: TCC

To: Stephen C. Goss, Chief Actuary

From: Chris Chaplain, Actuary
Alice H. Wade, Deputy Chief Actuary

Subject: Estimated Long-Range OASDI Financial Effect of a Proposal Developed by Representative Nick Smith--**INFORMATION**

This memorandum provides the estimated effect on the long-range OASDI financial status of a proposal developed by Representative Nick Smith. This proposal is closely related to the "Retirement Security Act" (H.R. 5734) which was introduced in the 107th Congress by Representative Nick Smith on November 14, 2002. Additional clarifications and modifications of H.R. 5734, which make up this proposal, were provided by Kurt Schmautz of Representative Smith's staff.

Proposal Summary

The proposal would (1) modify the OASDI benefit formula for most beneficiaries; (2) allow for voluntary investments through redirected payroll taxes in Personal Retirement Savings Accounts (PRSAs), which would reduce each participating worker's OASI benefits based on the value of the PRSA accumulated at a specified interest rate; and (3) transfer specified amounts from the General Fund of the Treasury to the OASDI Trust Funds in fiscal years 2007 through 2013.

This memorandum provides a detailed description of the provisions of the proposal and provides estimates of the financial effect due to changes in the OASDI program. Tables at the end of this memorandum present estimates of the financial operations of the combined Trust Funds of the Old-Age and Survivors Insurance (OASI) and the Disability Insurance (DI) programs, aggregate flows and accumulations for personal accounts, effects on annual Federal unified budget balances, and cash flows from the General Fund of the Treasury to the OASDI Trust Funds. Because participation in the PRSA program would be optional, estimates are presented in this memorandum for three different levels of participation--0 percent, 67 percent, and 100 percent.

Initial participation in the personal accounts would be expected to be below 100 percent because the benefit offset for participants would exceed the annuity distribution from the accumulation in a conservatively invested personal account (for example, an account invested solely in long-term U.S. Treasury bonds). Workers would be expected to understand that there is a substantial possibility that they might realize a net real annual rate on PRSA holdings that

is less than the rate used for benefit offset purposes (real rate provided by long-term Treasury bonds plus 0.7 percent). In this event, workers would receive lower total Social Security benefits and PRSA income, than they would have received from Social Security benefits without participation in the PRSA plan. Thus, we believe that 67 percent participation is the more likely scenario, especially in the near term. However, with the proposal's increasing reductions in the basic Social Security levels and the increasing portion of payroll taxes that can be redirected to the PRSA, even low yields on PRSAs will ultimately result in more retirement benefits for participants because offsets are limited by the size of the basic Social Security benefit.

Taken as a whole, the proposal would improve the long-range actuarial balance by an estimated 2.10 percent of taxable payroll for 100-percent participation in PRSAs, by an estimated 2.38 percent of taxable payroll for the 67-percent participation level, and by an estimated 3.80 percent of taxable payroll assuming no participation. In addition, all participation levels would be expected to result in sustainable solvency for the foreseeable future, as trust fund ratios are projected to be rising substantially at the end of the 75-year projection period.

Estimates of the long-range actuarial balance above indicate that participation in the PRSA results in lower levels of OASDI Trust Fund assets through the projection period. This results from the fact that PRSA contributions redirected from the trust funds to the PRSAs are followed by offsets against OASI benefits with some delay. If the PRSAs and the OASDI Trust Funds are viewed as components of a larger "total system", then total system assets would include both the trust fund and the PRSA assets. As described later in this memorandum, and shown in attached tables, expected total system assets are larger with PRSA participation (or more participation).

All estimates are based on the intermediate assumptions of the 2003 OASDI Trustees Report, as well as the additional assumptions noted in this memorandum.

Personal Retirement Savings Accounts (PRSAs)

Specification of PRSAs

For those workers choosing to participate in the PRSA program, initial contributions (redirected payroll taxes) would be deposited in an Interim Investment Fund (IIF). Each worker chooses from one of the three investment accounts available in the IIF. These accounts have differing portfolio allocations of common stocks and corporate bonds. The default investment account is invested 60 percent in common stock and 40 percent in corporate bonds and the other two accounts are invested 40 percent stocks/60 percent bonds and 80 percent stocks/20 percent bonds. Common stock investments would replicate some broad stock index (such as the Wilshire 5000), while corporate bond investments would be held in a portfolio containing "a diverse range of corporate bonds, taking into full account the opposing considerations of risk and maximizing return."

Once a worker's IIF account balance reaches \$2,500 in 2005 dollars (with such amount adjusted in subsequent years by the same cost of living adjustment used for Social Security benefits), the

worker can elect to have his account balance transferred into a PRSA. The PRSA offers a broad range of regulated investment-company mutual funds approved by the Secretary of the Treasury. Such mutual funds would be required to replicate a broad-based index of domestic stocks, domestic bonds (corporate or government), or foreign stocks, and would be determined "not to involve high risks to the investor".

Account contributions would be collected using the existing structure for collecting OASDI payroll tax contributions. In addition, account contributions in both the IIF and the PRSA would be managed by a central authority in a manner similar to that of the Federal Employee Thrift Savings Plan. The central authority would maintain individual account records and would make account transactions in aggregate amounts when dealing with the private investment firms.

While the IIF and PRSAs are distinct investment accounts, the proposal provisions with regard to distributions and Social Security benefit offset are the same. Therefore, we will use the term "PRSAs" throughout this memorandum to signify monies held in both the IIF and in PRSAs, unless specifically noted otherwise.

Level and Financing of Contributions to PRSA

For each worker choosing to participate, the proposal would redirect portions of OASDI payroll tax contributions into a PRSA. For years 2005 through 2025, 2.5 percent of each participating worker's taxable earnings (or 20.16 percent of the worker's combined employee, employer, and self-employment payroll taxes at present-law tax rates) would be redirected. For years 2026 through 2038, 2.75 percent of each participating worker's taxable earnings would be redirected. For years after 2038, the portion redirected would be determined with the intent that the balance left in the OASDI Trust Funds should trend stably toward 15 percent of the estimated annual expenditures (that is, a 15 percent "trust fund ratio"). However, no more than 8 percent of each participating worker's taxable earnings (or 64.52 percent of the combined employee, employer, and self-employment tax at present-law tax rates) can be redirected in any year after 2038. The portion of payroll tax redirected for each participating worker is intended to be stable or rising over time. In addition, certain low-earners who elect to participate in the PRSA could receive an additional credit (up to \$300) to their PRSA.

Redirected payroll taxes would be shared equally between married spouses. Any divorce would end future earnings sharing between the previously married couples.

Each participating worker (and spouse) can make additional voluntary cash contributions, beyond that of the redirected payroll taxes, up to \$2,000 yearly into the PRSAs. Workers can also transfer money into the PRSAs as specified rollover contributions from other designated trusts and from other eligible retirement plans.¹

¹ These plans are defined in Section 402(c)(8) of the Internal Revenue Code, and include individual retirement accounts (IRAs) and other retirement annuity plans defined in the Code.

PRSA Accumulations

PRSA portfolios are to be invested, both prior to retirement benefit entitlement and after benefit entitlement, in approved mutual funds. We assume that the aggregate investment portfolio of all PRSAs will on average be distributed in a manner about equivalent to 60 percent equities and 40 percent high-grade corporate bonds. This average assumed investment portfolio is somewhat more aggressive than for some other proposals because of the relatively high specified offset yield rate (see next section). An annual administrative expense charge of 30 basis points is assumed on average.

The long-term ultimate average real yield on stock investments made in the future is assumed to be 6.5 percent, the same as used for other proposals over the past year. This assumed equity yield is somewhat less than the 7-percent real yield that was assumed for the 1994-96 Advisory Council. This reduction in expected average yield is consistent with both (1) a growing consensus among economists that the market may value equities at somewhat higher average price-to-earnings ratios in the future based on broader access and a reduction in the perceived level of risk, and (2) the Trustees' increase in the assumed real yield on Treasury bonds from the level assumed in 1995.

The ultimate real yield on long-term high-grade corporate bonds is assumed to average 3.5 percent, or 0.5 percentage point higher than the 3.0 percent real yield for U.S. Government long-term securities assumed for the 2003 Trustees Report. This spread between corporate and U.S. Government bond yields is consistent with the spread experienced over the past 40 or 70 years, on average. It should be noted, however, the spread has been much smaller over the past 20 years. The expected ultimate average real portfolio yield for the base projection would thus be 5.00 percent, net of administrative expense,

$$(0.6*6.5\% + 0.4*3.5\% - 0.3\% = 5.0\%).$$

Account Distributions and Benefit Offset

Under the proposal, workers could take life annuities or periodic regulated distributions, but not lump sums, from their PRSAs starting as early as age 59 1/2. However, CPI-indexed life annuities are required to be purchased from the PRSA to the extent needed, so that monthly annuity payments, when added to the Social Security benefit, provide for total payments that are not less than the monthly poverty level amount for the applicable year. Any remaining PRSA balances may be used either to purchase life annuities or to make periodic scheduled withdrawals designed to last at least through the beneficiary's expected remaining life.

The proposal does not allow for distributions from the PRSAs in the event of disability. If the worker dies before OASI benefit entitlement, the proceeds of the PRSA go to the worker's estate, regardless of whether the worker is survived by a spouse.

For each PRSA holder, OASI benefits payable to such individual will be reduced according to a hypothetical account accumulation and annuity computation using a specified "offset yield rate." The offset yield rate for each year for this plan is the actual realized yield from long-term U.S. bonds (the intermediate assumptions of the OASDI Trustees Report would be used for future years) plus 0.7 percent.

The hypothetical account accumulation of an individual at entitlement to retired worker, aged spouse, or aged survivor benefits would be equal to the amount of contributions credited each year to that individual's PRSA from redirected payroll taxes (and from 1/2 of the low-earner additional credit of up to \$300), accumulated using the specified offset yield rate for each past year. The benefit offset for this individual would be computed as a CPI-indexed *single life annuity* purchased with this hypothetical accumulation. The offset annuity would be based on the expected future unisex mortality, inflation, and real interest rates used for the intermediate assumptions of the most recent OASDI Trustees Report.

If this hypothetical offset annuity exceeds the OASI benefit, then *no* Social Security benefits are paid. It should be emphasized that no benefit offset is computed or applied for benefits from the DI Trust Fund.

This provision provides a financial gain for workers who realize an actual net return on their PRSA amounts that is, on average, higher than the average offset rate. On the other hand, workers who realize an average net return that is lower than the offset rate can be disadvantaged by their participation in the PRSA, especially if the present value of expected OASI benefits exceeds the hypothetical accumulation of the PRSA amounts. In this scenario, a worker's combined PRSA and Social Security proceeds would be less than the Social Security benefit that would be payable without the PRSA participation.

Taxation of PRSAs and Distributions

Funds accumulate in the PRSAs (and in the IIF) on a tax-deferred basis. Workers also receive a Federal income tax deduction of 50 percent of their optional additional cash contributions of up to \$2,000 yearly.

Amounts actually distributed from PRSAs (excluding the amounts transferred into the PRSAs as specified rollover contributions from other designated trusts and from other eligible retirement plans) receive the same taxation treatment as Social Security benefits do under current law. Revenue from personal income tax on the distributions would be transferred to the OASI and HI Trust Funds in the same manner as for revenue from taxed OASDI benefits under current law. For workers who die before OASI entitlement, PRSA amounts that go to the estate of the deceased worker are not taxed.

Benefit Provisions

Adjustments to Benefit Formula with Specified Minimum Benefits

The provisions of this proposal would modify the benefit formula in several ways. First, the proposal provides for a new third bend point, to be set initially at about \$4,315 in 2004 (that is equal to about 116 percent of the second bend point). The 15-percent formula factor that initially would apply above the new third bend point would decline by 2 percentage points per year until reaching 5 percent in 2009. Second, the current law second bend point and the new third bend point described above would, starting for new eligibles in 2005 and later, be indexed by changes in the consumer price index rather than by changes in the Social Security average wage index. Third, starting with new eligibles in 2005, the proposal stipulates multiplying the 32-percent formula factor by 0.98 per year and the 15-percent by 0.975 per year. Additionally, the 5-percent factor, that applies to amounts over the new third bend point and is applicable to new eligibles in 2009 and later, is reduced by multiplying the factor by 0.975 per year for new eligibles starting in 2010. Ultimately, the combined effect of reducing the benefit formula factors and increasing the bend points more slowly than under current law would be to gradually move toward a flat Social Security benefit based on 90 percent of the average indexed monthly earnings (AIME) below the current-law first bend point (\$616 for individuals first eligible for benefits in 2004).

The proposal does provide limits on reductions in the PIA for workers currently near retirement age, near-term survivor benefits, and for most disabled workers. For example, retired workers born before 1943 (and survivor accounts where the death of the worker was before 2005) are not affected by the above benefit formula adjustments. Retired workers, who were born between 1943 and 1956 and have annual average indexed earnings less than \$25,000 in 2005 nominal dollars, cannot have their PIA reduced below the "Maximum Percentage Reduction in PIA" specified in the following table.

Maximum Percentage Reduction in PIA for Near-Term Retired Workers and Survivors Under a Proposal Developed by Representative Nick Smith

Eligibility Year ¹	Average Annual Career Earnings								
	5000	10000	15000	20000	21000	22000	23000	24000	25000
	AIME (in 2005 wage-indexed dollars)								
	417	833	1250	1667	1750	1833	1917	2000	2083
2005	0.0	0.0	0.0	0.0	1.0	2.0	3.0	4.0	5.0
2006	0.0	0.0	0.0	0.0	1.0	2.0	3.0	4.0	5.0
2007	1.0	1.0	1.0	1.0	2.0	3.0	4.0	5.0	6.0
2008	2.0	2.0	2.0	2.0	3.0	4.0	5.0	6.0	7.0
2009	3.0	3.0	3.0	3.0	4.0	5.0	6.0	7.0	8.0
2010	4.0	4.0	4.0	4.0	5.0	6.0	7.0	8.0	9.0
2011	5.0	5.0	5.0	5.0	6.0	7.0	8.0	9.0	10.0
2012	6.0	6.0	6.0	6.0	7.0	8.0	9.0	10.0	11.0
2013	7.0	7.0	7.0	7.0	8.0	9.0	10.0	11.0	12.0
2014	8.0	8.0	8.0	8.0	9.0	10.0	11.0	12.0	13.0
2015	9.0	9.0	9.0	9.0	10.0	11.0	12.0	13.0	14.0
2016	10.0	10.0	10.0	10.0	11.0	12.0	13.0	14.0	15.0
2017	11.0	11.0	11.0	11.0	12.0	13.0	14.0	15.0	16.0
2018	12.0	12.0	12.0	12.0	13.0	14.0	15.0	16.0	17.0

¹ In general, the eligibility year is the year of attainment of age 62 for retired worker benefits and the year of death of the deceased worker for survivor benefits.

The proposal contains two benefit "guarantees" for disability beneficiaries. For a disabled worker with an AIME below \$1,667 (in 2004 nominal dollars), the proposal would not change the benefit formula from current law. For a disabled worker with an AIME above \$1,667, the proposal stipulates a minimum benefit based on using an AIME of \$1,667 in the current-law benefit formula. The \$1,667 threshold would be indexed in years after 2004 to changes in SSA's average wage index. These benefit "guarantees" depend upon passage of Appropriation Acts by Congress that would provide reimbursement to the Disability Trust Fund for the cost of these guarantees. For the estimates in this memorandum, Appropriation Acts covering the cost of these guarantees are assumed to be passed in a timely manner.

Upon conversion from disability benefits to retirement benefits at normal retirement age (NRA), the proposal would compute benefits based on a weighted average computation of the prior disability benefit level and retirement-only benefit level. The weights in the weighted average computation would be based on the proportion of years during ages 22 through 61 in which the worker was disabled. For workers disabled at a relatively early age, their PIA upon attaining retirement age would be very close to the PIA they were receiving as a disability beneficiary just before retirement. For workers disabled close to normal retirement age, their

PIA upon attaining NRA would be closer to the retired worker PIA under the proposal without the disability benefit "guarantees."

The combined effect of these benefit-level provisions is an estimated improvement in the actuarial balance of 3.12 percent of taxable payroll.

Increase in Normal Retirement Age

The normal retirement age would be increased at the rate of two months per year for 2000 through 2011, when it would reach age 67 for persons attaining age 62 in 2011 (thus eliminating the hiatus under current law). After 2011, the normal retirement age would be increased one month every two years. The estimated long-range financial effect of this provision alone is an improvement in the actuarial balance of 0.64 percent of taxable payroll.

Cover All Newly Hired State and Local Government Employees

This provision would require that State and local government employees, newly hired in 2004 and later, be covered under the Social Security program beginning in 2005. This provision alone would improve the OASDI long-range actuarial balance by an estimated 0.20 percent of taxable payroll.

Increase Benefits for Widowed Individuals

This provision would provide a 10-percent increase in the benefits of individuals who are in a "widowed state" and receiving aged surviving spouse benefits or retired worker benefits. This provision is applicable to all qualifying "widowed" individuals receiving benefits in 2004 or later. The long-range OASDI actuarial balance would decrease by an estimated 0.31 percent of taxable payroll under this provision alone.

Accelerate the Delayed Retirement Credit (DRC)

Under current law, the delayed retirement credit gradually increases to a high of 8 percent per year, for workers attaining age 66 in 2009 or later. This provision would raise the current-law DRC to 8 percent per year for workers who attain normal retirement age after 2004. This provision alone is estimated to have a negligible effect on the OASDI actuarial balance--in this case, a decrease in the actuarial balance of less than 0.005 percent of taxable payroll.

Credit Up to 5 Child Care Dropout Years

Under this provision, workers could have up to 5 additional years excluded in determining their AIME, for years in which they lived substantially throughout the year with a child under the age of 13. In order to qualify for this provision, the year must be includable in the worker's

computation base years (without regard to this provision), and the worker must have no earnings for that year. Both parents could claim a dropout year for the same child in the same year. However, a year cannot be a child care dropout year if the number of benefit computation years falls below two. The provision is effective for computation base years 2004 and later; it is not retroactive to years before 2004. The long-range OASDI actuarial balance under this provision alone would decrease by an estimated 0.08 percent of taxable payroll.

Eliminate the Family Maximum for Disabled Children Aged 18 or Older

Under current law, disabled adult children aged 18 or older can qualify for OASDI benefits if they are children of an entitled retired worker, entitled disabled worker, or an otherwise eligible survivor of a deceased, insured worker. However, such benefits may be reduced if more than one dependent on an account exists because of the family maximum provision, which sets a maximum total benefit that can be paid from a given worker's account.

Under this provision, disabled children aged 18 or older would have their benefits computed without regard to the family maximum. The provision would apply with respect to benefits in 2004 and later. This provision alone would decrease the long-range OASDI actuarial balance by an estimated 0.01 percent of taxable payroll.

Additional Specified Transfers to and from the General Fund of the Treasury

Several provisions of this proposal call for additional specified or conditional transfers between the General Fund of the Treasury and the OASDI Trust Funds, as follows:

- Require transfers from the General Fund to the trust funds for fiscal years 2007 through 2013. Amounts indicated in the law are \$21 billion for 2007, \$47 billion for 2008, \$78 billion for 2009, \$106 billion for 2010, \$147 billion for 2011, \$184 billion for 2012, and \$283 billion for 2013.
- Subject to passage of Appropriation Act, provide annual reimbursements from the General Fund to the Disability Insurance Trust Fund for the cost increase resulting from establishing minimum benefit guarantees for disability beneficiaries. For the estimates provided in this memorandum, annual Appropriation Acts covering this additional cost are assumed to be passed in a timely manner. As stated earlier in the "Adjustments to Benefit Formula with Specified Minimum Benefits" section, individuals with AIMEs below \$1,667 (in 2004 dollars) would receive benefits based on the present-law benefit formula. In addition, individuals with AIMEs at \$1,667 or higher (in 2004 dollars) would receive no lower than the PIA computed using an AIME of \$1,667 (in 2004 dollars) in the present-law benefit formula.
- Provide for transfers from the trust funds to the General Fund in any year after 2018 where the annual aggregate amount of redirected payroll taxes to PRSAs is greater than 5 percent of Social Security taxable payroll, subject to certain conditions. The transfer amount would be (if positive): payroll tax revenues to the trust funds for the year (excluding amounts

redirected to PRSAs) minus 50 percent of projected benefits for the year minus 5 percent of taxable payroll. If this amount is negative, no transfers would occur. The total amounts transferred to the General Fund under this provision (in present value) are limited to the present value of the total transfers from the General Fund to the trust funds in years 2007 through 2013.

Annual Estimates of Trust Fund Operations, Estimated Effects on the Unified Budget Balance, and Cash Flow between the Trust Funds and the General Fund of the Treasury

Provided below are summarized descriptions of the attached tables, some of which have been referenced throughout this memorandum. For a more detailed description of tables 1 through 3d, please see our January 31, 2002 memorandum (pp. 21-26) on financial effects of the three models developed by the President's Commission to Strengthen Social Security. This memorandum is available on the Internet at

http://www.ssa.gov/OACT/solvency/PresComm_20020131.pdf.

The attached tables 1 through 3 provide projected OASDI financial effects of this proposal under each of the following three different assumed participation levels:

- 0-percent worker participation in the PRSA program (tables 1, 1a, 1b, and 1c),
- 67-percent worker participation in the PRSA program (tables 2, 2a, 2b, and 2c), and
- 100-percent worker participation in the PRSA program (tables 3, 3a, 3b, and 3c).

Estimates for the basic provisions (0-percent participation) represent the aggregate financial effects assuming no voluntary participation in personal accounts. Estimates presented for 67-percent participation are based on the assumption that two-thirds of all potential personal account contributions are made by two-thirds of the workers at every level of earnings. If more than two-thirds of high earners participated and less than two-thirds of the remaining earners participated, results would be different. Due to the nature of the personal account contributions and the benefit offset provisions, aggregate financial estimates are sensitive to the precise distribution of participation rates by earnings level. As discussed in the "Proposal Summary" section, we believe that 67 percent participation in personal accounts is the more likely scenario.

OASDI Trust Fund Operations

Table A provides a brief description of the plan provisions and provides estimates of the effect of each provision, as well as the effect of all provisions combined, on the long-range actuarial balance assuming a 100-percent participation level. Table B provides similar information assuming a 67-percent participation rate. Tables A and B show that for the basic provisions (0-percent participation), the combined effect of enacting the benefit provisions would improve the long-range OASDI actuarial balance by an estimated 3.80 percent of taxable payroll. In addition, table A shows that the long-range OASDI actuarial balance under the proposal, assuming 100-percent worker participation, would improve by an estimated 2.10 percent of taxable payroll. Table B, assuming 67-percent worker participation, displays that the long-range actuarial balance would improve by an estimated 2.38 percent of taxable payroll.

Tables 1, 2, and 3 show estimated annual and summarized income rates, cost rates, and balances under the proposal assuming the different participation levels. In addition, the tables show the trust fund ratio for each year, as well as changes in contribution rates to the OASDI Trust Funds.

Additional Aggregate Values for Trust Funds and Personal Accounts

Tables 1a, 2a, and 3a show estimated trust fund balances at the end of each year under current law and under the proposal. The "IA/Annuity Assets EOY" column shows the total PRSA and annuity account assets at the end of each year, assuming that the accounts accumulate at the assumed average net yield rate (5.00 percent real). The final two columns show aggregate PRSA contributions and disbursements for each year. All of these amounts appear on a present value basis as of January 1, 2003.

Annual dollar flows and accumulations of the personal accounts are presented in the last three columns of these tables. These estimates are based on very specific assumptions that all personal account assets are converted to CPI-indexed life annuities at retirement (see description in the section on assumptions above). In practice, many individuals would likely annuitize only part of their personal account accumulation so estimated annuity assets are overstated to some degree. Total personal account and annuity assets (referred to as "IA/Annuity Assets EOY" in the tables) include both the assets of personal accounts held prior to retirement, and the assets held by the annuity provider after retirement. If the personal accounts are considered as a part of "Social Security", it is reasonable to combine the amounts of trust fund assets and personal accounts for a representation of total system assets.

The first three columns of tables 2a1 and 3a1 display the total PRSA and annuity account assets, annual PRSA contributions, and annual PRSA disbursements that are shown in tables 2a and 3a, respectively. The amounts listed in these three columns are used in determining estimates of income from taxation of benefits. For the accumulation phase of the individual accounts, workers are assumed to maintain PRSAs that would have an average distribution of 60 percent in equities and 40 percent in corporate bonds. Based on the rates of return assumed for stocks and bonds, this implies an average annual real yield rate of 5.0 percent, after deducting 0.3 percent assumed for administrative expense. During the distribution or annuity phase, the net real yield is assumed to be the same as long-term U.S. Treasury bonds (3 percent).

Due to the large degree of uncertainty associated with both the average portfolio distribution and future returns on equity and corporate bonds, tables 2a1 and 3a1 display estimates of individual account assets for two alternative variations on the expected account yield during the accumulation phase. The **low yield** reflects an account yield equal to the assumed real return on long-term government bonds (3 percent), less the administration expense factor both before and after annuitization. This illustration is consistent with assuming that individuals will:

- Invest more conservatively (100 percent in Treasury bonds),
- Realize lower-than-expected returns on account assets (by 2.3 percentage points), or
- View accounts on a "risk-adjusted" basis where all assets are assumed to have an ultimate real risk-adjusted return of 3 percent.

The second variation of the yield assumption is referred to as **high yield** and is consistent with assuming that individuals will:

- Invest more heavily in equity (70 percent rather than 60 percent) and less in bonds, or
- Realize higher-than-expected returns on account assets (0.3 percentage point higher on all assets or 0.5 percentage point higher on equities for an ultimate real equity yield of 7 percent).

For the second variation, the net real yield during the distribution or annuity phase is assumed to be the same as long-term U.S. Treasury bonds (3 percent).

Effects on Annual Federal Unified Budget Balances

Tables 1b, 2b, and 3b provide a rough estimate of the effects of the proposal on the annual Federal unified budget balance for each calendar year through 2078. All amounts in this table appear in constant 2003 dollars (that is, dollar amounts that are indexed back to 2003 based on the consumer price index (CPI)). The first three columns in these tables include sources of changes to the unified budget balance, as follows:

- Annual aggregate OASDI payroll taxes plus credits for low-earners funded by General Fund transfers that are redirected to PRSAs -- these amounts result in a reduction to the unified budget balance because the monies go into personal accounts;
- Estimated annual amounts of OASDI benefit offset based on hypothetical accumulations of earlier deposits to personal accounts (including accumulations of half of the credits for low-earners)-- an increase to the unified budget balance because these proceeds reduce Social Security benefit payments; and
- Other changes in OASDI cash flow (as compared to present law) from the other benefit provisions (but not from transfers between the General Fund and the Trust Fund).

The last three columns present the aggregate effects on the unified budget:

- Change in the annual unified budget cash flow, which is simply the sum of the sources of unified budget balance changes identified above;
- Change in debt held by the public, as of the end of each year, which represents the cumulative change in the unified budget cash flows, with interest (at the assumed rates earned by the Trust Funds); and
- Change in annual unified budget balance, which includes changes in both unified budget cash flow and in interest on the publicly held debt.

These unified-budget estimates are based on the intermediate assumptions of the 2003 Trustees Report, including the trust-fund interest assumption, and thus are not consistent with projections made by CBO and OMB (which use different assumptions). However, differences in payroll and benefit estimates are not large during the first 10 projection years so these values can be viewed as very rough approximations of the magnitude of effects on the unified budget balances through this period.

Annual Cash Flows from the General Fund of the Treasury to the OASDI Trust Fund

A fourth set of tables (tables 1c, 2c, and 3c) provide the estimated annual net cash flow from the General Fund of the Treasury to the OASDI Trust Funds. All values in these tables are expressed in constant 2003 dollars (i.e., dollar amounts that are indexed back to 2003 based on the CPI).

For comparison purposes, cash flow estimates are provided in tables 1c, 2c, and 3c for three different cases:

- The proposal described in this memorandum, including the General Fund transfers in 2007 through 2013 as well as General Fund reimbursement to protect current-law disability benefits in some cases, as discussed earlier;
- Present Law OASDI modified to allow borrowing from the General Fund to pay scheduled benefits; and
- Present Law OASDI where only benefits payable with current financing provisions are paid (no General Fund borrowing).

For each of these cases, three columns are provided. The first column shows estimates of the amount of borrowing needed from the General Fund to pay benefits or estimates of the amount of transfers from the General Fund as appropriate to the plan. The second column is the estimated total net cash flow from the General Fund to the Trust Funds under the plan, including transfers and borrowing. The third column is the total net cash flow for years starting with 2003 through the end of the given year, including accumulated interest cash flows for the period.

/s/

Chris Chaplain

/s/

Alice H. Wade

Attachments

Table A--Estimated Long-Range OASDI Financial Effect of a Proposal Developed by
 Representative Nick Smith
 (Assumes 100% worker participation in establishing Personal Retirement Savings Accounts)

<u>Provision</u>	<u>Estimated Change in Long-Range OASDI Actuarial Balance ^{1/} (as a percent of payroll)</u>
Raise the normal retirement age by two months per year for those age 62 through 2011, then increase by one month every two years thereafter.....	0.64
Provide a third bend point in 2004 with a factor declining 2 percentage points per year until reaching 5 percent in 2009; index the second and third bend points by the CPI, and gradually phase down the 32, 15 and 5 percent factors. Limit reduction for older OASI workers and near term survivor benefits. Provide for no change from present law for lower-earner disability cases and a minimum benefit for higher-earner disability cases	3.12
Reimburse the DI Trust Fund annually for additional payments resulting from guaranteeing present-law benefits for lower earner disabled workers and a specified minimum benefit for higher-earner disabled workers.....	0.10
Transfer the following amounts from the Treasury to the OASDI Trust Funds in fiscal years 2007-2013: \$21 billion in 2007, \$47 billion in 2008, \$78 billion in 2009, \$106 billion in 2010, \$147 billion in 2011, \$184 billion in 2012, and \$283 billion in 2013.....	0.26
Beginning in 2005, cover state and local government employees newly hired in 2004 or later.....	0.20
Increase benefit payable to all widowed individuals by 10 percent beginning in 2004.....	-0.31
Set the delayed retirement credit to 8 percent for all months after 2004	<u>2/</u>
Provide up to 5 child care dropout years for workers with no earnings who are living with a child under age 13--effective for computation base years after 2004.....	-0.08
Beginning in 2003, eliminate the family maximum for disabled children aged 18 or older.....	<u>-0.01</u>
Subtotal, benefit provisions (including interaction)	3.80
Establish personal retirement savings accounts and specific General Fund transfers:	
• Redirect 2.5 percentage points of taxable payroll in 2005-25, 2.75 percentage points in 2026-2038. After 2038, redirect OASDI income in excess of the amount needed to cover annual program costs and maintain a minimal contingency reserve in the trust funds (15% trust fund ratio)	
• Reduce OASI benefit levels by the value of PRSA contributions accumulated at an assumed annual rate of the yield on trust fund assets plus 0.7 percentage points.	<u>-1.70</u>
Total for proposal	2.10

Note: All estimates are based on the intermediate assumptions of the 2003 OASDI Trustees Report.

^{1/} Totals for individual provisions exclude interaction.

^{2/} Decrease in actuarial balance that is negligible, i.e., less than 0.005 percent of taxable payroll.

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Table B--Estimated Long-Range OASDI Financial Effect of a Proposal Developed by
 Representative Nick Smith
 (Assumes 67% worker participation in establishing Personal Retirement Savings Accounts)

<u>Provision</u>	<u>Estimated Change in Long-Range OASDI Actuarial Balance ^{1/} (as a percent of payroll)</u>
Raise the normal retirement age by two months per year for those age 62 through 2011, then increase by one month every two years thereafter.....	0.64
Provide a third bend point in 2004 with a factor declining 2 percentage points per year until reaching 5 percent in 2009; index the second and third bend points by the CPI, and gradually phase down the 32, 15 and 5 percent factors. Limit reduction for older OASI workers and near term survivor benefits. Provide for no change from present law for lower-earner disability cases and a minimum benefit for higher-earner disability cases	3.12
Reimburse the DI Trust Fund annually for additional payments resulting from guaranteeing present-law benefits for lower earner disabled workers and a specified minimum benefit for higher-earner disabled workers.....	0.10
Transfer the following amounts from the Treasury to the OASDI Trust Funds in fiscal years 2007-2013: \$21 billion in 2007, \$47 billion in 2008, \$78 billion in 2009, \$106 billion in 2010, \$147 billion in 2011, \$184 billion in 2012, and \$283 billion in 2013.....	0.26
Beginning in 2005, cover state and local government employees newly hired in 2004 or later.....	0.20
Increase benefit payable to all widowed individuals by 10 percent beginning in 2004.....	-0.31
Set the delayed retirement credit to 8 percent for all months after 2004	<u>2/</u>
Provide up to 5 child care dropout years for workers with no earnings who are living with a child under age 13--effective for computation base years after 2004.....	-0.08
Beginning in 2003, eliminate the family maximum for disabled children aged 18 or older.....	<u>-0.01</u>
Subtotal, benefit provisions (including interaction)	3.80
Establish personal retirement savings accounts and specific General Fund transfers:	
• Redirect 2.5 percentage points of taxable payroll in 2005-25, 2.75 percentage points in 2026-2038. After 2038, redirect OASDI income in excess of the amount needed to cover annual program costs and maintain a minimal contingency reserve in the trust funds (15% trust fund ratio)	
• Reduce OASI benefit levels by the value of PRSA contributions accumulated at an assumed annual rate of the yield on trust fund assets plus 0.7 percentage points	<u>-1.42</u>
Total for proposal	2.38

Note: All estimates are based on the intermediate assumptions of the 2003 OASDI Trustees Report.

^{1/} Totals for individual provisions exclude interaction.

^{2/} Decrease in actuarial balance that is negligible, i.e., less than 0.005 percent of taxable payroll.

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Table 1--Financial Effects of the Representative Nick Smith Proposal--Basic Plan

PRSA proceeds go to estate if worker dies before entitlement										
Ultimate Real Trust Fund Interest Rate				3.00						
Ultimate Real PRSA Rate for Offset				3.70		Assumed PRSA Participation Rate		0%		
Year	OASDI			TFR 1-1-yr	Marginal Change in OASDI Contribution Rate			Net OASDI Contribution Rate 1/ Trust Funds	Average IA Contribution Rate	
	Cost Rate	Income Rate	Annual Balance		Total	Redirection to PRSAs	Reimbursement for Minimum DI Benefits			Specified General Fund Transfers
2003	10.90	12.71	1.80	288	0.000			12.40		
2004	10.83	12.69	1.86	309				12.40	0.00	
2005	10.99	12.72	1.72	320	0.005			12.40	0.00	
2006	10.85	12.83	1.98	340	0.112		0.005	12.52	0.00	
2007	10.80	13.25	2.45	361	0.409		0.003	0.405	12.93	0.00
2008	10.80	13.71	2.91	386	0.450		-0.002	0.453	13.38	0.00
2009	10.83	14.18	3.35	414	0.456		-0.002	0.458	13.83	0.00
2010	10.87	14.62	3.75	446	0.428		-0.001	0.429	14.26	0.00
2011	10.93	15.17	4.25	482	0.520		0.000	0.520	14.78	0.00
2012	11.01	15.84	4.84	522	0.653		0.000	0.653	15.43	0.00
2013	11.11	15.77	4.66	566	-0.088		0.000	-0.088	15.35	0.00
2014	11.22	12.85	1.62	608	-2.933		-0.001	-2.932	12.41	0.00
2015	11.35	12.86	1.51	623	0.000		0.000		12.41	0.00
2016	11.50	12.87	1.37	636	0.000		0.000		12.41	0.00
2017	11.66	12.88	1.22	648	0.001		0.001		12.41	0.00
2018	11.84	12.90	1.06	657	0.001		0.001		12.41	0.00
2019	12.01	12.91	0.90	666	0.001		0.001		12.42	0.00
2020	12.19	12.93	0.73	673	0.001		0.001		12.42	0.00
2021	12.39	12.94	0.55	677	0.002		0.002		12.42	0.00
2022	12.57	12.96	0.39	682	0.002		0.002		12.42	0.00
2023	12.72	12.97	0.25	687	0.002		0.002		12.42	0.00
2024	12.86	12.98	0.12	692	0.002		0.002		12.42	0.00
2025	12.99	13.00	0.00	696	0.003		0.003		12.43	0.00
2026	13.10	13.01	-0.09	701	0.003		0.003		12.43	0.00
2027	13.20	13.02	-0.18	705	0.003		0.003		12.43	0.00
2028	13.28	13.03	-0.25	710	0.003		0.003		12.44	0.00
2029	13.34	13.04	-0.30	715	0.003		0.003		12.44	0.00
2030	13.39	13.05	-0.34	721	0.003		0.003		12.44	0.00
2031	13.41	13.06	-0.35	728	0.003		0.003		12.45	0.00
2032	13.40	13.07	-0.34	736	0.003		0.003		12.45	0.00
2033	13.37	13.07	-0.30	746	0.003		0.003		12.45	0.00
2034	13.33	13.08	-0.26	758	0.004		0.004		12.46	0.00
2035	13.29	13.08	-0.21	770	0.004		0.004		12.46	0.00
2036	13.23	13.08	-0.15	783	0.004		0.004		12.46	0.00
2037	13.16	13.09	-0.07	798	0.004		0.004		12.47	0.00
2038	13.08	13.09	0.01	815	0.004		0.004		12.47	0.00
2039	12.99	13.09	0.10	833	0.005		0.005		12.48	0.00
2040	12.91	13.09	0.19	852	0.005		0.005		12.48	0.00
2041	12.82	13.10	0.28	873	0.005		0.005		12.49	0.00
2042	12.73	13.10	0.37	896	0.005		0.005		12.49	0.00
2043	12.63	13.10	0.47	920	0.006		0.006		12.50	0.00
2044	12.54	13.10	0.56	945	0.006		0.006		12.50	0.00
2045	12.47	13.11	0.64	971	0.007		0.007		12.51	0.00
2046	12.39	13.11	0.73	998	0.007		0.007		12.52	0.00
2047	12.31	13.12	0.81	1,027	0.008		0.008		12.53	0.00
2048	12.23	13.12	0.89	1,057	0.008		0.008		12.53	0.00
2049	12.16	13.13	0.97	1,088	0.009		0.009		12.54	0.00
2050	12.09	13.14	1.04	1,120	0.010		0.010		12.55	0.00
2051	12.03	13.14	1.11	1,153	0.010		0.010		12.56	0.00
2052	11.98	13.15	1.18	1,186	0.011		0.011		12.57	0.00
2053	11.92	13.16	1.24	1,221	0.011		0.011		12.58	0.00
2054	11.87	13.17	1.30	1,257	0.011		0.011		12.60	0.00
2055	11.82	13.18	1.36	1,294	0.012		0.012		12.61	0.00
2056	11.77	13.19	1.42	1,332	0.012		0.012		12.62	0.00
2057	11.73	13.20	1.47	1,372	0.012		0.012		12.63	0.00
2058	11.68	13.21	1.53	1,413	0.012		0.012		12.64	0.00
2059	11.62	13.22	1.60	1,456	0.012		0.012		12.65	0.00
2060	11.57	13.23	1.66	1,500	0.012		0.012		12.67	0.00
2061	11.52	13.24	1.72	1,546	0.012		0.012		12.68	0.00
2062	11.47	13.25	1.78	1,594	0.012		0.012		12.69	0.00
2063	11.42	13.26	1.84	1,642	0.012		0.012		12.70	0.00
2064	11.37	13.27	1.90	1,692	0.013		0.013		12.72	0.00
2065	11.33	13.28	1.95	1,744	0.013		0.013		12.73	0.00
2066	11.28	13.29	2.01	1,797	0.013		0.013		12.74	0.00
2067	11.24	13.30	2.06	1,852	0.012		0.012		12.75	0.00
2068	11.20	13.31	2.11	1,908	0.012		0.012		12.77	0.00
2069	11.16	13.32	2.16	1,965	0.012		0.012		12.78	0.00
2070	11.14	13.33	2.19	2,021	0.011		0.011		12.79	0.00
2071	11.12	13.34	2.22	2,079	0.011		0.011		12.80	0.00
2072	11.10	13.35	2.25	2,138	0.011		0.011		12.81	0.00
2073	11.08	13.36	2.28	2,198	0.011		0.011		12.82	0.00
2074	11.06	13.37	2.31	2,260	0.010		0.010		12.83	0.00
2075	11.04	13.38	2.34	2,323	0.010		0.010		12.84	0.00
2076	11.02	13.39	2.37	2,388	0.010		0.010		12.85	0.00
2077	11.00	13.40	2.40	2,454	0.010		0.010		12.86	0.00
2078	10.98	13.41	2.42	2,522	0.009		0.009		12.87	0.00
Summarized										
	Cost	Income	Actuarial		Change in					
2003	Rate	Rate	Balance		Actuarial Balance					
2077	12.05	13.93	1.89		3.80					

Based on Intermediate Assumptions of the 2003 Trustees Report.

1/ Includes payroll tax contributions plus reimbursement for minimum DI benefits plus specified General Fund transfers.

Office of the Chief Actuary
Social Security Administration
September 9, 2003

Table 1a--Trust Fund Asset Comparison and PRSA Information for the Representative Nick Smith Proposal

		IA proceeds go to estate if worker dies before entitlement				
Ultimate Real Trust Fund Interest Rate		3.00				
Ultimate Real PRSA Rate for Offset		3.70		Assumed PRSA Participation Rate	0%	
Year	Present Law Trust Fund Assets, End of Year	Proposal Trust Fund Assets, End of Year	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year 1/	
(In Billions of Present Value Dollars as of 1/1/2003)						
2003	1,453	1,453				
2004	1,529	1,528	0	0.0		0.0
2005	1,611	1,600	0	0.0		0.0
2006	1,695	1,682	0	0.0		0.0
2007	1,779	1,783	0	0.0		0.0
2008	1,861	1,903	0	0.0		0.0
2009	1,937	2,039	0	0.0		0.0
2010	2,007	2,189	0	0.0		0.0
2011	2,071	2,358	0	0.0		0.0
2012	2,128	2,548	0	0.0		0.0
2013	2,174	2,729	0	0.0		0.0
2014	2,211	2,792	0	0.0		0.0
2015	2,237	2,850	0	0.0		0.0
2016	2,251	2,901	0	0.0		0.0
2017	2,254	2,946	0	0.0		0.0
2018	2,245	2,985	0	0.0		0.0
2019	2,224	3,018	0	0.0		0.0
2020	2,191	3,044	0	0.0		0.0
2021	2,147	3,063	0	0.0		0.0
2022	2,092	3,076	0	0.0		0.0
2023	2,027	3,085	0	0.0		0.0
2024	1,954	3,089	0	0.0		0.0
2025	1,873	3,089	0	0.0		0.0
2026	1,785	3,085	0	0.0		0.0
2027	1,690	3,080	0	0.0		0.0
2028	1,589	3,072	0	0.0		0.0
2029	1,483	3,062	0	0.0		0.0
2030	1,372	3,052	0	0.0		0.0
2031	1,259	3,041	0	0.0		0.0
2032	1,144	3,031	0	0.0		0.0
2033	1,026	3,022	0	0.0		0.0
2034	908	3,014	0	0.0		0.0
2035	789	3,008	0	0.0		0.0
2036	671	3,004	0	0.0		0.0
2037	552	3,002	0	0.0		0.0
2038	435	3,002	0	0.0		0.0
2039	319	3,005	0	0.0		0.0
2040	204	3,010	0	0.0		0.0
2041	91	3,017	0	0.0		0.0
2042	----	3,026	0	0.0		0.0
2043	----	3,038	0	0.0		0.0
2044	----	3,052	0	0.0		0.0
2045	----	3,068	0	0.0		0.0
2046	----	3,085	0	0.0		0.0
2047	----	3,104	0	0.0		0.0
2048	----	3,125	0	0.0		0.0
2049	----	3,147	0	0.0		0.0
2050	----	3,171	0	0.0		0.0
2051	----	3,195	0	0.0		0.0
2052	----	3,221	0	0.0		0.0
2053	----	3,247	0	0.0		0.0
2054	----	3,275	0	0.0		0.0
2055	----	3,303	0	0.0		0.0
2056	----	3,332	0	0.0		0.0
2057	----	3,361	0	0.0		0.0
2058	----	3,392	0	0.0		0.0
2059	----	3,423	0	0.0		0.0
2060	----	3,454	0	0.0		0.0
2061	----	3,487	0	0.0		0.0
2062	----	3,520	0	0.0		0.0
2063	----	3,553	0	0.0		0.0
2064	----	3,587	0	0.0		0.0
2065	----	3,621	0	0.0		0.0
2066	----	3,656	0	0.0		0.0
2067	----	3,691	0	0.0		0.0
2068	----	3,727	0	0.0		0.0
2069	----	3,762	0	0.0		0.0
2070	----	3,798	0	0.0		0.0
2071	----	3,833	0	0.0		0.0
2072	----	3,868	0	0.0		0.0
2073	----	3,903	0	0.0		0.0
2074	----	3,938	0	0.0		0.0
2075	----	3,973	0	0.0		0.0
2076	----	4,008	0	0.0		0.0
2077	----	4,042	0	0.0		0.0

Based on Intermediate Assumptions of the 2003 Trustees Report.
 1/ Excludes proceeds of PRSAs that go to the worker's estate if the worker dies before entitlement.

Table 1b--PRSA Contributions, Offsets to OASDI Trust Funds from PRSAs, and Budget Effects

IA proceeds go to estate if worker dies before entitlement						
	Ultimate Real Trust Fund Interest Rate		3.00			
	Ultimate Real PRSA Rate for Offset		3.70		Assumed PRSA Participation Rate	0%
Year	Contributions to PRSA by Federal Government Based on Earnings	Offsets to OASDI Trust Funds from PRSAs	Other Changes in OASDI Cash Flow ^{1/}	Change in Annual Unified Budget Cash Flow	Change in Debt Held by Public (end of year)	Change in Annual Unified Budget Balance
(In Billions of Constant 2003 Dollars)						
2004	0.0	0.0	-0.7	-0.7	0.7	-0.7
2005	0.0	0.0	-11.2	-11.2	12.3	-11.6
2006	0.0	0.0	-8.4	-8.4	21.3	-9.4
2007	0.0	0.0	-5.5	-5.5	27.6	-6.9
2008	0.0	0.0	-2.3	-2.3	30.8	-4.1
2009	0.0	0.0	1.8	1.8	30.0	0.0
2010	0.0	0.0	7.0	7.0	23.7	5.4
2011	0.0	0.0	13.3	13.3	10.7	12.3
2012	0.0	0.0	20.5	20.5	-10.1	20.5
2013	0.0	0.0	28.6	28.6	-39.9	30.1
2014	0.0	0.0	37.3	37.3	-79.5	40.8
2015	0.0	0.0	46.5	46.5	-129.9	52.7
2016	0.0	0.0	56.4	56.4	-191.9	65.8
2017	0.0	0.0	66.9	66.9	-266.6	80.2
2018	0.0	0.0	77.9	77.9	-354.8	96.0
2019	0.0	0.0	89.2	89.2	-457.2	112.8
2020	0.0	0.0	100.8	100.8	-574.8	130.8
2021	0.0	0.0	112.7	112.7	-708.1	150.1
2022	0.0	0.0	124.7	124.7	-857.8	170.3
2023	0.0	0.0	136.7	136.7	-1,024.3	191.5
2024	0.0	0.0	149.2	149.2	-1,208.7	214.2
2025	0.0	0.0	161.7	161.7	-1,411.5	238.0
2026	0.0	0.0	174.8	174.8	-1,633.9	263.5
2027	0.0	0.0	188.5	188.5	-1,877.1	290.8
2028	0.0	0.0	202.4	202.4	-2,141.9	319.4
2029	0.0	0.0	215.9	215.9	-2,428.5	349.0
2030	0.0	0.0	229.2	229.2	-2,737.4	379.6
2031	0.0	0.0	243.3	243.3	-3,070.1	412.4
2032	0.0	0.0	257.7	257.7	-3,427.6	446.9
2033	0.0	0.0	272.3	272.3	-3,810.9	483.1
2034	0.0	0.0	286.6	286.6	-4,220.5	520.6
2035	0.0	0.0	300.2	300.2	-4,656.3	558.7
2036	0.0	0.0	313.9	313.9	-5,119.3	598.7
2037	0.0	0.0	327.7	327.7	-5,610.5	640.3
2038	0.0	0.0	341.6	341.6	-6,130.6	683.6
2039	0.0	0.0	355.4	355.4	-6,680.6	728.6
2040	0.0	0.0	368.5	368.5	-7,260.6	774.6
2041	0.0	0.0	382.6	382.6	-7,872.6	823.4
2042	0.0	0.0	397.3	397.3	-8,517.9	874.7
2043	0.0	0.0	412.5	412.5	-9,198.3	928.5
2044	0.0	0.0	428.3	428.3	-9,915.4	985.0
2045	0.0	0.0	443.8	443.8	-10,670.0	1,043.4
2046	0.0	0.0	460.5	460.5	-11,464.4	1,105.2
2047	0.0	0.0	477.7	477.7	-12,300.4	1,169.9
2048	0.0	0.0	495.3	495.3	-13,179.6	1,237.5
2049	0.0	0.0	513.5	513.5	-14,103.9	1,308.1
2050	0.0	0.0	531.5	531.5	-15,074.5	1,381.4
2051	0.0	0.0	550.3	550.3	-16,093.5	1,458.1
2052	0.0	0.0	569.4	569.4	-17,162.8	1,538.1
2053	0.0	0.0	588.8	588.8	-18,284.2	1,621.3
2054	0.0	0.0	608.5	608.5	-19,459.4	1,707.8
2055	0.0	0.0	628.1	628.1	-20,690.1	1,797.5
2056	0.0	0.0	647.8	647.8	-21,978.0	1,890.5
2057	0.0	0.0	667.6	667.6	-23,325.0	1,987.1
2058	0.0	0.0	687.4	687.4	-24,732.7	2,087.1
2059	0.0	0.0	707.2	707.2	-26,203.2	2,190.8
2060	0.0	0.0	727.1	727.1	-27,738.2	2,298.2
2061	0.0	0.0	747.2	747.2	-29,340.0	2,409.7
2062	0.0	0.0	767.6	767.6	-31,010.8	2,525.4
2063	0.0	0.0	788.5	788.5	-32,753.3	2,645.7
2064	0.0	0.0	809.6	809.6	-34,569.7	2,770.4
2065	0.0	0.0	831.2	831.2	-36,462.9	2,900.1
2066	0.0	0.0	853.1	853.1	-38,435.5	3,034.6
2067	0.0	0.0	875.4	875.4	-40,490.2	3,174.3
2068	0.0	0.0	898.3	898.3	-42,630.2	3,319.3
2069	0.0	0.0	921.6	921.6	-44,858.4	3,469.8
2070	0.0	0.0	943.3	943.3	-47,175.7	3,623.9
2071	0.0	0.0	965.2	965.2	-49,585.2	3,783.5
2072	0.0	0.0	987.5	987.5	-52,089.8	3,948.9
2073	0.0	0.0	1,010.0	1,010.0	-54,692.8	4,120.1
2074	0.0	0.0	1,032.9	1,032.9	-57,397.4	4,297.6
2075	0.0	0.0	1,056.0	1,056.0	-60,207.0	4,481.4
2076	0.0	0.0	1,079.4	1,079.4	-63,125.0	4,671.6
2077	0.0	0.0	1,103.1	1,103.1	-66,155.0	4,868.5
2078	0.0	0.0	1,127.0	1,127.0	-69,300.4	5,072.3

^{1/} Excluding the effect of general fund transfers to the Trust Funds, which do not affect the unified budget. Based on Intermediate Assumptions of the 2003 Trustees Report.

Table 1c--Cash Flow from the General Fund of the Treasury to the OASDI Trust Funds--Constant 2003 Dollars 1/

		IA proceeds go to estate if worker dies before entitlement					Assumed PRSA Participation Rate		
Ultimate Real Trust Fund Interest Rate		3.00					0%		
Ultimate Real PRSA Rate for Offset		3.70							
Year	Estimate for Nick Smith Proposal			Estimate for Modified Present Law with Borrowing to Pay Scheduled Benefits			Estimate for Present Law with Only Payable Benefits		
	Additional General Fund Transfers 2/ <i>(billions of Constant 2003\$)</i>	Cash Flow from General Fund to Trust Funds	Total to End Of Year with Interest	Borrowing Needed In Year 3/ <i>(billions of Constant 2003\$)</i>	Net Annual Cash Flow from General Fund	Total to End Of Year with Interest	Borrowing Needed In Year 3/ <i>(billions of Constant 2003\$)</i>	Net Annual Cash Flow from General Fund	Total to End Of Year with Interest
2003	0	-79	-82	0	-79	-82	0	-79	-82
2004	0	-84	-171	0	-84	-172	0	-84	-172
2005	0	-80	-259	0	-91	-271	0	-91	-271
2006	6	-89	-358	0	-97	-380	0	-97	-380
2007	26	-94	-467	0	-100	-494	0	-100	-494
2008	49	-97	-581	0	-99	-612	0	-99	-612
2009	74	-98	-701	0	-96	-731	0	-96	-731
2010	98	-99	-824	0	-92	-848	0	-92	-848
2011	127	-100	-952	0	-86	-963	0	-86	-963
2012	165	-98	-1,082	0	-77	-1,072	0	-77	-1,072
2013	163	-95	-1,213	0	-66	-1,173	0	-66	-1,173
2014	1	-91	-1,343	0	-54	-1,264	0	-54	-1,264
2015	1	-86	-1,472	0	-39	-1,343	0	-39	-1,343
2016	1	-79	-1,598	0	-23	-1,406	0	-23	-1,406
2017	1	-71	-1,720	0	-5	-1,453	0	-5	-1,453
2018	1	-63	-1,836	0	15	-1,482	0	15	-1,482
2019	1	-54	-1,947	0	35	-1,490	0	35	-1,490
2020	1	-44	-2,051	0	56	-1,477	0	56	-1,477
2021	1	-34	-2,147	0	79	-1,440	0	79	-1,440
2022	1	-23	-2,236	0	101	-1,379	0	101	-1,379
2023	1	-15	-2,318	0	122	-1,295	0	122	-1,295
2024	2	-6	-2,394	0	142	-1,187	0	142	-1,187
2025	2	1	-2,465	0	163	-1,055	0	163	-1,055
2026	2	8	-2,530	0	183	-899	0	183	-899
2027	2	14	-2,591	0	203	-717	0	203	-717
2028	3	20	-2,648	0	222	-510	0	222	-510
2029	3	24	-2,703	0	240	-279	0	240	-279
2030	3	28	-2,756	0	256	-23	0	256	-23
2031	3	29	-2,809	0	272	256	0	272	256
2032	4	28	-2,864	0	286	558	0	286	558
2033	4	27	-2,922	0	298	882	0	298	882
2034	4	24	-2,985	0	310	1,228	0	310	1,228
2035	5	21	-3,053	0	320	1,595	0	320	1,595
2036	5	17	-3,128	0	330	1,982	0	330	1,982
2037	5	11	-3,210	0	338	2,390	0	338	2,390
2038	6	5	-3,302	0	346	2,818	0	346	2,818
2039	6	-2	-3,403	0	353	3,265	0	353	3,265
2040	7	-9	-3,514	0	359	3,733	0	359	3,733
2041	7	-16	-3,636	0	366	4,222	0	366	4,222
2042	8	-24	-3,770	74	373	4,732	0	298	4,656
2043	8	-32	-3,916	380	380	5,265	0	0	4,796
2044	9	-40	-4,075	387	387	5,822	0	0	4,940
2045	10	-47	-4,246	396	396	6,405	0	0	5,088
2046	11	-55	-4,429	405	405	7,014	0	0	5,240
2047	11	-62	-4,627	414	414	7,651	0	0	5,398
2048	12	-70	-4,838	424	424	8,317	0	0	5,560
2049	13	-78	-5,063	435	435	9,015	0	0	5,726
2050	14	-85	-5,302	446	446	9,744	0	0	5,898
2051	16	-91	-5,555	458	458	10,508	0	0	6,075
2052	17	-98	-5,822	471	471	11,308	0	0	6,257
2053	18	-104	-6,104	484	484	12,146	0	0	6,445
2054	20	-110	-6,401	497	497	13,022	0	0	6,638
2055	21	-117	-6,713	510	510	13,938	0	0	6,838
2056	22	-123	-7,041	524	524	14,895	0	0	7,043
2057	24	-129	-7,386	537	537	15,895	0	0	7,254
2058	26	-136	-7,748	550	550	16,938	0	0	7,472
2059	27	-143	-8,128	563	563	18,026	0	0	7,696
2060	29	-151	-8,526	575	575	19,159	0	0	7,927
2061	31	-158	-8,945	588	588	20,339	0	0	8,164
2062	32	-166	-9,384	601	601	21,568	0	0	8,409
2063	34	-173	-9,843	614	614	22,848	0	0	8,662
2064	36	-180	-10,324	628	628	24,180	0	0	8,921
2065	38	-188	-10,827	642	642	25,566	0	0	9,189
2066	40	-195	-11,353	657	657	27,009	0	0	9,465
2067	42	-202	-11,901	672	672	28,512	0	0	9,749
2068	44	-209	-12,474	687	687	30,075	0	0	10,041
2069	46	-217	-13,071	703	703	31,701	0	0	10,342
2070	48	-222	-13,692	719	719	33,393	0	0	10,653
2071	50	-227	-14,337	736	736	35,153	0	0	10,972
2072	52	-233	-15,007	753	753	36,983	0	0	11,301
2073	54	-238	-15,702	770	770	38,885	0	0	11,640
2074	56	-244	-16,424	787	787	40,863	0	0	11,990
2075	58	-249	-17,174	805	805	42,918	0	0	12,349
2076	60	-255	-17,951	823	823	45,052	0	0	12,720
2077	62	-260	-18,758	840	840	47,270	0	0	13,101

1/ Including redemption of Trust Fund assets as of 1-1-2003.

2/ Includes reimbursement for minimum DI benefits and specified transfers from FY 2007-2013.

3/ Trust Funds are assumed to borrow from the General Fund of the Treasury.

Table 2--Financial Effects of the Representative Nick Smith Proposal Assuming a 67% PRSA Participation Rate

PRSA proceeds go to estate if worker dies before entitlement

Ultimate Real Trust Fund Interest Rate 3.00
 Ultimate Real PRSA Rate for Offset 3.70

Assumed PRSA Participation Rate 67%

Year	OASDI			TFR 1-1-yr	Marginal Change in OASDI Contribution Rate				Net OASDI Contribution Rate 2/	PRSA Contribution Rate		Average PRSA Contribution Rate
	Cost Rate 1/	Income Rate	Annual Balance		Redirection Total	Reimbursement for Minimum DI Benefits	Specified General Fund Transfers	From Trust Funds		Refundable Credit from General Fund		
2003	10.90	12.71	1.80	288				12.40				
2004	10.83	12.69	1.86	309				12.40				
2005	10.99	11.05	0.06	320	-1.662	-1.667	0.005	10.74	1.67	0.23	1.89	
2006	10.85	11.16	0.31	326	0.112		0.010	10.85	1.67	0.23	1.89	
2007	10.80	11.58	0.79	331	0.409		0.003	11.26	1.67	0.23	1.89	
2008	10.79	12.05	1.26	341	0.450		-0.002	11.71	1.67	0.23	1.89	
2009	10.81	12.51	1.70	354	0.456		-0.002	12.17	1.67	0.23	1.89	
2010	10.84	12.95	2.11	371	0.428		-0.001	12.59	1.67	0.23	1.89	
2011	10.89	13.51	2.62	393	0.520		0.000	13.11	1.67	0.23	1.89	
2012	10.95	14.18	3.23	418	0.653		0.000	13.77	1.67	0.23	1.89	
2013	11.03	14.10	3.07	448	-0.088		0.000	13.68	1.67	0.23	1.89	
2014	11.13	11.18	0.05	477	-2.933		-0.001	10.75	1.67	0.23	1.89	
2015	11.23	11.19	-0.04	479	0.000		0.000	10.75	1.67	0.23	1.89	
2016	11.36	11.20	-0.16	480	0.000		0.000	10.75	1.67	0.23	1.89	
2017	11.50	11.22	-0.29	479	0.001		0.001	10.75	1.67	0.23	1.89	
2018	11.65	11.23	-0.42	478	0.001		0.001	10.75	1.67	0.23	1.89	
2019	11.78	11.24	-0.54	475	0.001		0.001	10.75	1.67	0.23	1.89	
2020	11.94	11.26	-0.68	471	0.001		0.001	10.75	1.67	0.23	1.89	
2021	12.10	11.27	-0.82	466	0.002		0.002	10.75	1.67	0.23	1.89	
2022	12.24	11.29	-0.95	461	0.002		0.002	10.75	1.67	0.23	1.89	
2023	12.35	11.30	-1.05	456	0.002		0.002	10.76	1.67	0.23	1.89	
2024	12.45	11.32	-1.13	451	0.002		0.002	10.76	1.67	0.23	1.89	
2025	12.53	11.33	-1.20	446	0.003		0.003	10.76	1.67	0.23	1.89	
2026	12.59	11.18	-1.42	441	-0.164	-0.167	0.003	10.60	1.83	0.23	2.06	
2027	12.63	11.19	-1.45	436	0.003		0.003	10.60	1.83	0.23	2.06	
2028	12.66	11.20	-1.46	430	0.003		0.003	10.60	1.83	0.23	2.06	
2029	12.67	11.21	-1.46	424	0.003		0.003	10.61	1.83	0.23	2.06	
2030	12.66	11.22	-1.44	420	0.003		0.003	10.61	1.83	0.23	2.06	
2031	12.61	11.23	-1.39	416	0.003		0.003	10.61	1.83	0.23	2.06	
2032	12.54	11.24	-1.31	414	0.003		0.003	10.62	1.83	0.23	2.06	
2033	12.45	11.24	-1.21	413	0.003		0.003	10.62	1.83	0.23	2.06	
2034	12.34	11.25	-1.09	413	0.004		0.004	10.62	1.83	0.23	2.06	
2035	12.22	11.25	-0.97	414	0.004		0.004	10.63	1.83	0.23	2.06	
2036	12.08	11.26	-0.83	417	0.004		0.004	10.63	1.83	0.23	2.06	
2037	11.93	11.26	-0.67	422	0.004		0.004	10.63	1.83	0.23	2.06	
2038	11.77	11.26	-0.51	429	0.004		0.004	10.64	1.83	0.23	2.06	
2039	11.60	10.77	-0.83	438	-0.495	-0.500	0.005	10.14	2.33	0.23	2.56	
2040	11.43	10.44	-1.00	444	-0.329	-0.333	0.005	9.82	2.67	0.23	2.89	
2041	11.25	10.11	-1.15	449	-0.328	-0.333	0.005	9.49	3.00	0.23	3.23	
2042	11.07	9.61	-1.46	454	-0.495	-0.500	0.005	8.99	3.50	0.23	3.73	
2043	10.88	9.11	-1.76	456	-0.494	-0.500	0.006	8.50	4.00	0.23	4.23	
2044	10.68	8.62	-2.06	455	-0.494	-0.500	0.006	8.00	4.50	0.23	4.73	
2045	10.50	8.12	-2.38	451	-0.493	-0.500	0.007	7.51	5.00	0.23	5.23	
2046	10.32	7.80	-2.52	444	-0.326	-0.333	0.007	7.18	5.33	0.23	5.56	
2047	10.13	7.80	-2.33	435	0.008		0.008	7.19	5.33	0.23	5.56	
2048	9.94	7.81	-2.13	428	0.008		0.008	7.20	5.33	0.23	5.56	
2049	9.76	7.82	-1.94	421	0.009		0.009	7.21	5.33	0.23	5.56	
2050	9.58	7.83	-1.75	416	0.010		0.010	7.22	5.33	0.23	5.56	
2051	9.40	7.84	-1.56	413	0.010		0.010	7.23	5.33	0.23	5.56	
2052	9.23	7.85	-1.38	411	0.011		0.011	7.24	5.33	0.23	5.56	
2053	9.06	7.86	-1.20	410	0.011		0.011	7.25	5.33	0.23	5.56	
2054	8.89	7.87	-1.01	412	0.011		0.011	7.26	5.33	0.23	5.56	
2055	8.74	7.89	-0.85	414	0.012		0.012	7.27	5.33	0.23	5.56	
2056	8.59	7.90	-0.69	419	0.012		0.012	7.29	5.33	0.23	5.56	
2057	8.44	7.92	-0.52	425	0.012		0.012	7.30	5.33	0.23	5.56	
2058	8.29	7.93	-0.36	434	0.012		0.012	7.31	5.33	0.23	5.56	
2059	8.14	7.94	-0.19	445	0.012		0.012	7.32	5.33	0.23	5.56	
2060	7.99	7.96	-0.03	458	0.012		0.012	7.33	5.33	0.23	5.56	
2061	7.83	7.97	0.14	475	0.012		0.012	7.35	5.33	0.23	5.56	
2062	7.68	7.99	0.30	494	0.012		0.012	7.36	5.33	0.23	5.56	
2063	7.54	8.00	0.47	516	0.012		0.012	7.37	5.33	0.23	5.56	
2064	7.39	8.02	0.63	541	0.013		0.013	7.38	5.33	0.23	5.56	
2065	7.27	8.04	0.77	568	0.013		0.013	7.40	5.33	0.23	5.56	
2066	7.15	8.05	0.91	597	0.013		0.013	7.41	5.33	0.23	5.56	
2067	7.03	8.07	1.04	630	0.012		0.012	7.42	5.33	0.23	5.56	
2068	6.92	8.09	1.17	666	0.012		0.012	7.43	5.33	0.23	5.56	
2069	6.81	8.11	1.30	705	0.012		0.012	7.44	5.33	0.23	5.56	
2070	6.72	8.13	1.41	746	0.011		0.011	7.46	5.33	0.23	5.56	
2071	6.63	8.15	1.51	789	0.011		0.011	7.47	5.33	0.23	5.56	
2072	6.55	8.16	1.62	836	0.011		0.011	7.48	5.33	0.23	5.56	
2073	6.47	8.18	1.72	885	0.011		0.011	7.49	5.33	0.23	5.56	
2074	6.39	8.20	1.82	938	0.010		0.010	7.50	5.33	0.23	5.56	
2075	6.31	8.22	1.91	994	0.010		0.010	7.51	5.33	0.23	5.56	
2076	6.24	8.24	2.01	1053	0.010		0.010	7.52	5.33	0.23	5.56	
2077	6.16	8.26	2.10	1116	0.010		0.010	7.53	5.33	0.23	5.56	
2078	6.10	8.28	2.19	1182	0.009		0.009	7.54	5.33	0.23	5.56	
Summarized												
	Cost	Income	Actuarial		Change in							
2003	Rate	Rate	Balance		Actuarial Balance							
2077	10.62	11.09	0.47		2.38							

Based on Intermediate Assumptions of the 2003 Trustees Report.

1/ Net of Benefit Cost Reductions from PRSA Offsets.

2/ Includes payroll tax contributions plus reimbursement for minimum DI benefits plus specified General Fund transfers (expressed as a percent of taxable payroll)

Office of the Chief Actuary
 Social Security Administration
 September 9, 2003

Table 2a--Trust Fund Asset Comparison and PRSA Information of the Representative Nick Smith Proposal

		IA proceeds go to estate if worker dies before entitlement			
		Ultimate Real Trust Fund Interest Rate	3.00		
		Ultimate Real PRSA Rate for Offset	3.70	Assumed PRSA Participation Rate	67%
Year	Present Law Trust Fund Assets, End of Year	Proposal Trust Fund Assets, End of Year	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year 1/
(In Billions of Present Value Dollars as of 1/1/2003)					
2003	1,453	1,453			
2004	1,529	1,528	0	0.0	0.0
2005	1,611	1,530	80	79.8	0.0
2006	1,695	1,541	162	79.6	0.1
2007	1,779	1,573	245	79.2	0.2
2008	1,861	1,624	328	78.6	0.4
2009	1,937	1,692	411	77.9	0.7
2010	2,007	1,776	495	77.2	1.1
2011	2,071	1,880	579	76.3	1.5
2012	2,128	2,006	662	75.4	2.0
2013	2,174	2,124	746	74.5	2.6
2014	2,211	2,126	829	73.6	3.2
2015	2,237	2,124	912	72.6	3.9
2016	2,251	2,117	994	71.6	4.7
2017	2,254	2,106	1,076	70.6	5.6
2018	2,245	2,091	1,157	69.6	6.5
2019	2,224	2,071	1,237	68.6	7.5
2020	2,191	2,047	1,316	67.6	8.6
2021	2,147	2,018	1,394	66.7	9.8
2022	2,092	1,984	1,471	65.7	11.0
2023	2,027	1,949	1,547	64.7	12.3
2024	1,954	1,910	1,621	63.7	13.6
2025	1,873	1,870	1,694	62.8	15.1
2026	1,785	1,824	1,770	61.3	16.6
2027	1,690	1,777	1,845	60.3	18.1
2028	1,589	1,731	1,918	59.3	19.8
2029	1,483	1,685	1,990	58.4	21.4
2030	1,372	1,641	2,059	57.4	23.2
2031	1,259	1,599	2,126	56.5	25.0
2032	1,144	1,559	2,191	55.6	26.9
2033	1,026	1,524	2,254	54.7	28.8
2034	908	1,492	2,314	53.8	30.8
2035	789	1,464	2,372	52.9	32.9
2036	671	1,441	2,427	52.0	35.0
2037	552	1,422	2,480	51.2	37.1
2038	435	1,408	2,529	50.4	39.3
2039	319	1,385	2,589	49.6	41.5
2040	204	1,359	2,655	48.8	43.8
2041	91	1,329	2,726	48.0	46.1
2042	----	1,291	2,807	47.2	48.5
2043	----	1,247	2,896	46.4	51.0
2044	----	1,195	2,994	45.6	53.5
2045	----	1,137	3,100	44.8	56.2
2046	----	1,076	3,211	44.0	58.8
2047	----	1,021	3,318	43.2	61.4
2048	----	971	3,421	42.4	64.0
2049	----	927	3,521	41.6	66.5
2050	----	887	3,617	40.8	69.0
2051	----	853	3,710	40.0	71.5
2052	----	822	3,799	39.2	74.0
2053	----	797	3,884	38.4	76.4
2054	----	775	3,966	37.6	78.8
2055	----	757	4,045	36.8	81.1
2056	----	743	4,120	36.0	83.4
2057	----	733	4,192	35.2	85.7
2058	----	725	4,261	34.4	87.9
2059	----	722	4,326	33.6	90.1
2060	----	721	4,387	32.8	92.3
2061	----	724	4,446	32.0	94.4
2062	----	729	4,501	31.2	96.5
2063	----	738	4,553	30.4	98.5
2064	----	749	4,602	29.6	100.5
2065	----	762	4,652	28.8	102.5
2066	----	778	4,699	28.0	104.5
2067	----	796	4,743	27.2	106.3
2068	----	815	4,783	26.4	108.2
2069	----	837	4,821	25.6	110.0
2070	----	860	4,856	24.8	111.8
2071	----	884	4,888	24.0	113.5
2072	----	909	4,916	23.2	115.2
2073	----	936	4,942	22.4	116.9
2074	----	963	4,965	21.6	118.6
2075	----	992	4,984	20.8	120.2
2076	----	1,021	5,001	20.0	121.8
2077	----	1,051	5,014	19.2	123.4

Based on Intermediate Assumptions of the 2003 Trustees Report.

1/ Excludes proceeds of PRSAs that go to the worker's estate if the worker dies before entitlement.

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Table 2a1--IA/Annuity Assets, PRSA Contributions and PRSA Disbursement Under Three Sensitivity Illustrations

IA proceeds go to estate if worker dies before entitlement									
Ultimate Real Trust Fund Interest Rate		3.00							
Ultimate Real PRSA Rate for Offset		3.70		Assumed PRSA Participation Rate			67%		
Year	Invest 60% Stocks, 40% Corporate Bonds ^{1/}			Invest All in Govt Bonds (2.7% Net Yield)			Invest 70% Stocks, 30% Corporate Bonds		
	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year ^{2/}	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year ^{2/}	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year ^{2/}
(In Billions of Present Value Dollars as of 1/1/2003)									
2003									
2004	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0
2005	80	79.8	0.0	80	79.8	0.0	81	79.8	0.0
2006	162	79.6	0.1	159	79.6	0.1	163	79.6	0.1
2007	245	79.2	0.2	237	79.2	0.2	245	79.2	0.2
2008	328	78.6	0.4	314	78.6	0.4	329	78.6	0.4
2009	411	77.9	0.7	391	77.9	0.7	414	77.9	0.7
2010	495	77.2	1.1	465	77.2	1.1	499	77.2	1.1
2011	579	76.3	1.5	538	76.3	1.5	584	76.3	1.5
2012	662	75.4	2.0	610	75.4	2.0	670	75.4	2.0
2013	746	74.5	2.6	680	74.5	2.6	755	74.5	2.6
2014	829	73.6	3.2	748	73.6	3.2	841	73.6	3.2
2015	912	72.6	3.9	814	72.6	3.9	926	72.6	3.9
2016	994	71.6	4.7	878	71.6	4.7	1,011	71.6	4.7
2017	1,076	70.6	5.6	940	70.6	5.6	1,096	70.6	5.6
2018	1,157	69.6	6.5	1,000	69.6	6.4	1,180	69.6	6.5
2019	1,237	68.6	7.5	1,058	68.6	7.3	1,263	68.6	7.6
2020	1,316	67.6	8.6	1,114	67.6	8.3	1,346	67.6	8.7
2021	1,394	66.7	9.8	1,167	66.7	9.2	1,428	66.7	9.8
2022	1,471	65.7	11.0	1,218	65.7	10.2	1,509	65.7	11.1
2023	1,547	64.7	12.3	1,267	64.7	11.3	1,589	64.7	12.4
2024	1,621	63.7	13.6	1,314	63.7	12.3	1,668	63.7	13.8
2025	1,694	62.8	15.1	1,359	62.8	13.4	1,745	62.8	15.3
2026	1,770	61.8	16.6	1,406	61.8	14.5	1,827	61.8	16.8
2027	1,845	60.8	18.1	1,452	60.8	15.6	1,906	60.8	18.5
2028	1,918	59.8	19.8	1,495	59.8	16.8	1,985	59.8	20.2
2029	1,990	58.8	21.4	1,535	58.8	18.0	2,061	58.8	22.0
2030	2,059	57.8	23.2	1,573	57.8	19.2	2,136	57.8	23.8
2031	2,126	56.8	25.0	1,609	56.8	20.4	2,209	56.8	25.7
2032	2,191	55.8	26.9	1,642	55.8	21.6	2,279	55.8	27.7
2033	2,254	54.8	28.8	1,673	54.8	22.8	2,348	54.8	29.8
2034	2,314	53.8	30.8	1,702	53.8	24.0	2,414	53.8	31.9
2035	2,372	52.8	32.9	1,728	52.8	25.2	2,478	52.8	34.1
2036	2,427	51.8	35.0	1,752	51.8	26.4	2,539	51.8	36.3
2037	2,480	50.8	37.1	1,774	50.8	27.7	2,598	50.8	38.6
2038	2,529	49.8	39.3	1,794	49.8	28.9	2,653	49.8	40.9
2039	2,589	48.8	41.5	1,824	48.8	30.1	2,719	48.8	43.3
2040	2,655	47.8	43.8	1,861	47.8	31.3	2,791	47.8	45.8
2041	2,726	46.8	46.1	1,904	46.8	32.5	2,868	46.8	48.3
2042	2,807	45.8	48.5	1,957	45.8	33.7	2,954	45.8	50.9
2043	2,896	44.8	51.0	2,019	44.8	35.0	3,049	44.8	53.6
2044	2,994	43.8	53.5	2,090	43.8	36.3	3,152	43.8	56.4
2045	3,100	42.8	56.2	2,170	42.8	37.6	3,264	42.8	59.3
2046	3,211	41.8	58.8	2,255	41.8	39.0	3,380	41.8	62.2
2047	3,318	40.8	61.4	2,335	40.8	40.3	3,492	40.8	65.0
2048	3,421	39.8	64.0	2,411	39.8	41.7	3,601	39.8	67.9
2049	3,521	38.8	66.5	2,484	38.8	43.0	3,707	38.8	70.6
2050	3,617	37.8	69.0	2,552	37.8	44.3	3,809	37.8	73.4
2051	3,710	36.8	71.5	2,617	36.8	45.7	3,907	36.8	76.1
2052	3,799	35.8	74.0	2,678	35.8	47.0	4,002	35.8	78.8
2053	3,884	34.8	76.4	2,736	34.8	48.3	4,093	34.8	81.5
2054	3,966	33.8	78.8	2,790	33.8	49.6	4,181	33.8	84.1
2055	4,045	32.8	81.1	2,840	32.8	50.8	4,265	32.8	86.6
2056	4,120	31.8	83.4	2,887	31.8	52.1	4,346	31.8	89.2
2057	4,192	30.8	85.7	2,931	30.8	53.4	4,423	30.8	91.6
2058	4,261	29.8	87.9	2,971	29.8	54.6	4,497	29.8	94.1
2059	4,326	28.8	90.1	3,008	28.8	55.8	4,568	28.8	96.5
2060	4,387	27.8	92.3	3,041	27.8	57.0	4,635	27.8	98.9
2061	4,446	26.8	94.4	3,072	26.8	58.1	4,699	26.8	101.2
2062	4,501	25.8	96.5	3,099	25.8	59.3	4,760	25.8	103.5
2063	4,553	24.8	98.5	3,123	24.8	60.4	4,817	24.8	105.7
2064	4,602	23.8	100.5	3,145	23.8	61.5	4,872	23.8	107.9
2065	4,652	22.8	102.5	3,163	22.8	62.6	4,928	22.8	110.0
2066	4,699	21.8	104.5	3,179	21.8	63.6	4,982	21.8	112.1
2067	4,743	20.8	106.3	3,191	20.8	64.7	5,032	20.8	114.2
2068	4,783	19.8	108.2	3,201	19.8	65.7	5,079	19.8	116.2
2069	4,821	18.8	110.0	3,209	18.8	66.6	5,124	18.8	118.2
2070	4,856	17.8	111.8	3,214	17.8	67.5	5,165	17.8	120.2
2071	4,888	16.8	113.5	3,216	16.8	68.4	5,203	16.8	122.1
2072	4,916	15.8	115.2	3,215	15.8	69.3	5,238	15.8	123.9
2073	4,942	14.8	116.9	3,213	14.8	70.1	5,270	14.8	125.8
2074	4,965	13.8	118.6	3,208	13.8	71.0	5,299	13.8	127.6
2075	4,984	12.8	120.2	3,200	12.8	71.7	5,325	12.8	129.4
2076	5,001	11.8	121.8	3,191	11.8	72.5	5,348	11.8	131.1
2077	5,014	10.8	123.4	3,179	10.8	73.2	5,368	10.8	132.9

Based on Intermediate Assumptions of the 2003 Trustees Report.

^{1/} Reflects the assumed actual yield rate for PRSA accounts under the proposal.

^{2/} Excludes proceeds of PRSAs that go to the worker's estate if the worker dies before entitlement.

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Table 2b--PRSA Contributions, Offsets to OASDI Trust Funds from PRSAs, and Budget Effects

IA proceeds go to estate if worker dies before entitlement						
Ultimate Real Trust Fund Interest Rate			3.00			
Ultimate Real PRSA Rate for Offset			3.70		Assumed PRSA Participation Rate	67%
Year	Contributions to PRSA by Federal Government Based on Earnings	Offsets to OASDI Trust Funds from PRSAs	Other Changes in OASDI Cash Flow ^{1/}	Change in Annual Unified Budget Cash Flow	Change in Debt Held by Public (end of year)	Change in Annual Unified Budget Balance
(In Billions of Constant 2003 Dollars)						
2004	0.0	0.0	-0.7	-0.7	0.7	-0.7
2005	88.1	0.0	-11.2	-99.3	103.0	-102.4
2006	90.6	0.1	-8.4	-98.9	208.2	-108.1
2007	93.0	0.3	-5.5	-98.2	315.9	-113.8
2008	95.2	0.6	-2.3	-96.9	425.7	-119.0
2009	97.3	1.0	1.8	-94.5	536.4	-123.1
2010	99.4	1.6	7.0	-90.8	646.7	-125.9
2011	101.4	2.3	13.3	-85.8	755.1	-127.2
2012	103.2	3.1	20.5	-79.6	860.3	-127.2
2013	105.1	4.1	28.6	-72.4	961.2	-126.0
2014	106.9	5.2	37.3	-64.5	1,056.9	-123.6
2015	108.7	6.5	46.5	-55.7	1,146.3	-120.1
2016	110.5	8.0	56.4	-46.0	1,228.2	-115.4
2017	112.2	9.7	66.9	-35.7	1,301.8	-109.4
2018	114.0	11.5	77.9	-24.6	1,366.2	-102.3
2019	115.7	13.6	89.2	-13.0	1,420.5	-94.2
2020	117.5	15.9	100.8	-0.8	1,464.0	-84.9
2021	119.3	18.4	112.7	11.8	1,495.8	-74.4
2022	121.0	21.1	124.7	24.8	1,515.1	-62.9
2023	122.8	24.1	136.8	38.0	1,521.4	-50.4
2024	124.6	27.3	149.2	51.9	1,513.6	-36.5
2025	126.4	30.8	161.8	66.1	1,490.8	-21.4
2026	139.6	34.6	174.9	69.9	1,463.6	-16.1
2027	141.6	38.6	188.7	85.7	1,419.2	1.7
2028	143.7	43.0	202.5	101.8	1,356.9	21.0
2029	145.9	47.7	216.1	118.0	1,276.1	41.3
2030	148.0	52.7	229.4	134.1	1,176.3	62.6
2031	150.3	58.0	243.6	151.3	1,055.7	86.3
2032	152.6	63.7	258.0	169.2	913.1	111.9
2033	154.9	69.8	272.7	187.6	747.3	139.3
2034	157.2	76.2	287.1	206.2	557.3	168.2
2035	159.5	83.0	300.8	224.3	343.0	198.1
2036	161.8	90.1	314.6	242.9	103.1	229.9
2037	164.2	97.7	328.5	262.0	-163.7	263.8
2038	166.6	105.6	342.5	281.5	-458.5	299.6
2039	210.0	113.9	356.4	260.4	-740.5	295.3
2040	240.6	122.7	369.7	251.8	-1,022.0	303.1
2041	272.1	132.0	384.0	243.9	-1,303.9	311.6
2042	318.7	141.9	398.8	222.0	-1,571.7	305.8
2043	366.4	152.4	414.2	200.2	-1,825.0	299.1
2044	415.3	163.6	430.2	178.4	-2,063.5	291.7
2045	465.5	175.0	445.9	155.4	-2,285.5	282.1
2046	501.9	186.9	462.9	147.9	-2,506.4	287.5
2047	508.6	199.2	480.4	171.0	-2,757.8	324.3
2048	515.3	212.0	498.2	195.0	-3,041.3	363.9
2049	522.2	225.3	516.7	219.8	-3,359.0	406.3
2050	529.1	239.0	535.1	245.1	-3,712.1	451.0
2051	536.0	253.3	554.1	271.4	-4,103.0	499.0
2052	543.0	268.0	573.6	298.6	-4,533.7	550.1
2053	550.1	283.2	593.4	326.4	-5,005.9	604.3
2054	557.4	298.9	613.4	354.9	-5,521.6	661.5
2055	564.7	313.1	633.5	381.9	-6,080.6	719.8
2056	572.1	327.7	653.7	409.2	-6,684.6	781.0
2057	579.7	342.5	674.1	436.9	-7,335.1	845.2
2058	587.4	357.7	694.4	464.7	-8,033.9	912.4
2059	595.2	373.1	714.9	492.9	-8,782.5	982.7
2060	603.0	388.9	735.4	521.3	-9,582.9	1,056.2
2061	611.0	405.0	756.2	550.2	-10,437.1	1,133.3
2062	619.0	421.3	777.3	579.6	-11,347.2	1,214.1
2063	627.2	438.0	798.9	609.7	-12,315.7	1,298.9
2064	635.4	455.0	820.8	640.4	-13,344.8	1,387.8
2065	643.7	470.1	843.3	669.7	-14,434.9	1,478.8
2066	652.2	485.3	866.2	699.3	-15,588.3	1,573.8
2067	660.7	500.5	889.7	729.5	-16,807.3	1,673.0
2068	669.3	515.7	913.7	760.1	-18,094.4	1,776.7
2069	678.0	531.0	938.1	791.1	-19,452.1	1,884.7
2070	686.7	546.2	961.0	820.6	-20,880.9	1,995.3
2071	695.5	561.5	984.3	850.3	-22,383.1	2,110.4
2072	704.4	576.8	1,007.9	880.3	-23,961.3	2,230.1
2073	713.4	592.1	1,031.8	910.5	-25,617.9	2,354.6
2074	722.5	607.4	1,056.2	941.1	-27,355.8	2,484.0
2075	731.7	622.7	1,081.0	971.9	-29,177.6	2,618.5
2076	741.0	637.9	1,106.1	1,003.0	-31,086.0	2,758.2
2077	750.5	653.1	1,131.6	1,034.2	-33,083.8	2,903.2
2078	760.0	668.2	1,157.3	1,065.5	-35,173.7	3,053.6

^{1/} Excluding the effect of general fund transfers to the Trust Funds, which do not affect the unified budget. Based on Intermediate Assumptions of the 2003 Trustees Report.

Table 2c--Cash Flow from the General Fund of the Treasury to the OASDI Trust Funds--Constant 2003 Dollars 1/

		IA proceeds go to estate if worker dies before entitlement						Assumed PRSA Participation Rate		
Ultimate Real Trust Fund Interest Rate		3.00						67%		
Ultimate Real PRSA Rate for Offset		3.70								
		<u>Estimate for Modified Present Law with Borrowing to Pay Scheduled Benefits</u>			<u>Estimate for Present Law with Only Payable Benefits</u>					
Year	Additional General Fund Transfers <u>2/</u> (billions of Constant 2003\$)	Net Annual Cash Flow from General Fund with Interest (billions of Constant 2003\$)	Total to End Of Year with Interest	Borrowing Needed In Year <u>3/</u> (billions of Constant 2003\$)	Net Annual Cash Flow from General Fund with Interest (billions of Constant 2003\$)	Total to End Of Year with Interest	Borrowing Needed In Year <u>3/</u>	Net Annual Cash Flow from General Fund (billions of Constant 2003\$)	Total to End Of Year with Interest	
2003	0	-79	-82	0	-79	-82	0	-79	-82	
2004	0	-84	-171	0	-84	-172	0	-84	-172	
2005	0	-2	-179	0	-91	-271	0	-91	-271	
2006	6	-9	-194	0	-97	-380	0	-97	-380	
2007	26	-13	-213	0	-100	-494	0	-100	-494	
2008	49	-14	-235	0	-99	-612	0	-99	-612	
2009	74	-14	-256	0	-96	-731	0	-96	-731	
2010	98	-13	-277	0	-92	-848	0	-92	-848	
2011	127	-13	-299	0	-86	-963	0	-86	-963	
2012	165	-10	-318	0	-77	-1,072	0	-77	-1,072	
2013	163	-6	-334	0	-66	-1,173	0	-66	-1,173	
2014	1	-1	-346	0	-54	-1,264	0	-54	-1,264	
2015	1	4	-352	0	-39	-1,343	0	-39	-1,343	
2016	1	11	-352	0	-23	-1,406	0	-23	-1,406	
2017	1	19	-343	0	-5	-1,453	0	-5	-1,453	
2018	1	27	-325	0	15	-1,482	0	15	-1,482	
2019	1	36	-298	0	35	-1,490	0	35	-1,490	
2020	1	45	-261	0	56	-1,477	0	56	-1,477	
2021	1	55	-212	0	79	-1,440	0	79	-1,440	
2022	1	64	-152	0	101	-1,379	0	101	-1,379	
2023	1	72	-82	0	122	-1,295	0	122	-1,295	
2024	2	79	-3	0	142	-1,187	0	142	-1,187	
2025	2	86	85	0	163	-1,055	0	163	-1,055	
2026	2	91	181	0	183	-899	0	183	-899	
2027	2	95	284	0	203	-717	0	203	-717	
2028	3	110	406	0	222	-510	0	222	-510	
2029	3	112	533	0	240	-279	0	240	-279	
2030	3	113	665	0	256	-23	0	256	-23	
2031	3	111	800	0	272	256	0	272	256	
2032	4	108	935	0	286	558	0	286	558	
2033	4	103	1,069	0	298	882	0	298	882	
2034	4	97	1,201	0	310	1,228	0	310	1,228	
2035	5	90	1,329	0	320	1,595	0	320	1,595	
2036	5	81	1,453	0	330	1,982	0	330	1,982	
2037	5	71	1,570	0	338	2,390	0	338	2,390	
2038	6	60	1,678	0	346	2,818	0	346	2,818	
2039	6	48	1,778	0	353	3,265	0	353	3,265	
2040	7	35	1,868	0	359	3,733	0	359	3,733	
2041	7	120	2,047	0	366	4,222	0	366	4,222	
2042	8	150	2,263	74	373	4,732	0	298	4,656	
2043	8	180	2,516	380	380	5,265	0	0	4,796	
2044	9	211	2,809	387	387	5,822	0	0	4,940	
2045	10	243	3,143	396	396	6,405	0	0	5,088	
2046	11	261	3,506	405	405	7,014	0	0	5,240	
2047	11	248	3,867	414	414	7,651	0	0	5,398	
2048	12	236	4,226	424	424	8,317	0	0	5,560	
2049	13	222	4,582	435	435	9,015	0	0	5,726	
2050	14	210	4,935	446	446	9,744	0	0	5,898	
2051	16	197	5,285	458	458	10,508	0	0	6,075	
2052	17	183	5,633	471	471	11,308	0	0	6,257	
2053	18	170	5,977	484	484	12,146	0	0	6,445	
2054	20	156	6,317	497	497	13,022	0	0	6,638	
2055	21	143	6,654	510	510	13,938	0	0	6,838	
2056	22	130	6,987	524	524	14,895	0	0	7,043	
2057	24	117	7,317	537	537	15,895	0	0	7,254	
2058	26	103	7,642	550	550	16,938	0	0	7,472	
2059	27	88	7,962	563	563	18,026	0	0	7,696	
2060	29	73	8,276	575	575	19,159	0	0	7,927	
2061	31	57	8,583	588	588	20,339	0	0	8,164	
2062	32	41	8,883	601	601	21,568	0	0	8,409	
2063	34	25	9,175	614	614	22,848	0	0	8,662	
2064	36	8	9,459	628	628	24,180	0	0	8,921	
2065	38	-6	9,736	642	642	25,566	0	0	9,189	
2066	40	-21	10,006	657	657	27,009	0	0	9,465	
2067	42	-36	10,268	672	672	28,512	0	0	9,749	
2068	44	-51	10,523	687	687	30,075	0	0	10,041	
2069	46	-67	10,770	703	703	31,701	0	0	10,342	
2070	48	-80	11,011	719	719	33,393	0	0	10,653	
2071	50	-94	11,244	736	736	35,153	0	0	10,972	
2072	52	-108	11,471	753	753	36,983	0	0	11,301	
2073	54	-121	11,690	770	770	38,885	0	0	11,640	
2074	56	-135	11,901	787	787	40,863	0	0	11,990	
2075	58	-149	12,104	805	805	42,918	0	0	12,349	
2076	60	-164	12,299	823	823	45,052	0	0	12,720	
2077	62	-178	12,485	840	840	47,270	0	0	13,101	

1/ Including redemption of Trust Fund assets as of 1-1-2003.

2/ Includes reimbursement for minimum DI benefits and specified transfers from FY 2007-2013.

3/ Trust Funds are assumed to borrow from the General Fund of the Treasury.

Table 3--Financial Effects of the Representative Nick Smith Proposal Assuming a 100% PRSA Participation Rate

PRSA proceeds go to estate if worker dies before entitlement

Ultimate Real Trust Fund Interest Rate 3.00
 Ultimate Real PRSA Rate for Offset 3.70

Assumed PRSA Participation Rate 100%

Year	OASDI			TFR 1-1-yr	Marginal Change in OASDI Contribution Rate				Net OASDI Contribution Rate 2/	PRSA Contribution Rate		Average PRSA Contribution Rate
	Cost Rate 1/	Income Rate	Annual Balance		Redirection Total	Reimbursement to PRSAs	for Minimum DI Benefits	Specified General Fund Transfers		From Trust Funds	Refundable Credit from General Fund	
2003	10.90	12.71	1.80	288					12.40			
2004	10.83	12.69	1.86	309					12.40			
2005	10.99	10.22	-0.78	320	-2.495	-2.500	0.005		9.90	2.50	0.34	2.84
2006	10.85	10.33	-0.52	318	0.112		0.010	0.102	10.02	2.50	0.34	2.84
2007	10.79	10.75	-0.04	316	0.409		0.003	0.405	10.43	2.50	0.34	2.84
2008	10.78	11.21	0.43	318	0.450		-0.002	0.453	10.88	2.50	0.34	2.84
2009	10.80	11.68	0.88	324	0.456		-0.002	0.458	11.33	2.50	0.34	2.84
2010	10.83	12.12	1.29	334	0.428		-0.001	0.429	11.76	2.50	0.34	2.84
2011	10.86	12.67	1.81	348	0.520		0.000	0.520	12.28	2.50	0.34	2.84
2012	10.92	13.34	2.42	366	0.653		0.000	0.653	12.93	2.50	0.34	2.84
2013	11.00	13.27	2.27	389	-0.088		0.000	-0.088	12.85	2.50	0.34	2.84
2014	11.08	10.35	-0.74	411	-2.933		-0.001	-2.932	9.91	2.50	0.34	2.84
2015	11.18	10.36	-0.82	406	0.000		0.000		9.91	2.50	0.34	2.84
2016	11.29	10.37	-0.93	400	0.000		0.000		9.91	2.50	0.34	2.84
2017	11.42	10.38	-1.04	393	0.001		0.001		9.91	2.50	0.34	2.84
2018	11.55	10.40	-1.15	386	0.001		0.001		9.91	2.50	0.34	2.84
2019	11.67	10.41	-1.26	377	0.001		0.001		9.92	2.50	0.34	2.84
2020	11.81	10.43	-1.38	368	0.001		0.001		9.92	2.50	0.34	2.84
2021	11.95	10.44	-1.51	357	0.002		0.002		9.92	2.50	0.34	2.84
2022	12.07	10.46	-1.62	346	0.002		0.002		9.92	2.50	0.34	2.84
2023	12.16	10.47	-1.69	336	0.002		0.002		9.92	2.50	0.34	2.84
2024	12.24	10.48	-1.76	325	0.002		0.002		9.92	2.50	0.34	2.84
2025	12.30	10.50	-1.80	314	0.003		0.003		9.93	2.50	0.34	2.84
2026	12.34	10.26	-2.08	304	-0.247	-0.250	0.003		9.68	2.75	0.34	3.09
2027	12.35	10.27	-2.08	291	0.003		0.003		9.68	2.75	0.34	3.09
2028	12.35	10.28	-2.07	279	0.003		0.003		9.69	2.75	0.34	3.09
2029	12.33	10.29	-2.04	267	0.003		0.003		9.69	2.75	0.34	3.09
2030	12.29	10.30	-1.99	256	0.003		0.003		9.69	2.75	0.34	3.09
2031	12.22	10.31	-1.90	245	0.003		0.003		9.70	2.75	0.34	3.09
2032	12.11	10.32	-1.79	235	0.003		0.003		9.70	2.75	0.34	3.09
2033	11.98	10.33	-1.66	226	0.003		0.003		9.70	2.75	0.34	3.09
2034	11.84	10.33	-1.51	219	0.004		0.004		9.71	2.75	0.34	3.09
2035	11.68	10.34	-1.35	212	0.004		0.004		9.71	2.75	0.34	3.09
2036	11.51	10.34	-1.17	207	0.004		0.004		9.71	2.75	0.34	3.09
2037	11.32	10.35	-0.97	204	0.004		0.004		9.72	2.75	0.34	3.09
2038	11.12	10.35	-0.77	202	0.004		0.004		9.72	2.75	0.34	3.09
2039	10.90	10.10	-0.80	202	-0.245	-0.250	0.005		9.48	3.00	0.34	3.34
2040	10.70	9.91	-0.79	202	-0.195	-0.200	0.005		9.28	3.20	0.34	3.54
2041	10.47	9.71	-0.76	202	-0.195	-0.200	0.005		9.09	3.40	0.34	3.74
2042	10.24	9.52	-0.72	202	-0.195	-0.200	0.005		8.89	3.60	0.34	3.94
2043	10.01	9.32	-0.68	203	-0.194	-0.200	0.006		8.70	3.80	0.34	4.14
2044	9.77	9.13	-0.64	205	-0.194	-0.200	0.006		8.50	4.00	0.34	4.34
2045	9.54	8.93	-0.61	206	-0.193	-0.200	0.007		8.31	4.20	0.34	4.54
2046	9.31	8.74	-0.57	208	-0.193	-0.200	0.007		8.12	4.40	0.34	4.74
2047	9.08	8.55	-0.53	211	-0.192	-0.200	0.008		7.93	4.60	0.34	4.94
2048	8.86	8.36	-0.50	214	-0.192	-0.200	0.008		7.73	4.80	0.34	5.14
2049	8.63	8.17	-0.46	217	-0.191	-0.200	0.009		7.54	5.00	0.34	5.34
2050	8.42	7.98	-0.44	221	-0.190	-0.200	0.010		7.35	5.20	0.34	5.54
2051	8.21	7.79	-0.42	225	-0.190	-0.200	0.010		7.16	5.40	0.34	5.74
2052	8.01	7.61	-0.40	229	-0.189	-0.200	0.011		6.97	5.60	0.34	5.94
2053	7.81	7.42	-0.39	234	-0.189	-0.200	0.011		6.78	5.80	0.34	6.14
2054	7.61	7.24	-0.37	239	-0.189	-0.200	0.011		6.60	6.00	0.34	6.34
2055	7.43	7.06	-0.38	244	-0.188	-0.200	0.012		6.41	6.20	0.34	6.54
2056	7.26	6.87	-0.39	249	-0.188	-0.200	0.012		6.22	6.40	0.34	6.74
2057	7.08	6.69	-0.39	254	-0.188	-0.200	0.012		6.03	6.60	0.34	6.94
2058	6.90	6.51	-0.40	259	-0.188	-0.200	0.012		5.84	6.80	0.34	7.14
2059	6.73	6.33	-0.40	264	-0.188	-0.200	0.012		5.65	7.00	0.34	7.34
2060	6.55	6.14	-0.40	270	-0.188	-0.200	0.012		5.47	7.20	0.34	7.54
2061	6.37	5.96	-0.41	276	-0.188	-0.200	0.012		5.28	7.40	0.34	7.74
2062	6.19	5.78	-0.41	282	-0.188	-0.200	0.012		5.09	7.60	0.34	7.94
2063	6.02	5.60	-0.42	288	-0.188	-0.200	0.012		4.90	7.80	0.34	8.14
2064	5.84	5.42	-0.42	295	-0.187	-0.200	0.013		4.72	8.00	0.34	8.34
2065	5.70	5.44	-0.26	300	0.013		0.013		4.73	8.00	0.34	8.34
2066	5.55	5.46	-0.09	308	0.013		0.013		4.74	8.00	0.34	8.34
2067	5.41	5.48	0.07	320	0.012		0.012		4.75	8.00	0.34	8.34
2068	5.28	5.51	0.23	335	0.012		0.012		4.77	8.00	0.34	8.34
2069	5.14	5.53	0.39	354	0.012		0.012		4.78	8.00	0.34	8.34
2070	5.03	5.55	0.53	376	0.011		0.011		4.79	8.00	0.34	8.34
2071	4.91	5.58	0.67	402	0.011		0.011		4.80	8.00	0.34	8.34
2072	4.80	5.60	0.80	432	0.011		0.011		4.81	8.00	0.34	8.34
2073	4.68	5.62	0.94	467	0.011		0.011		4.82	8.00	0.34	8.34
2074	4.57	5.65	1.08	507	0.010		0.010		4.83	8.00	0.34	8.34
2075	4.46	5.67	1.21	552	0.010		0.010		4.84	8.00	0.34	8.34
2076	4.35	5.70	1.35	604	0.010		0.010		4.85	8.00	0.34	8.34
2077	4.23	5.72	1.49	662	0.010		0.010		4.86	8.00	0.34	8.34
2078	4.12	5.75	1.63	727	0.009		0.009		4.87	8.00	0.34	8.34
	Summarized											
	Cost	Income	Actuarial		Change in							
2003	Rate	Rate	Balance		Actuarial Balance							
2077	10.00	10.19	0.18		2.10							

Based on Intermediate Assumptions of the 2003 Trustees Report.

1/ Net of Benefit Cost Reductions from PRSA Offsets.

2/ Includes payroll tax contributions plus reimbursement for minimum DI benefits plus specified General Fund transfers (expressed as a percent of taxable payroll).

Office of the Chief Actuary
 Social Security Administration
 September 9, 2003

Table 3a--Trust Fund Asset Comparison and PRSA Information for the Representative Nick Smith Proposal

IA proceeds go to estate if worker dies before entitlement						
Ultimate Real Trust Fund Interest Rate		3.00				
Ultimate Real PRSA Rate for Offset		3.70		Assumed PRSA Participation Rate		100%
Year	Present Law Trust Fund Assets, End of Year	Proposal Trust Fund Assets, End of Year	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year <u>1/</u>	
(In Billions of Present Value Dollars as of 1/1/2003)						
2003	1,453	1,453				
2004	1,529	1,528	0	0.0		0.0
2005	1,611	1,495	121	119.7		0.0
2006	1,695	1,471	243	119.4		0.1
2007	1,779	1,469	367	118.7		0.3
2008	1,861	1,485	491	117.9		0.6
2009	1,937	1,519	617	116.9		1.1
2010	2,007	1,570	742	115.8		1.6
2011	2,071	1,641	868	114.5		2.2
2012	2,128	1,735	994	113.1		3.0
2013	2,174	1,821	1,119	111.7		3.9
2014	2,211	1,792	1,244	110.3		4.8
2015	2,237	1,761	1,368	108.9		5.9
2016	2,251	1,725	1,492	107.4		7.1
2017	2,254	1,686	1,614	105.9		8.4
2018	2,245	1,644	1,736	104.4		9.8
2019	2,224	1,598	1,856	102.9		11.3
2020	2,191	1,548	1,974	101.4		12.9
2021	2,147	1,495	2,092	100.0		14.7
2022	2,092	1,439	2,207	98.5		16.5
2023	2,027	1,381	2,320	97.0		18.4
2024	1,954	1,321	2,432	95.6		20.5
2025	1,873	1,261	2,541	94.2		22.6
2026	1,785	1,193	2,656	100.9		24.8
2027	1,690	1,126	2,768	99.4		27.2
2028	1,589	1,060	2,877	98.0		29.6
2029	1,483	997	2,984	96.5		32.2
2030	1,372	935	3,088	95.1		34.8
2031	1,259	877	3,189	93.7		37.5
2032	1,144	824	3,286	92.4		40.4
2033	1,026	775	3,380	91.1		43.3
2034	908	731	3,471	89.7		46.3
2035	789	692	3,558	88.4		49.3
2036	671	659	3,641	87.1		52.5
2037	552	632	3,719	85.8		55.7
2038	435	611	3,794	84.5		58.9
2039	319	589	3,871	83.1		62.3
2040	204	568	3,949	81.8		65.7
2041	91	548	4,027	80.6		69.1
2042	----	530	4,105	79.4		72.7
2043	----	512	4,183	78.2		76.3
2044	----	496	4,261	77.1		79.9
2045	----	481	4,339	76.0		83.7
2046	----	468	4,416	75.0		87.3
2047	----	455	4,492	74.0		90.8
2048	----	443	4,568	73.0		94.2
2049	----	433	4,644	72.0		97.5
2050	----	423	4,719	71.0		100.7
2051	----	413	4,794	70.0		103.7
2052	----	405	4,869	69.0		106.7
2053	----	396	4,943	68.0		109.5
2054	----	388	5,017	67.0		112.2
2055	----	380	5,091	66.0		114.9
2056	----	372	5,164	65.0		117.4
2057	----	364	5,238	64.0		119.8
2058	----	356	5,311	63.0		122.1
2059	----	349	5,384	62.0		124.4
2060	----	341	5,457	61.0		126.5
2061	----	333	5,530	60.0		128.6
2062	----	326	5,603	59.0		130.6
2063	----	318	5,677	58.0		132.5
2064	----	310	5,750	57.0		134.4
2065	----	306	5,825	56.0		136.2
2066	----	304	5,897	55.0		138.0
2067	----	305	5,967	54.0		139.7
2068	----	309	6,033	53.0		141.3
2069	----	315	6,096	52.0		142.9
2070	----	324	6,156	51.0		144.4
2071	----	335	6,213	50.0		145.9
2072	----	347	6,268	49.0		147.3
2073	----	362	6,319	48.0		148.8
2074	----	378	6,368	47.0		150.2
2075	----	396	6,414	46.0		151.5
2076	----	416	6,456	45.0		152.9
2077	----	437	6,496	44.0		154.3

Based on Intermediate Assumptions of the 2003 Trustees Report.
1/ Excludes proceeds of PRSAs that go to the worker's estate if the worker dies before entitlement.

Table 3a1--IA/Annuity Assets, PRSA Contributions and PRSA Disbursement Under Three Sensitivity Illustrations

		IA proceeds go to estate if worker dies before entitlement						Assumed PRSA Participation Rate		
		Ultimate Real Trust Fund Interest Rate			3.00					
		Ultimate Real PRSA Rate for Offset			3.70			100%		
Year	Invest 60% Stocks, 40% Corporate Bonds 1/			Invest All in Govt Bonds (2.7% Net Yield)			Invest 70% Stocks, 30% Corporate Bonds			
	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year 2/	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year 2/	IA/Annuity Assets, End of Year	PRSA Contributions in Year	PRSA Disbursements in Year 2/	
(In Billions of Present Value Dollars as of 1/1/2003)										
2003										
2004	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
2005	121	119.7	0.0	120	119.7	0.0	121	119.7	0.0	0.0
2006	243	119.4	0.1	238	119.4	0.1	244	119.4	0.1	0.1
2007	367	118.7	0.3	356	118.7	0.3	368	118.7	0.3	0.3
2008	491	117.9	0.6	472	117.9	0.6	494	117.9	0.6	0.6
2009	617	116.9	1.1	586	116.9	1.1	621	116.9	1.1	1.1
2010	742	115.8	1.6	698	115.8	1.6	748	115.8	1.6	1.6
2011	868	114.5	2.2	808	114.5	2.2	876	114.5	2.2	2.2
2012	994	113.1	3.0	915	113.1	3.0	1,004	113.1	3.0	3.0
2013	1,119	111.7	3.9	1,020	111.7	3.9	1,133	111.7	3.9	3.9
2014	1,244	110.3	4.8	1,122	110.3	4.8	1,261	110.3	4.8	4.8
2015	1,368	108.9	5.9	1,221	108.9	5.9	1,389	108.9	5.9	5.9
2016	1,492	107.4	7.1	1,317	107.4	7.1	1,517	107.4	7.1	7.1
2017	1,614	105.9	8.4	1,410	105.9	8.4	1,644	105.9	8.4	8.4
2018	1,736	104.4	9.8	1,500	104.4	9.7	1,770	104.4	9.8	9.8
2019	1,856	102.9	11.3	1,587	102.9	11.0	1,895	102.9	11.3	11.3
2020	1,974	101.4	12.9	1,670	101.4	12.4	2,019	101.4	13.0	13.0
2021	2,092	100.0	14.7	1,751	100.0	13.8	2,142	100.0	14.8	14.8
2022	2,207	98.5	16.5	1,828	98.5	15.3	2,264	98.5	16.6	16.6
2023	2,320	97.0	18.4	1,901	97.0	16.9	2,384	97.0	18.6	18.6
2024	2,432	95.6	20.5	1,971	95.6	18.5	2,502	95.6	20.7	20.7
2025	2,541	94.2	22.6	2,038	94.2	20.1	2,618	94.2	22.9	22.9
2026	2,656	100.9	24.8	2,110	100.9	21.8	2,740	100.9	25.3	25.3
2027	2,768	99.4	27.2	2,178	99.4	23.5	2,860	99.4	27.7	27.7
2028	2,877	98.0	29.6	2,242	98.0	25.2	2,977	98.0	30.3	30.3
2029	2,984	96.5	32.2	2,303	96.5	26.9	3,092	96.5	32.9	32.9
2030	3,088	95.1	34.8	2,360	95.1	28.7	3,204	95.1	35.7	35.7
2031	3,189	93.7	37.5	2,414	93.7	30.5	3,313	93.7	38.6	38.6
2032	3,286	92.4	40.4	2,464	92.4	32.4	3,419	92.4	41.6	41.6
2033	3,380	91.1	43.3	2,510	91.1	34.2	3,522	91.1	44.7	44.7
2034	3,471	89.7	46.3	2,553	89.7	36.0	3,621	89.7	47.8	47.8
2035	3,558	88.4	49.3	2,593	88.4	37.8	3,717	88.4	51.1	51.1
2036	3,641	87.1	52.5	2,629	87.1	39.7	3,809	87.1	54.5	54.5
2037	3,719	85.8	55.7	2,661	85.8	41.5	3,896	85.8	57.9	57.9
2038	3,794	84.5	58.9	2,690	84.5	43.3	3,980	84.5	61.4	61.4
2039	3,871	89.9	62.3	2,723	89.9	45.1	4,066	89.9	65.0	65.0
2040	3,949	93.8	65.7	2,757	93.8	46.9	4,152	93.8	68.7	68.7
2041	4,027	97.6	69.1	2,793	97.6	48.7	4,239	97.6	72.5	72.5
2042	4,105	101.2	72.7	2,830	101.2	50.4	4,325	101.2	76.3	76.3
2043	4,183	104.7	76.3	2,868	104.7	52.2	4,412	104.7	80.3	80.3
2044	4,261	108.0	79.9	2,908	108.0	54.0	4,498	108.0	84.3	84.3
2045	4,339	111.2	83.7	2,949	111.2	55.8	4,584	111.2	88.4	88.4
2046	4,416	114.2	87.3	2,990	114.2	57.5	4,668	114.2	92.4	92.4
2047	4,492	117.1	90.8	3,033	117.1	59.1	4,752	117.1	96.3	96.3
2048	4,568	119.9	94.2	3,076	119.9	60.6	4,836	119.9	100.1	100.1
2049	4,644	122.5	97.5	3,121	122.5	62.1	4,919	122.5	103.7	103.7
2050	4,719	125.0	100.7	3,166	125.0	63.5	5,001	125.0	107.2	107.2
2051	4,794	127.4	103.7	3,211	127.4	64.8	5,082	127.4	110.7	110.7
2052	4,869	129.7	106.7	3,258	129.7	66.1	5,163	129.7	113.9	113.9
2053	4,943	131.9	109.5	3,305	131.9	67.3	5,244	131.9	117.1	117.1
2054	5,017	133.9	112.2	3,352	133.9	68.5	5,324	133.9	120.2	120.2
2055	5,091	135.9	114.9	3,401	135.9	69.6	5,403	135.9	123.1	123.1
2056	5,164	137.8	117.4	3,449	137.8	70.7	5,483	137.8	125.9	125.9
2057	5,238	139.5	119.8	3,498	139.5	71.8	5,562	139.5	128.6	128.6
2058	5,311	141.2	122.1	3,547	141.2	72.8	5,640	141.2	131.3	131.3
2059	5,384	142.8	124.4	3,597	142.8	73.8	5,719	142.8	133.8	133.8
2060	5,457	144.3	126.5	3,647	144.3	74.8	5,797	144.3	136.2	136.2
2061	5,530	145.7	128.6	3,697	145.7	75.7	5,876	145.7	138.5	138.5
2062	5,603	147.1	130.6	3,747	147.1	76.7	5,954	147.1	140.8	140.8
2063	5,677	148.3	132.5	3,797	148.3	77.7	6,032	148.3	142.9	142.9
2064	5,750	149.4	134.4	3,847	149.4	78.6	6,111	149.4	145.0	145.0
2065	5,825	147.0	136.2	3,893	147.0	79.5	6,192	147.0	147.0	147.0
2066	5,897	144.6	138.0	3,935	144.6	80.5	6,271	144.6	149.0	149.0
2067	5,967	142.2	139.7	3,975	142.2	81.4	6,347	142.2	150.8	150.8
2068	6,033	139.9	141.3	4,010	139.9	82.3	6,420	139.9	152.6	152.6
2069	6,096	137.5	142.9	4,042	137.5	83.2	6,490	137.5	154.3	154.3
2070	6,156	135.3	144.4	4,071	135.3	84.1	6,557	135.3	156.0	156.0
2071	6,213	133.0	145.9	4,096	133.0	85.0	6,621	133.0	157.6	157.6
2072	6,268	130.8	147.3	4,118	130.8	85.9	6,683	130.8	159.2	159.2
2073	6,319	128.6	148.8	4,137	128.6	86.7	6,742	128.6	160.7	160.7
2074	6,368	126.4	150.2	4,153	126.4	87.6	6,798	126.4	162.2	162.2
2075	6,414	124.3	151.5	4,165	124.3	88.4	6,851	124.3	163.7	163.7
2076	6,456	122.2	152.9	4,175	122.2	89.3	6,901	122.2	165.2	165.2
2077	6,496	120.2	154.3	4,181	120.2	90.1	6,949	120.2	166.7	166.7

Based on Intermediate Assumptions of the 2003 Trustees Report.

1/ Reflects the assumed actual yield rate for PRSA accounts under the proposal.

2/ Excludes proceeds of PRSAs that go to the worker's estate if the worker dies before entitlement.

Office of the Actuary
Social Security Administration
September 9, 2003

Table 3b--PRSA Contributions, Offsets to OASDI Trust Funds from PRSAs, and Budget Effects

IA proceeds go to estate if worker dies before entitlement						
Ultimate Real Trust Fund Interest Rate			3.00			
Ultimate Real PRSA Rate for Offset			3.70	Assumed PRSA Participation Rate	100%	
Year	Contributions to PRSA by Federal Government Based on Earnings	Offsets to OASDI Trust Funds from PRSAs	Other Changes in OASDI Cash Flow ^{1/}	Change in Annual Unified Budget Cash Flow	Change in Debt Held by Public (end of year)	Change in Annual Unified Budget Balance
(In Billions of Constant 2003 Dollars)						
2004	0.0	0.0	-0.7	-0.7	0.7	-0.7
2005	132.1	0.0	-11.2	-143.4	148.4	-147.8
2006	136.0	0.1	-8.4	-144.2	301.7	-157.5
2007	139.5	0.4	-5.5	-144.5	460.1	-167.2
2008	142.8	0.9	-2.3	-144.2	623.2	-176.5
2009	146.0	1.5	1.8	-142.7	789.7	-184.7
2010	149.1	2.4	7.0	-139.8	958.3	-191.6
2011	152.1	3.4	13.3	-135.4	1,127.3	-197.0
2012	154.8	4.6	20.5	-129.7	1,295.5	-201.1
2013	157.7	6.1	28.6	-123.0	1,461.8	-204.0
2014	160.4	7.8	37.3	-115.3	1,625.1	-205.9
2015	163.1	9.8	46.5	-106.8	1,784.3	-206.6
2016	165.7	12.0	56.4	-97.3	1,938.3	-206.0
2017	168.3	14.5	66.9	-86.9	2,086.0	-204.2
2018	170.9	17.3	77.9	-75.8	2,226.6	-201.4
2019	173.6	20.4	89.2	-64.1	2,359.4	-197.6
2020	176.2	23.8	100.8	-51.7	2,483.4	-192.7
2021	178.9	27.5	112.7	-38.6	2,597.7	-186.6
2022	181.5	31.6	124.7	-25.2	2,701.6	-179.5
2023	184.2	36.1	136.8	-11.3	2,794.3	-171.4
2024	186.9	41.0	149.3	3.3	2,874.7	-161.8
2025	189.6	46.2	161.8	18.4	2,942.0	-151.0
2026	209.3	51.8	174.9	17.5	3,012.3	-156.0
2027	212.4	57.9	188.7	34.2	3,067.4	-142.8
2028	215.6	64.5	202.6	51.5	3,106.3	-128.3
2029	218.8	71.5	216.2	69.0	3,128.5	-112.6
2030	222.1	79.0	229.5	86.5	3,133.2	-95.9
2031	225.4	87.1	243.7	105.4	3,118.7	-76.7
2032	228.8	95.6	258.2	125.0	3,083.5	-55.7
2033	232.3	104.7	272.9	145.3	3,026.4	-32.7
2034	235.7	114.3	287.4	166.0	2,946.2	-8.0
2035	239.2	124.5	301.1	186.3	2,842.7	17.7
2036	242.7	135.2	314.9	207.4	2,714.3	45.6
2037	246.3	146.5	328.9	229.1	2,559.7	75.5
2038	249.9	158.4	343.0	251.5	2,377.4	107.7
2039	273.9	170.9	357.0	254.0	2,187.1	121.0
2040	294.4	184.1	370.3	260.0	1,985.0	138.5
2041	315.4	198.0	384.6	267.2	1,769.3	157.9
2042	336.9	212.5	399.5	275.2	1,538.9	178.8
2043	358.9	227.9	415.0	284.0	1,292.5	201.6
2044	381.3	244.1	431.1	293.8	1,028.7	226.2
2045	404.3	260.7	447.0	303.4	747.0	251.7
2046	427.8	277.7	464.0	313.9	446.1	279.2
2047	451.8	295.1	481.6	324.9	124.9	308.2
2048	476.4	312.8	499.6	336.0	-217.5	338.7
2049	501.5	330.8	518.2	347.5	-581.9	370.8
2050	527.1	349.2	536.7	358.7	-968.9	403.9
2051	553.3	368.0	555.8	370.5	-1,379.5	438.9
2052	580.1	387.2	575.5	382.5	-1,814.9	475.6
2053	607.5	406.8	595.3	394.6	-2,275.8	513.7
2054	635.5	426.8	615.4	406.7	-2,763.0	553.5
2055	664.2	445.6	635.6	417.1	-3,275.5	592.9
2056	693.5	464.8	655.9	427.2	-3,813.7	633.6
2057	723.6	484.3	676.4	437.1	-4,378.3	675.7
2058	754.3	504.1	696.8	446.6	-4,969.7	718.9
2059	785.7	524.3	717.3	456.0	-5,588.5	763.5
2060	817.8	545.0	737.9	465.1	-6,235.2	809.5
2061	850.5	566.1	758.7	474.2	-6,910.7	857.1
2062	884.0	587.7	779.8	483.5	-7,616.0	906.6
2063	918.2	609.7	801.4	492.9	-8,352.1	958.0
2064	953.1	632.4	823.3	502.5	-9,120.3	1,011.4
2065	965.6	652.1	845.8	532.4	-9,942.2	1,087.6
2066	978.2	672.2	868.8	562.8	-10,820.1	1,167.5
2067	991.0	692.6	892.2	593.8	-11,756.4	1,251.4
2068	1,003.9	713.2	916.2	625.5	-12,753.4	1,339.4
2069	1,016.9	734.1	940.7	657.8	-13,813.5	1,431.6
2070	1,030.1	755.3	963.6	688.8	-14,937.4	1,526.2
2071	1,043.3	776.8	986.8	720.3	-16,127.5	1,625.1
2072	1,056.7	798.7	1,010.3	752.4	-17,386.2	1,728.5
2073	1,070.2	820.9	1,034.2	784.9	-18,716.3	1,836.4
2074	1,083.8	843.5	1,058.5	818.2	-20,120.5	1,949.4
2075	1,097.6	866.5	1,083.2	852.1	-21,601.7	2,067.3
2076	1,111.5	889.9	1,108.2	886.5	-23,162.9	2,190.4
2077	1,125.7	913.8	1,133.5	921.6	-24,807.1	2,318.8
2078	1,140.0	938.2	1,159.1	957.2	-26,537.2	2,452.7

^{1/} Excluding the effect of general fund transfers to the Trust Funds, which do not affect the unified budget. Based on Intermediate Assumptions of the 2003 Trustees Report.

Table 3c--Cash Flow from the General Fund of the Treasury to the OASDI Trust Funds--Constant 2003 Dollars ^{1/}

IA proceeds go to estate if worker dies before entitlement

	Ultimate Real Trust Fund Interest Rate	3.00		IA proceeds go to estate if worker dies before entitlement			Assumed PRSA Participation Rate	100%	
	Ultimate Real PRSA Rate for Offset	3.70							
	<u>Estimate for Nick Smith Proposal</u>			<u>Estimate for Modified Present Law with Borrowing to Pay Scheduled Benefits</u>			<u>Estimate for Present Law with Only Payable Benefits</u>		
Year	Additional General Fund Transfers ^{2/}	Net Annual Cash Flow from General Fund	Total to End Of Year with Interest	Borrowing Needed In Year ^{3/}	Net Annual Cash Flow from General Fund	Total to End Of Year with Interest	Borrowing Needed In Year ^{3/}	Net Annual Cash Flow from General Fund	Total to End Of Year with Interest
	(billions of Constant 2003\$)			(billions of Constant 2003\$)			(billions of Constant 2003\$)		
2003	0	-79	-82	0	-79	-82	0	-79	-82
2004	0	-84	-171	0	-84	-172	0	-84	-172
2005	0	36	-139	0	-91	-271	0	-91	-271
2006	6	30	-112	0	-97	-380	0	-97	-380
2007	26	28	-87	0	-100	-494	0	-100	-494
2008	49	28	-61	0	-99	-612	0	-99	-612
2009	74	29	-33	0	-96	-731	0	-96	-731
2010	98	30	-3	0	-92	-848	0	-92	-848
2011	127	31	29	0	-86	-963	0	-86	-963
2012	165	34	64	0	-77	-1,072	0	-77	-1,072
2013	163	38	105	0	-66	-1,173	0	-66	-1,173
2014	1	43	153	0	-54	-1,264	0	-54	-1,264
2015	1	48	207	0	-39	-1,343	0	-39	-1,343
2016	1	55	271	0	-23	-1,406	0	-23	-1,406
2017	1	63	344	0	-5	-1,453	0	-5	-1,453
2018	1	71	428	0	15	-1,482	0	15	-1,482
2019	1	79	522	0	35	-1,490	0	35	-1,490
2020	1	88	629	0	56	-1,477	0	56	-1,477
2021	1	98	748	0	79	-1,440	0	79	-1,440
2022	1	107	880	0	101	-1,379	0	101	-1,379
2023	1	113	1,024	0	122	-1,295	0	122	-1,295
2024	2	120	1,178	0	142	-1,187	0	142	-1,187
2025	2	125	1,342	0	163	-1,055	0	163	-1,055
2026	2	146	1,532	0	183	-899	0	183	-899
2027	2	149	1,732	0	203	-717	0	203	-717
2028	3	151	1,939	0	222	-510	0	222	-510
2029	3	152	2,154	0	240	-279	0	240	-279
2030	3	151	2,374	0	256	-23	0	256	-23
2031	3	148	2,597	0	272	256	0	272	256
2032	4	143	2,822	0	286	558	0	286	558
2033	4	135	3,046	0	298	882	0	298	882
2034	4	127	3,268	0	310	1,228	0	310	1,228
2035	5	117	3,487	0	320	1,595	0	320	1,595
2036	5	106	3,700	0	330	1,982	0	330	1,982
2037	5	93	3,907	0	338	2,390	0	338	2,390
2038	6	79	4,105	0	346	2,818	0	346	2,818
2039	6	84	4,315	0	353	3,265	0	353	3,265
2040	7	85	4,532	0	359	3,733	0	359	3,733
2041	7	85	4,756	0	366	4,222	0	366	4,222
2042	8	85	4,985	74	373	4,732	0	298	4,656
2043	8	84	5,221	380	380	5,265	0	0	4,796
2044	9	83	5,463	387	387	5,822	0	0	4,940
2045	10	82	5,712	396	396	6,405	0	0	5,088
2046	11	82	5,967	405	405	7,014	0	0	5,240
2047	11	81	6,230	414	414	7,651	0	0	5,398
2048	12	81	6,500	424	424	8,317	0	0	5,560
2049	13	81	6,778	435	435	9,015	0	0	5,726
2050	14	81	7,065	446	446	9,744	0	0	5,898
2051	16	83	7,362	458	458	10,508	0	0	6,075
2052	17	84	7,670	471	471	11,308	0	0	6,257
2053	18	86	7,989	484	484	12,146	0	0	6,445
2054	20	88	8,319	497	497	13,022	0	0	6,638
2055	21	92	8,663	510	510	13,938	0	0	6,838
2056	22	96	9,022	524	524	14,895	0	0	7,043
2057	24	100	9,395	537	537	15,895	0	0	7,254
2058	26	103	9,783	550	550	16,938	0	0	7,472
2059	27	107	10,187	563	563	18,026	0	0	7,696
2060	29	111	10,607	575	575	19,159	0	0	7,927
2061	31	115	11,044	588	588	20,339	0	0	8,164
2062	32	119	11,497	601	601	21,568	0	0	8,409
2063	34	123	11,969	614	614	22,848	0	0	8,662
2064	36	127	12,459	628	628	24,180	0	0	8,921
2065	38	112	12,948	642	642	25,566	0	0	9,189
2066	40	96	13,435	657	657	27,009	0	0	9,465
2067	42	80	13,921	672	672	28,512	0	0	9,749
2068	44	64	14,404	687	687	30,075	0	0	10,041
2069	46	47	14,884	703	703	31,701	0	0	10,342
2070	48	32	15,364	719	719	33,393	0	0	10,653
2071	50	16	15,842	736	736	35,153	0	0	10,972
2072	52	1	16,318	753	753	36,983	0	0	11,301
2073	54	-15	16,792	770	770	38,885	0	0	11,640
2074	56	-32	17,263	787	787	40,863	0	0	11,990
2075	58	-49	17,730	805	805	42,918	0	0	12,349
2076	60	-66	18,194	823	823	45,052	0	0	12,720
2077	62	-84	18,653	840	840	47,270	0	0	13,101

^{1/} Including redemption of Trust Fund assets as of 1-1-2003.

^{2/} Includes reimbursement for minimum DI benefits and specified transfers from FY 2007-2013.

^{3/} Trust Funds are assumed to borrow from the General Fund of the Treasury.