



**SOCIAL SECURITY**  
Office of the Chief Actuary

October 4, 2013

The Honorable Paul Ryan  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Ryan:

Thank you for your letter yesterday requesting information related to the fiscal effects of the Social Security Amendments of 1983. Ted McCann of your staff has indicated that for now it will suffice to provide a preliminary estimate of the fiscal effects for just the change in the normal retirement age (NRA). The 1983 amendments increased the NRA from age 65 to age 67 between 2000 and 2022. This one provision accounted for about one-third of the total net effect on the Social Security Trust Funds of the 1983 amendments. Thus, while the timing of the various provisions varied, the overall long-range effect of the amendments as a whole is about three times the indicated effects for changing the NRA alone.

The enclosed table provides rough preliminary estimates of the net effect of the increase in NRA for years 2000 through 2087 (the last year of the current 75-year long-range projection period). Estimates are provided in current dollars for calendar years 2000 through 2023, in present value discounted or accumulated dollars to January 1, 2013, and as a percent of gross domestic product (GDP). The total effect in current dollar cash flow on the OASDI Trust Funds is about \$97 billion for 2000 through 2012 and an additional \$451 billion for 2013 through 2023. In present value, the long-range effect of the NRA increase provision through 2087 is \$4.7 trillion. The effect is projected to reach 0.5 percent of GDP by 2037, and to be 0.38 percent of GDP for the period 2000 to 2087 as a whole. Please note that net effects on the trust funds include reductions in OASI benefits, additional DI benefits, and payroll tax revenue from additional work by some individuals who delay the start of their benefits as a result of the increased NRA. All estimates are based on the intermediate assumptions of the 2013 Trustees Report.

I hope these estimates will be helpful. Please let us know if we may be of further assistance.

Sincerely,

Stephen C. Goss  
Chief Actuary

Enclosures

**Preliminary Estimates of the Net Savings to the OASDI Program from the Increase in the Normal Retirement Age Enacted in the 1983 Social Security Amendments**

Calendar Years	Net OASDI Savings in Current Dollars <i>billions</i>	Net OASDI Savings in Present Value Dollars (to January, 1, 2013) <i>billions</i>	Net OASDI Savings as Percent of Gross Domestic Product <i>percent</i>
2000-2012	\$96.9	\$107.7	0.05%
2013-2023	450.5	353.3	0.18%
2000-2087	NA	4,697.0	0.38%
2000	0.5	0.9	0.01%
2001	1.1	1.7	0.01%
2002	1.8	2.5	0.02%
2003	2.4	3.3	0.02%
2004	3.4	4.5	0.03%
2005	4.2	5.4	0.03%
2006	5.4	6.5	0.04%
2007	6.4	7.4	0.05%
2008	9.4	10.5	0.07%
2009	12.4	13.4	0.09%
2010	14.6	15.4	0.10%
2011	16.4	16.9	0.11%
2012	18.9	19.2	0.12%
2013	21.0	20.6	0.13%
2014	23.3	22.0	0.14%
2015	25.8	23.6	0.14%
2016	28.1	24.8	0.15%
2017	32.8	27.9	0.16%
2018	37.8	31.1	0.18%
2019	42.7	33.7	0.19%
2020	48.8	37.0	0.21%
2021	56.2	41.0	0.23%
2022	62.6	43.8	0.24%
2023	71.4	47.8	0.26%
2024		50.5	0.28%
2025		56.4	0.31%
2026		61.5	0.34%
2027		65.0	0.37%
2028		67.8	0.38%
2029		70.4	0.40%
2030		72.3	0.42%
2031		74.0	0.44%
2032		74.9	0.45%
2033		75.8	0.46%
2034		76.6	0.47%
2035		78.0	0.48%
2036		78.0	0.49%
2037		78.5	0.50%
2038		79.0	0.50%
2039		78.0	0.50%
2040		78.3	0.51%
2041		77.9	0.51%
2042		78.2	0.52%
2043		78.4	0.53%
2044		78.0	0.53%
2045		77.6	0.53%
2046		77.2	0.54%
2047		76.7	0.54%
2048		76.2	0.54%
2049		75.1	0.54%
2050		74.6	0.54%
2051		74.2	0.55%
2052		73.8	0.55%
2053		72.8	0.55%
2054		71.9	0.55%
2055		71.0	0.55%
2056		69.6	0.54%
2057		68.8	0.54%
2058		68.0	0.54%
2059		67.6	0.55%
2060		67.3	0.55%
2061		66.4	0.55%
2062		65.6	0.55%
2063		64.7	0.55%
2064		63.9	0.55%
2065		63.1	0.55%
2066		62.4	0.55%
2067		61.7	0.55%
2068		61.4	0.56%
2069		60.7	0.56%
2070		60.0	0.56%
2071		59.3	0.56%
2072		58.6	0.56%
2073		57.9	0.55%
2074		57.2	0.55%
2075		56.4	0.55%
2076		55.7	0.55%
2077		55.3	0.56%
2078		54.5	0.55%
2079		53.8	0.55%
2080		53.1	0.55%
2081		52.3	0.55%
2082		51.7	0.55%
2083		51.2	0.55%
2084		50.6	0.55%
2085		50.0	0.55%
2086		49.5	0.56%
2087		49.0	0.56%

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**U.S. House of Representatives**  
COMMITTEE ON THE BUDGET  
Washington, DC 20515

October 3, 2013

Stephen Goss, Chief Actuary  
Office of the Chief Actuary  
Windsor Park Building  
6401 Security Blvd.  
Baltimore, MD 21235

Dear Mr. Goss

I am writing to request additional information on the fiscal effects of the Social Security Amendments of 1983. Specifically, I am interested in how certain provisions affected the federal budget in the short term versus the long term.

Sincerely,

A handwritten signature in blue ink, appearing to read "P. Ryan", with a long horizontal stroke extending to the right.

Paul Ryan  
Chairman