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UNITED STATES OF AMERICA RAILROAD RETIREMENT BOARD 844 NORTH RUSH STREET

844 NORTH RUSH STREET CHICAGO, ILLINOIS 60611-2092

MAR 1 5 2010

V. M. SPEAKMAN, JR. LABOR MEMBER OFFICE OF LABOR MEMBER

Mr. Freddie Simpson
President
Brotherhood of Maintenance of
Way Employes
20300 Civic Center Drive, Suite 320
Southfield, MI 48076-4169

Dear Mr. Simpson:

As we previously discussed, I have asked the agency's Chief Actuary to estimate the financial impact of Mr. Friend's proposed changes to the Railroad Retirement Act on the Trust Fund.

Under either employment scenario (moderate and pessimistic), implementation of these proposals would hasten the depletion of the Trust Fund resulting in insolvency. There is no scenario where implementation of these proposals is economically viable, even when we project the costs while eliminating the cap on Tier 2 taxes. Moreover, the proposal to eliminate the cap on the Tier 2 tax will affect 27 percent of the workforce, essentially resulting in this group of workers subsidizing the proposed changes for those workers and family members affected by these proposals.

Enclosed are two sets of tables that document the impact through calendar year 2082.

ANALYSIS UNDER ASSUMPTION 2

The first set of tables uses the moderate employment assumption, also known as Assumption 2. Table 1 shows the progress of the Trust Fund with no changes. Table 2 shows the progress of the Trust Fund with the cap on taxable income removed and the tier 2 benefit cap unchanged. Table 3 shows the progress of the Trust Fund with the cap on taxable income removed and the cap on the tier 2 benefit removed.

Removing the cap on taxable income and leaving the tier 2 benefit cap in place will result in a negative Trust Fund balance in 2023 and will remain in a deficit until 2071. Removing the cap on both the taxable income and the tier 2 benefit amount will drive the Trust Fund into the red in 2020. By 2082, the end of the 75-year actuarial projection period, the Trust Fund will be in debt by \$789 billion. In each scenario, the maximum tier 2 tax rate will reach the maximum 27% in 2019.

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ANALYSIS UNDER ASSUMPTION 3

The second set of tables uses the pessimistic employment assumption, also known as Assumption 3 and reflects data in the same manner as the tables used for Assumption 2. We believe using Assumption 3 is the more realistic approach. Our experience with the 1980 tax increases demonstrated that tax increases resulted in greater unemployment which Assumption 3 reflects.

Removing the cap on taxable income and leaving the tier 2 benefit cap in place will result in a negative Trust Fund balance in 2018. By 2082, the Trust Fund will have a deficit of almost \$2.6 trillion. Removing the cap on both the taxable income and the tier 2 benefit amount will also result in a negative Trust Fund balance in 2018 but the deficit will be \$1.1 billion as compared to \$144 million if the tier 2 benefit cap remains in place. By 2082, the deficit will be nearly \$3.5 trillion. In each scenario, the maximum tier 2 tax rate will reach the maximum 27% in 2019.

It is clear that implementing these proposed changes would require significant tax increases and reduced benefits to offset the increased costs. Moreover, it is important to note that under current law the agency's Chief Actuary is required to report to Congress any Trust Fund shortfall and recommend proposed changes which could ultimately place the continued viability of the entire retirement system in jeopardy.

Given the interest in this issue expressed to us by other rail labor organizations, we intend to share this analysis with the other Rail Labor Chiefs.

Please let me know if you have any questions or need additional information.

Sincerely,

Labor Member

vm Speakman, Jt.
V. M. Speakman, Jr.

Enclosures

Table 1. 24th Actuarial Valuation Progress of the National Railroad Retirensent Investment Trust (NRRIT), Railroad Retirement Account (RRA) and Social Security Equivalent Benefit Account (SSEBA) under Employment Assumption II (Dollar Amounts in Millions)

	Account	Average account		Benefits	Combined NR	RIT and RRA	<u> </u>	Benefits	Combined			
Calendar Year	benefits ratio	benefits ratio	tax rate	and admin- istration	Tax income	Other income	Balance, end year	and admin- istration	Tax income	Other inc/exp	Balance, end year	balance. end year
2009	4.74	6,90	16.0%	\$ 4,516	\$ 2,745	\$ 1,743	\$ 20,955	\$ 6,293	\$ 2,705	\$ 3,524	\$ 7R3	\$ 21,731
2010	4.54	6,70	16.0%	4,644	2,805	1,615	20,731	6,333	2,767	3,570	787	21,51
2011	4.29	6.60	16.0"	4,843	2,872	1,532	20,293	6,566	2,836	3,758	816	21,10
2012	4.04	6.30	17.0%	5,046	3,104	1,542	19,894	6,815	2,909	3,937	847	20,74
2013	3.79	6.10	17.0%	5.238	3,179	1,510	19,346	7,083	2,984	4,132	881	20,22
2014	3.56	5.80	18.0%	5,429	3,426	1,475	18,817	7,365	3,064	4,337	916	19,73
2015	3.33	5.50	18.0%	5,615	3,508	1,436	18,147	7,651	3,147	4,539	951	19,091
2016	3.08	5.00	18.0%	5,776	3,593	1,274	17,238	7,948	3,235	4,722	959	18,19
2017	2.85	4.60	18.0%	5,912	3,680	1,291	16,297	8,249	3,327	4,988	1,026	17,32
2018	2.63	4.10	18.0%	6.030	3,769	1,257	15,293	8,545	3,424	5,158	1,062	16,355
2019	2.44	3.70	19.0%	6,128	4,050	1,196	14,411	8,829	3,524	5,341	1,098	15,509
2020	2.26	3.50	19.0%	6,207	4,147	1,138	13,490	9,097	3,617 3,712	5,513	1,131	14,621
2021 2022	2.09	3.30 3.10	20.0%	6,268 6,316	4,448 4,556	963	12,633 11,904	9,345 9,575	3,712	5, 6 63 5,793	1,162 1,1 90	13,79: 13,094
	1.96	2.80	20.0%	6,361	5,300	1,031	11,855	9,789	3,911	5,905	1,190	13,07
2023 2024	1.9 <u>2</u> 1.90	2.70	23.0% 23.0%	6.413	5,427	1,011	11,885	9,789	4.012	6,005	1,242	13,07
2025	1.90	2.50	23.0%	6,470	5,554	1,025	11,995	10,191	4,111	6,104	1,266	13,26
2026	2.01	2.40	27.0%	6,528	6,594	984	13,044	10,391	4,212	6,204	1,291	14,33
	2.19	2.20	27.0%	6,595	6,746	1,162	14,358	10,596	4,314	6,307	1,316	15,674
2027 2028	2.19	2.20 2.20	27.0% 27.0%	6,680	6,900	1,162	14,358	10,808	4,415	6,419	اد.ا 1,342	17,18
2028	2.38	2.20	27.0%	6,778	7,055	1,267	17,505	11,027	4,413	6,538	1,342	17,18
2030	2.81	2.20	27.0%	6,884	7,215	1,514	19,350	11,253	4,621	6,660	1,397	20,74
2031	3.05	2.20	27.0%	6,995	7,381	1,600	21,337	11,491	4,728	6,791	1,427	22,76
2032	3.31	2.30	27.0%	7,101	7,550	1,812	23,597	11,746	4,839	6,939	1,458	25,05
2032	3.49	2.50	23.0%	7,196	6,654	1,944	24,999	12,025	4,955	7,105	1,493	26,49
2033	3.65	2.60	23.0%	7,190	6,812	2,055	26,565	12,312	5,075	7,103	1,528	28,09
2034	3.82	2.80	23.0%	7,435	6,975	2,033	28,283	12,596	5,198	7,273	1,564	29,84
2036	3.90	3.00	20.0%	7,555	6,284	2,253	29,265	12,890	5,331	7,596	1,600	30,86
2037	3.99	3.20	20.0%	7,667	6,447	2,360	30,405	13,198	5,472	7,764	1,638	32,04
2037	4.08	3.30	20.0%	7,806	6,615	2,451	31,666	13,518	5,618	7,940	1,678	33,34
2038	4.15	3.50	19.0%	7,800	6,480	2,539	32,739	13,859	5,770	8,131	1,720	34,459
2039	4.13	3.70	19.0%	8,074	6,661	2,626	33,952	14,215	5,935	8,324	1,765	35,71
					6,851					8,510	1,809	37,07
2041	4.30 4.36	3.80 3.90	19.0% 19.0%	8,251 8,483	7,048	2,716 2,829	35,268	14,571 14,922	6,105	8,690	1,852	38,514
2042 2043	4.30	4.00	18.0%	8,678	6,906	2,829	36,662		6,276	8,914	1,902	39,714
			18.0%	8,836	7,115		37,812	15,326	6,462 6,662	9,171	1,958	41,06
2044 2045	4.46 4.54	4.10 4.20	18.0%	8, 9 97	7,113	3,012	39,103	15,777		9,171	2,014	42,586
				9,212	7,575	3,121	40,566	16.221	6,876 7,09 7		2,068	44,23
2046	4.61	4,30	18.0%	9,212	7,373	3,239	42,167	16,660 17,096	7,324	9,618 9,826		45,99
2047	4.66	4.40	18.0%		8,080	3,369	43,873				2,122 2,183	
2048	4.73	4.40	18.0%	9,717		3,500	45,736	17.586	7,567	10,080		47,919
2049	4.84	4.50	18.0%	9,922	8,351	3,647	47,812	18,120	7,825	10,361	2,249	50,06
2050	4.96	4.60	18.0%	10,143	8,638	3,816	50,123	18,644	8,097	10,612	2,314	52,43
2051	5.09	4.60	18.0%	10,383	8,940	4,002 4,205	52,682	19,175	8,382	10,859	2,380	55,063
2052	5.23	4.70	18.0%	10,638	9,258		55,507	19,717	8,681	11,104	2,447	57,95
2053	5.39	4.80	18.0%	10,892	9,591	4,429	58,635	20,278	8,996	11,352	2,517	61,15
2054	5.58	4.90	18.0%	11,144	9,942	4,676	62,109	20,855	9,328	11,599	2,589	64,69
2055 2056	5.79 6.02	5.00 5.10	18.0% 18.0%	11,400 11,661	10,310 10,698	4,952	65,972	21,442	9,677	11,838	2,662	68,63
2050			18.0%			5,256	70,266	22,042	10,044	12,073 12,302	2,736	73,000
2058	6.28	5.30 5.40		11.928 12,203	11,106 11,534	5,594	75,038	22,656	10,431		2,812	77,85
2059	6.56 6.88	5. 6 0	18.0% 18.0%	12,487	11,980	5,969 6,384	80,338 86,216	23,280 23,917	10,835 11,258	12,522 12,738	2,890 2,969	83,221 89,18:
2060	7.22	5.80	18.0%	12,781	12,445	6,843	92,723	24,567	11,236	12,736	3,050	95,77
2061	7.55	6.10	17.0%	13,089	12,445	7,322	92,723	24,367 25,233	12,154	13,161	3,030	102,34
2062	7.90	6.30	17.0%	13,409	12,736	7,827	106,371	25,233	12,630	13,371	3,132	102,54
2063	8.23	6.60	16.0%	13,745	12,738	8,352	113,486	26,618	13,123	13,582	3,304	116,79
2064	8.57	6.90	16.0%	14,095	12,995	8,902	121,288	27,343	13,637	13,797	3,394	124,68
2065	8.89	7.20	15.0%	14,464	12,718	9,472	129,015	27,343 28,094	14,170	14,017	3,394	132,50
2066	9.18	7.50	14.0%	14,852	12,718	10,035	136,598	28,871	14,170	14,017	3,487 3,584	132,30
2067	9.47	7.80	14.0%	15,261	12,882	10.619	130,398	29,678	15,301	14,243	3,584	140,18
2068	9.68	8.10	12.0%	15,694	11,624	11.181	151,948	30,519	15,301	14,477	3,084 3,788	148,32
2069	9.88	8.40	12.0%	16,144	12,076	11.726	159,606	31,397	16,523	14,723	3,788 3,897	163,50
2070	10.00	8.70	10.0%	16,620	10,643	12.237	165,866	32,316	17,172	15,258	4,011	169,87
2071	10.01	9.00	8.2%	17.119	9,275	12,644	170,666	33,278	17,172	15,236	4,131	174,79
2071	10.00	9.20	8.2%	17,119	9,273	13,011	175,670	33,278 34,285	18,547	15,862	4,131	174,79
2072	9.98	9.20	8.2%	18.195	10,009	13,393	180,877	34,283 35,342	18,347	15,862	4,236	179,92
2074	9.96	9.60	8.2%	18,781	10,400	13,791	186,286	35,342 36,452	20,036		4,387 4,525	190,81
2074	9.93	9.80	8.2%	19,401	10,400	14,203	191,895	36.452 37,620	20,036	16,554	4,525 4,670	190,81
2076	9.90	9.90	8.2%	20,054	11,230	14,630	197,702	37,620		16,939		
2076	9.87	9.90	8.2%	20,739	11,672				21,647	17,354	4,822	202,52
2078	9.83		8.2%	21,459		15,073	203,707	40,142	22,503	17,800	4,983	208,69
		10.00			12,131	15,531	209,910	41,502	23,394	18,277	5,152	215,06
2079	9.78	10.00	8.2%	22,222	12,610	16,003	216,301	42,930	24,320	18,787	5,329	221,63
2080	9.73	10.00	8.2%	23,028	13,109	16,490	222,871	44,429	25,284	19,331	5,515	228,38
2081	9.67	9.90	8.2%	23,870	13,628	16,990	229,620	46,007	26,288	19,916	5,711	235,33
2082	9.61	9.90	8.2%	24,747	14,168	17,504	236,545	47,668	27,332	20,541	5,917	242,46

Table 2. Financial Effect of Proposed Changes with Limited Tier 2 Benefits Progress of the National Railroad Retirement Investment Trust (NRRIT), Railroad Retirement Account (RRA) and Social Security Equivalent Benefit Account (SSEBA) under Employment Assumption II (Dollar Amounts in Millions)

		Аустаре			Combined NR	RIT and RRA			.			
Calendar Year	Account benefits ratio	account benefits ratio	Tier 2 tax rate	Benefits and admin- istration	Tax income	Other income	Balance. end year	Benefits and admin- istration	Tax income	Other inc/exp	Balance, end year	Combined balance, end year
						742	\$ 20,955	\$ 6,293	\$ 2,705	\$ 3,524	\$ 783	\$ 21,738
2009 2010	4.74 3.89	6.90 6.70	16.0% 16.0%	\$ 4,516 5,557	\$ 2,745 3,248	\$ 1,743 1,596	\$ 20,955 20,242	6,334	2,755	3,584	788	21,030
2011	3.11	6.50	16.0%	6,385	3,295	1,454	18,606	6,538	2,758	3,805	813	19,419
2017	2.54	6.10	17.0%	6,946	3,561	1,362	16,583	6,747	2,812	3,961	839	17,422
2013	2.09	5.70	18.0%	7,309	3,849	1,209	14,331	6,975	2,892	4,111	867	15,198
2014	1.70	5.30	18.0%	7.512	3,959	1,037	11,815	7,239	2,986	4,286	. 900	12,71
2015	1.32	4.80	18.0%	7,607	4.069	852	9,129	7,520	3,087	4.468	935	10,064
2016	0.94	4.20	18.0%	7.627	4,178	547	6.227	7,820	3,193	4,633	941	7,168
2017	0.59	3.50	19.0%	7,602	4,494	425	3,544	8,125	3,300	4,894	1,010	4,554
2018	0.33	2.80	23.0%	7,565	5.465	304	1,749	8,424	3,408	5,053	1,047	2,790
2019	0.19	2.20	27.0%	7.538	6,482	219	912	8,712	3,515	5,232	1,083	1,995
2020	0.10	1.70	27.0%	7,535	6,641	171	188	8,980	3,610	5,403	1,116	1,304
2021	0.07	1.30	27.0%	7,552	6,802	562	•	9,227	3,705	4,996	591	59
2022	0.06	1.00	27.0%	7,593	6,967	626		9,455	3,800	5,142	78	75
2023	10.0	0.80	27.0%	7,667	7,134	160	(373)	9,666	3,895	5,693	-	(373
2024	-0.04	0.60	27.0%	7,775	7,302	52	(794)	9,867	3,988	5,878	-	(794 (1,203
2025	-0.09	0.40	27.0%	7,904	7,471	24	(1,203)	10,063	4,082 4,178	5,982 6,083		(1,697
2026	-0.15	0.30	27.0%	8,045	7,647	(96)	(1,697)	10,261	4,178	6,185	-	(2,113
2027	-0.20	0.20	27.0%	8,205 8,394	7,826 8,007	(37) (67)	(2,113) (2,567)	10,460	4.273	6,291	-	(2,11.
2028	-0.24	0.10	27.0% 27.0%	8,394	8,007 8,190	(100)	(3,088)	10,864	4,373	6,405	-	(3,088
2029 2030	-0.30 -0.35	-0.10 -0.10	27.0% 27.0%	8,833	8.190 8.379	(138)	(3,681)	10.875	4,470	6,526	-	(3,68)
2031	-0.55 -0.42	-0.10 -0.20	27.0%	9,047	8,574	(239)	(4,392)	11,336	4,677	6,659	-	(4,392
2031	-0.42 -0.48	-0.20	27.0% 27.0%	9,047	8,779	(231)	(5,086)	11,595	4,789	6,807	-	(5,086
2032	-0.55	-0.30	27.0%	9,421	8,994	(279)	(5,792)	11,880	4,908	6,972	_	(5,792
2034	-0.61	-0.30	27.0%	9,638	9,215	(329)	(6,544)	12,174	5,029	7,145	_	(6,544
2035	-0.68	-0.40	27.0%	9,915	9,437	(385)	(7,407)	12,465	5,148	7,317	_	(7,40)
2036	-0.76	-0.40	27.0%	10,202	9,671	(476)	(8,413)	12,764	5,274	7,489		(8,41)
2037	-0.84	-0.50	27.0%	10,491	9,926	(522)	(9,500)	13,067	5,411	7,655		(9,500
2037	-0.92	-0.60	27.0%	10,776	10,196	(601)	(10,682)	13,393	5,557	7,835	-	(10,68
2039	-1.01	-0.60	27.0%	11,062	10,480	(686)	(11,950)	13,749	5,712	8,036	_	(11,950
2040	-1.10	-0.70	27.0%	11,378	10,775	(779)	(13,331)	14,112	5.872	8,240		(13,331
2041	-1.19	-0.80	27.0%	11,720	11,085	(889)	(14,855)	14,481	6,039	8,442	_	(14,855
2042	-1.29	-0.90	27.0%	12,101	11,410	(993)	(16,539)	14,844	6,212	8,631	_	(16,539
2043	-1.40	-0.90	27.0%	12,463	11,753	(1,116)	(18,364)	15,245	6,397	8,848	_	(18,364
2044	-1.51	-1.00	27.0%	12,793	12,116	(1,247)	(20,288)	15,690	6,596	9,094	-	(20,288
2045	-1.62	-1.10	27.0%	13,108	12,500	(1,384)	(22,279)	16,147	6,807	9,339	_	(22,279
2046	-1.74	-1.20	27.0%	13,408	12,906	(1,526)	(24,307)	16,612	7,031	9,581		(24,307
2047	-1.84	-1.30	27.0%	13,716	13,337	(1,666)	(26,352)	17,073	7,267	9,806		(26,35)
2048	-1.95	-1.40	27.0%	13,989	13,788	(1,807)	(28,361)	17,582	7,518	10,064		(28,36
2049	-2.05	-1.50	27.0%	14,236	14,260	(1,943)	(30,280)	18,135	7,782	10,353	•	(30,280
2050	-2.14	-1.60	27.0%	14,483	14.755	(2,072)	(32.080)	18,699	8,059	10,640	-	(32,086
2051	-2.22	-1.70	27.0%	14,735	15,274	(2,190)	(33,731)	19,279	8,349	10,929		(33,73
2052	-2.28	-1.80	27.0".	15,012	15,820	(2,297)	(35,220)	19,863	8,653	11,210		(35,220
2053	-2.32	-1.90	27.0%	15,304	16,394	(2,392)	(36,523)	20,458	8,972	11,486	-	(36,52
2054	-2.35	-2.00	27.0%	15,617	16,995	(2,471)	(37,615)	21,064	9,305	11,759		(37,61
2055	-2.35	-2.10	27.0%	15,953	17,627	(2,535)	(38,477)	21.677	9,654	12,023	-	(38,47)
2056	-2.34	-2.20	27.0%	16,314	18,291	(2,581)	(39,082)	22,299	10,019	12,280	-	(39,08)
2057	-2.31	-2.20	27.0%	16,702	18,989	(2,608)	(39,403)	22,930	10,402	12,528	-	(39,40)
2058	-2.26	-2.30	27.0%	17,115	19,721	(2,613)	(39.409)	23,571	10,803	12,767	-	(39,40
2059	-2.18	-2.30	27.0%	17,555	20,486	(2,593)	(39,071)	24,225	11,221	13,003	-	(39,07
2060	-2.09	-2.30	27.0%	18,024	21,283	(2,548)	(38,360)	24,892	11,656	13,236	-	(38,366
2061	-1.98	-2.30	27.0%	18,525	22,112	(2,474)	(37,247)	25,573	12,107	13,466	•	(37,24
2062	-1.85	-2.30	27.0%	19,054	22,975	(2,370)	(35,695)	26,271	12,576	13,696	-	(35,69
2063	-1.69	-2.30	27.0%	19,607	23,874	(2,232)	(33,661)	26,991	13,063	13,927	-	(33,66
2064	-1.52	-2.20	27.0%	20,182	24,809	(2,058)	(31,092)	27,736	13.571	14,165	-	(31,09
2065	-1.33	-2.10	27.0%	20,787	25,783	(1.842)	(27.938)	28,509	14,099	14,410	-	(27,93
2066	-1.12	-2.00	27.0%	21,426	26,795	(1.582)		29,308	14,647	14,661	-	(24,15
2067	-0.88	-1.90	27.0%	22,101	27,848	(1,275)		30,135	15,217	14,918	-	(19,68
2068	-0.63	-1.70	27.0%	22,808	28,943	(915)		30,994	15,810	15,184	-	(14,45
2069	-0.36	-1.60	27.0%	23,544	30,084	(498)		31,891	16,428	15,463	•	(8,41
2070	-0.07	-1.40	27.0%	24,309	31,272	(18)		32,829	17,071	15,758	-	(1,47
2071	0.23	-1.20	27.0%	25,109	32,509	191	6,119	33,807	17,740	16,406	340	6,45
2072	0.55	-1.00	27.0%	25,963	33,796	778	14.730	34,826	18,437	16,764	715	15,44
2073	0.89	-0.70	27.0%	26,862	35,136	1,442	24,446	35,890	19,162	17,142	1,129	25,57
2074	1.25	-0.50	27.0%	27,798	36,531	2.189	35,369	37,006	19,917	17,546	1,586	36,95
2075	1.63	-0.20	27.0%	28,770	37,983	3,028	47,609	38,180	20,704	17,979	2,089	49,69
2076	2.02	0.20	27.0%	29,782	39,494	3,966	61,287	39,412	21,524	18,441	2,643	63,93
2077	2.44	0.50	27.0%	30,837	41,067	5.013	76.530	40,704	22,377	18,934	3,251	79,78
2078	2.88	0.80	27.0%	31,937	42,704	6,178	93,476	42,059	23,266	19,460	3,918	97,39
2079	3.34	1.20	27.0%	.33,086	44,408	7,472	112,270	43,481	24,191	20,022	4,650	116,92
2080	3.83	1.60	27.0%	34,288	46,180	8,905	133,066	44,975	25,153	20,624	5,452	138,51
2081	4.35	2.00	27.0%	35,549	48,023	11,041	156,581	46,542	26,155	20,713	5,777	162,35
2082	4.89	2.40	27.0%	36,875	49,940	12,991	182,637	48,186	27.196	21,194	5,981	188,61

Table 3. Financial Effect of Proposed Changes with Unlimited Tier 2 Benefits Progress of the National Railroad Retirement Investment Trust (NRRIT), Railroad Retirement Account (RRA) and Social Security Equivalent Benefit Account (SSEBA) under Employment Assumption II (Dollar Amounts in Millions)

alendar Year	benefits	account	Tier 2	Benefits				Benefits	Combined			
	ratio	benefits ratio	tax rate	and admin- istration	Tax income	Other income	Balance, end year	and admin- istration	Tax income	Other inc/exp	Balance, end year	balanc end ye
2009	4.74	6.90	16.0%	\$ 4,516	S 2,745	\$ 1,743	\$ 20,955	\$ 6,293	\$ 2,705	\$ 3,524	\$ 783	\$ 21,7
2010	3.89	6.70	16.0%	5,562	3,248	1,596	20,237	6,334	2,755	3,584	788	21,0
2011	3.10	6.50	16.0%	6,405	3,297	1,453	18,581	6,538	2,758	3,805	813	19,3
2012	2.52	6.10	17.0%	6,991	3,564	1,358	16,513	6,747	2,812	3,961	839	17,3
2013	2.06	5.70	18.0%	7,380	3,854	1,201	14,187	6,975	2,892	4,113	867	15,0
2014	1.65	5.30	18.0%	7.610	3,966	1.022	11,565	7,239	2,986	4.286	900	12,4
2015	1.26	4.80	18.0%	7,731	4,078	828	8,741	7.520	3,087	4,468	935	9,6
2016	0.86	4.10	18.0%	7,774	4,188	512	5,668	7,820	3,193	4,633	941	6,0
2017	0.48	3.50	19.0%	7,769	4,506	376	2,781	8,125	3,300	4,894	1,010	3,
2018	0.20	2.70	23.0%	7,751	5,478	240	748	8,424	3,408	5,053	1,047	ı,
2019	0.08	2.10	27.0%	7,745	6,497	499		8,712	3,515	4,869	720	
2020	0.04	1.70	27.0%	7,763	6,657	820	(286)	8,980	3,610	4,649	•	(
2021	-0.10	1.30	27.0%	7,803	6,820	(92)	(1,361)	9,227	3,705	5,522	-	(1,
2022	-0.22	1.00	27.0%	7,868	6,986	(43)	(2,286)	9,455	3,800	5,655	-	(2,
2023	-0.33	0.70	27.0%	7,967	7,155 7,325	(107)	(3.205)	9,666	3,895 3,988	5,771 5,878		(3,
2024 2025	-0.44 -0.55	0.40 0.20	27.0% 27.0%	8,103 8,262	7,497	(173) (241)	(4,155) (5,162)	9,867 10,063	4,082	5,982	-	(4, (5,
2025	-0.53	0.10	27.0%	8,434	7,674	(407)	(6,328)	10,361	4.178	6,083	-	(6,
2027	-0.79	-0.20	27.0%	8.626	7.856	(400)	(7.499)	10,460	4,275	6,185	-	(7.
2027	-0.79 -0.92	-0.20	27.0%	8.852	7,856 8,040	(488)	(7.499) (8.799)	10,460	4,273	6,291	-	(8,
2029	-0.92	-0.40	27.0%	9,107	8,225	(586)	(10,267)	10,864	4,373	6,405	-	(10,
0.30	-1.03	-0.60	27.0%	9,368	8,417	(697)	(11,915)	11,097	4,571	6,526	-	(11.
2031	-1.35	-0.70	27.0%	9,622	8,615	(878)	(13,800)	11,336	4,571	6,659	- -	(13.
032	-1.55 -1.51	-0.70	27.0%	9,855	8,822	(960)	(15,792)	11,595	4,789	6,807	-	(15
033	-1.69	-0.90	27.0%	10,076	9,041	(1,107)	(17,934)	11,880	4,908	6,972	-	(17
034	-1.87	-1.10	27.0%	10,336	9,265	(1,266)	(20,271)	12,174	5,029	7,145	-	(20
035	-2.05	-1.20	27.0%	10,659	9,490	(1,442)	(22,882)	12,465	5,148	7,143	-	(22
036	-2.25	-1.40	27.0%	10,992	9,728	(1,666)	(25,813)	12,764	5,274	7,489	_	(25
037	-2.46	-1.50	27.0%	11,330	9,986	(1,859)	(29,015)	13,067	5,411	7,655	_	(29
038	-2.69	-1.70	27.0%	11.662	10,259	(2,098)	(32,516)	13,393	5,557	7,835	-	(32
039	-2.92	-1.90	27.0%	11,997	10,547	(2,359)	(36,326)	13,749	5,712	8,036	-	(36
040	-3.17	-2.00	27.0%	12,364	10,845	(2,644)	(40,488)	14,112	5,872	8,240	_	(40
1040	-3.42	-2.20	27.0%	12,759	11,159	(2,964)	(45,053)	14,112	6,039	8,442	-	(45
041	-3.68	-2.50	27.0%	13,194	11,488	(3,298)	(50,058)	14,481	6,212	8,631	-	(50
2043	-3.96	-2.70	27.0%	13,609	11.834	(3,672)	(55,505)	15,245	6,397	8,848		(55
2044	-4.27	-2.90	27.0%	13,991	12,201	(4,077)	(61,372)	15,690	6,596	9,094		(61
1045	-4.59	-3.10	27.0%	14,355	12,589	(4,511)	(67,649)	16,147	6,807	9,339	-	(67
2046	-4.93	-3.40	27.0%	14,703	12,998	(4,977)	(74,330)	16,612	7,031	9,581	_	(74
2047	-5.27	-3.70	27.0%	15.060	13,432	(5,468)	(81,427)	17,073	7,267	9,806	-	(81
048	-5.64	-3.90	27.0%	15,382	13,886	(5,990)	(88,914)	17,582	7,518	10,064	_	(88
049	-6.03	-4.20	27.0%	15,679	14,361	(6,539)	(96,770)	18,135	7,782	10,353		(96
2050	-6.43	-4.50	27.0%	15,974	14,859	(7,114)	(104,999)	18,699	8,059	10,640		(104
2051	-6.83	-4.90	27.0%	16,272	15,381	(7.717)	(113,605)	19,279	8,349	10,929	_	(113
2052	-7.24	-5.20	27.0%	16.590	15,930	(8,347)	(122,612)	19,863	8,653	11,210	_	(122
2053	-7.65	-5.60	27.0%	16,923	16,506	(9,006)	(132,035)	20,458	8,972	11,486	-	(132
054	-8.06	-5.90	27.0%	17,277	17,111	(9,697)	(141,898)	21,064	9,305	11,759	-	(141
2055	-H.47	-6.30	27.0%	17,655	17,745	(10,420)	(152,228)	21,677	9,654	12,023	_	(152
056	-8.88	-6.70	27.0%	18.060	18,412	(11,178)	(163,054)	22,299	10.019	12,023	-	(163
2057	-9.28	-7.10	27.0%	18,493	19,114	(11,973)	(174,406)	22,930	10,402	12,528		(103
2058	-9.68	-7.50	27.0%	18,952	19,849	(12,806)	(186,315)	23,571	10,803	12,767	-	(174
2059	-10.08	-7.90	27.0%	19,440	20,618	(13,681)	(198,819)	24,225	11,221	13,003	-	(198
060	-10.47	-8.30	27.0%	19,960	21,418	(14,601)	(211,963)	24,892	11,656	13,236	-	(211
:061	-10.86	-8.70	27.0%	20,514	22,251	(15,569)	(225,794)	25,573	12,107	13,466	-	(225
2062	-11.24	-9.10	27.0%	21,098	23,117	(16,587)	(240,363)	26,271	12,576	13,696		(240
2063	-11.63	-9.50	27.0%	21,709	24,020	(17,661)	(255,713)	26,991	13,063	13,927	_	(255
064	-12.02	-9.90	27.0%	22,346	24,960	(18,792)	(271,891)	27,736	13,571	14,165	•	(271
2065	-12.40	-10.30	27.0%	23,014	25,938	(19,985)	(288,953)	28,509	14,099	14,410	-	(288
066	-12.79	-10.70	27.0%	23,721	26,955	(21,244)	(306,963)	29,308	14,647	14,661	-	(306
067	-13.17	-11.10	27.0%	24,467	28,012	(22,574)	(325,991)	30,135	15,217	14,918	-	(325
068	-13.56	-11.50	27.0%	25,248	29,113	(23,979)	(346,105)	30,994	15,810	15,184	-	(346
069	-13.94	-11.90	27.0%	26,062	30,260	(25,465)	(367,373)	31,891	16,428	15,463	•	(367
2070	-14.33	-12.30	27.0%	26,909	31,453	(27,037)	(389,865)	32,829	17,071	15,758	-	(389
071	-14.73	-12.60	27.0%	27,793	32,696	(28,699)	(413,662)	33,807	17,740	16,067	_	(413
2072	-15.12	-13.00	27.0%	28,719	33,989	(30,458)	(438,850)	34,826	18,437	16,389	-	(438
2073	-15.52	-13.40	27.0%	29,685	35,336	(32,321)	(465,521)	35,890	19,162			(465
2074	-15.93	-13.80	27.0%	30,688	36,737	(34,294)	(493,766)	37,006	19,102	17,089		(493
2075	-16.34	-14.20	27.0%	31,729	38,196	(36,383)	(523,683)	38,180	20,704	17,476	•	(523
2076	-16.76	-14.60	27.0%	32,810	39,715	(38,597)	(555,375)	39,412	21,524	17,888	-	(555
2077	-17.19	-15.00	27.0%	33,932	41,295	(40,942)	(588,954)	40,704	22,377	18,326	-	(588
2078	-17.62	-15.40	27.0%	35,101	42,940	(43,427)	(624,542)	42,059	23,266	18,793		
2079	-18.07	-15.80	27.0%	36,318	44,652						•	(624
						(46,062)	(662,269)	43,481	24,191	19,291	•	(662
2080	-18.51	-16.20	27.0%	37,587	46,433	(48,856)	(702,280)	44,975	25,153	19,822	-	(702
2081 2082	-18.96 -19,42	-16.60 -17.10	27.0% 27.0%	38,915 40,306	48,285 50,211	(51,819) (54,964)	(744,729) (789,788)	46,542 48,186	26,155 27,196	20,388 20,990	. •	(744 (789

Table 1. 24th Actuarial Valuation

Progress of the National Railroad Retirement Investment Trust (NRRIT), Railroad Retirement Account (RRA) and
Social Security Equivalent Benefit Account (SSEBA) under Employment Assumption III
(Dollar Amounts in Millions)

	Account	Average	Tier ?	Benefits	Combined NE	RRIT and RRA		Deserve	Combined			
alendar Year	benefits ratio	account benefits ratio	Tier 2 tax rate	and admin- istration	Tax income	Other income	Balance, end year	Benefits and admin- istration	Tax income	Other inc/exp	Balance, end year	balance, end year
2009	4.74	6.90	16.0%	S 4,516	\$ 2,725	\$ 1,742	\$ 20,935	\$ 6,293	\$ 2,686	\$ 3,543	\$ 783	\$ 21,7
2010	4.53	6.70	16.0%	4,644	2,752	1,611	20,654	6,333	2,715	3,623	787	. 21,4
2011	4.26	6.60	16.0%	4,842	2,784	1,523	20,119	6,566	2,749	3,846	816	20,9
2012	3.98	6.30	17.0%	5,045	2,972	1,524	19,570	6,815	2,784	4,062	847	20,4
2013	3.70	6.10	17.0%	5.237	3,006	1,479	18,818	7,083	2,821	4,296	188	19,6
2014	3.42	5.80	18.0%	5,428	3,198	1.426	18,015	7,365	2,859	4,541	916	18,9
2015	3.13	5.40	18.0%	5,612	3,234	1,365	17,002	7,650	2,899	4,786	951	17,9
2016 2017	2.82	5.00	18.0%	5,773	3,271	1,175	15,675	7,947	2,943	5,012	959	16,0
2017	2.52 2.21	4.50 4.00	18.0% 18.0%	5,907 6,024	3,307 3,343	1,159 1,085	14,233 12,639	8,247	2,989	5,325	1,025	15.2
2018	1.91	3.60	19.0%	6,119	3,544	977	11,040	8,541 8,823	3,037 3,087	5,541 5,771	1,062 1,097	13,1 12,1
2020	1.63	3.30	20.0%	6,196	3,749	870	9,463	9,087	3,128	5,992	1,130	10,
2021	1.33	3.00	20.0%	6,254	3,789	634	7,633	9,331	3,170	6,190	1,160	8,
2022	1.10	2.70	23.0%	6,298	4,340	648	6,323	9,555	3,213	6,370	1,188	7.
2023	0.96	2.40	27.0%	6,339	5,073	584	5,642	9,761	3,255	6,531	1,213	6,
2024	0.85	2.20	27.0%	6,387	5,129	539	4,923	9,953	3,298	6,679	1,237	6.
2025	0.72	1.90	27.0%	6,438	5,188	490	4,163	10,138	3,341	6,820	1,260	5,4
2026	0.58	1.70	27.0%	6,490	5,249	344	3,266	10,323	3,385	6,961	1,282	4,
2027	0.45	1.40	27.0%	6,547	5,311	373	2,404	10,509	3,429	7,103	1,305	3,
2028	0.30	1.20	27.0%	6,618	5,372	311	1,468	10,699	3,471	7,251	1,329	2,
2029	0.15	1.00	27.0%	6,701	5,432	243	443	10,891	3,512	7,403	1,353	1,
2030	0.09	0.90	27.0%	6,787	5,496	848	-	11,084	3,555	6,874	697	
2031	0.01	0.70	27.0%s	6,876	5,563	751	(562)	11,283	3,599	6,987	-	(
2032	-0.18	0.60	27.0%	6.958	5,631	19	(1,870)	11,495	3,645	7,850	-	(1,
2033	-0.37	0.40	27.0%	7,024	5,703	(77)	(3,267)	11,722	3,695	8,027		(3,
2034	-0.58	0.,30	27.0%	7,099	5,782	(179)	(4,763)	11,949	3,749	8,200	-	(4,
035	-0.79	0.20	27.0%	7.198	5,865	(290)	(6,386)	12,165	3,803	8,362	-	(6,
2036	-1.02	-0.10	27.0%	7.278	5,958	(437)	(8,143)	12,386	3,865	8,521	-	(8,
:037 :038	-1.25	-0.20	27.0%	7,351	6,062	(537)	(9,969)	12,612	3,934	8,678	-	(9,
039	-1.50 -1.75	-0.40 -0.60	27.0% 27.0%	7,444 7,533	6,171	(671)	(11,913)	12,843	4,005	8,838	-	(11,
0.59 2 04 0	-2.01	-0.80	27.0%	7,607	6,288 6,420	(814)	(13,973)	13,084	4,081	9,003	-	(13,
2041	-2.27	-1.00	27.0%	7,720	6,560	(963) (1,130)	(16,123)	13,327 13,558	4,168	9,159	-	(16,
2042	-2.54	-1.20	27.0%	7,867	6,706	(1,130)	(18,413) (20,866)	13,777	4,257 4,347	9,302 9,431	•	(18, (20,
2043	-2.83	-1.50	27.0%	7,954	6,866	(1,469)	(23,423)	14,041	4,451	9,590	-	(23,
2044	-3.13	-1.70	27.0%	8.005	7,039	(1,653)	(26,042)	14,329	4,566	9,764		(26,
045	-3.44	-2.00	27.0%	8,061	7,230	(1,842)	(28,715)	14,589	4,690	9,898		(28,
046	-3.73	-2.20	27.0%	8,165	7,430	(2,037)	(31,488)	14,834	4.818	10,016		(31,
047	-4.02	-2.50	27.0%	8,306	7,639	(2,239)	(34,393)	15,065	4,949	10,117		(34,
048	-4.33	-2.80	27.0%	8,385	7.864	(2,448)	(37,363)	15,344	5,094	10,250		(37,
2049	-4.65	-3.10	27.0%	8,436	8.101	(2,660)	(40,357)	15,642	5,249	10,392	-	(40,
050	-4.97	-3.30	27.0%	8,506	8,356	(2,875)	(43,382)	15,907	5,414	10,494		(43,
2051	-5.28	-3.60	27.0%	8,587	8,625	(3,091)	(46,435)	16,169	5,587	10,582	-	(46.
2052	-5.58	-3.90	27.0%	8,676	8,910	(3,310)	(49,510)	16,429	5,769	10,660	-	(49,
:053	-5.88	-4.20	27.0%	8,755	9,212	(3,528)	(52,581)	16,696	5,963	10,732	-	(52,
054	-6.17	-4.60	27.0%	8,827	9,533	(3,746)	(55,621)	16,966	6,169	10,797	-	(55,
2055	-6.46	-4.90	27.0%	8,900	9,872	(3,960)	(58,610)	17,233	6,387	10,846	-	(58,
2056	-6.73	-5.20	27.0%	8.974	10,232	(4,170)	(61,522)	17,506	6,618	10,888	-	(61,
2057	-6.98	-5.50	27.0%	9,051	10,613	(4,374)	(64,333)	17,780	6,862	10,918	-	(64,
058	-7.22	-5.80	27.0%	9,135	11,014	(4,569)	(67,022)	18,054	7,118	10,937	•	(67.
1059	·7.43	-6.00 -6.30	27.0%	9,224	11,434	(4,754)	(69,567)	18,334	7,385	10,949	-	(69.
2060 2061	-7.61 -7.76	-6.30 -6.60	27.0% 27.0%	9,319 9,422	11,871 12,327	(4,928)	(71,942)	18,622	7,664	10,958	-	(71,
2062	-7.76 -7.88	-6.80	27.0%	9,422		(5,089)	(74,127) (76,097)	18,917	7,954	10,963	•	(74,
2063	-7.88 -7.96	-6.80 -7.10	27.0%	9,537 9,664	12,802 13,295	(5,235) (5,365)	(76,097) (77,831)	19,221	8,256	10,966	-	(76,
064	-7. 7 6	-7.10	27.0%	9,804	13,293	(5,477)	(77,831) (79,302)	19,537 19,868	8,569 8,895	10,968		(77,
2065	-8.01	-7.50	27.0%	9,957	14.344	(5,568)		20,218		10,973		(79,
2066	-7.97	-7.60	27.0%	10,126	14,901	(5,637)	(80,483) (81,345)	20,218	9,234 9,586	10,985 11,002		(80. (81.
067	-7.89	-7.70	27.0%	10,312	15,480	(5,682)	(81,858)	20,389	9,953	11,002		(81
068	-7.75	-7.80	27.0%	10,516	16,083	(5,700)	(81,990)	21,397	10,334	11,063	-	(81
069	-7.58	-7.90	27.0%	10,737	16,711	(5,689)	(81,704)	21,842	10,334	11,111	:	(81,
070	-7.35	-7.90	27.0%	10,978	17,365	(5,645)	(80,962)	22,319	11,145	11,174		(80
071	-7.08	-7.90	27.0%	11,240	18,046	(5,568)	(79,724)	22,829	11,575	11,253	-	(79.
2072	-6.76	-7.80	27.0%	11,525	18,755	(5,452)	(77,947)	23,372	12,023	11,349	-	(77
2073	-6.40	-7.70	27.0%	11,834	19,493	(5,295)	(75,583)	23,954	12,490	11,464		(75
074	-5.99	-7.50	27.0%	12,166	20,262	(5,094)	(72,582)	24.576	12,976	11,600		(72
2075	-5.53	-7.30	27.0%	12,523	21,062	(4,844)	(68,887)	25,242	13,482	11,759		(68,
2076	-5.03	-7.10	27.0° a	12,903	21,895	(4,542)	(64,436)	25,953	14,010	11,943		(64,
2077	-4.49	-6.80	27.0%	13,305	22,763	(4,181)	(59,159)	26,713	14,560	12,153	-	(59,
2078	-3.92	-6.40	27.0%	13,733	23,667	(3,758)	(52,983)	27.521	15,133	12,388	-	(52,
2079	-3.30	-6.10	27.0%	14,191	24,607	(3,267)	(45,833)	28,378	15,729	12,649	-	(45,
2080	-2.64	-5.60	27.0%	14,678	25,586	(2,701)	(37,627)	29,287	16,350	12,937	_	(37,
2081	-1.94	-5.20	27.0%	15,187	26,604	(2,055)	(28,265)	30,253	16,997	13,257	-	(28,
2082	-1.21	-4.60	27.0%	15,719	27,665	(1,321)	(17,641)	31,277	17,671	13,607	_	(17,

Table 2. Financial Effect of Proposed Changes with Limited Tier 2 Benefits Progress of the National Railroad Retirement Investment Trust (NRRIT), Railroad Retirement Account (RRA) and Social Security Equivalent Benefit Account (SSEBA) under Employment Assumption III (Dollar Amounts in Millions)

		Average			Combined NF	RIT and RRA						
alendar Year	Account benefits ratio	account benefits ratio	Tier 2 tax rate	Benefits and admin- istration	Tax income	Other income	Balance. end year	Benefits and admin- istration	Tax income	Other inc/exp	Balance, end year	Combin balance end yea
											\$ 783	\$ 21,7
2009 2010	4.74 3.88	6.90 6.70	16.0% 16.0%	\$ 4,516 5,557	\$ 2,725 3,190	\$ 1,742 1,592	\$ 20,935 20,160	\$ 6,293 6,334	\$ 2,686 2,702	\$ 3,543 3,637	788	20,9
2011	3.08	6.50	16.0%	6,384	3.199	1,444	18,418	6.538	2,670	3,893	813	19,2
2012	2.49	6.10	17.0%	6,946	3,415	1,342	16,228	6,747	2,688	4,086	839	17.0
2013	2.02	5.70	18.0%	7.308	3,645	1,174	13,739	6.975	2,728	4,275	867	14.6
2014	1.59	5.30	18.0%	7,510	3.705	982	10.916	7.239	2,781	4,491	900	11,8
2015	1.17	4.70	18.0%	7,604	3,762	772	7.845	7,520	2,839	4,715	935	8,7
2016	0.72	4.10	18.0%	7,623	3,815	436	4,474	7,819	2,901	4,924	940	5,4
2017	0.32	3.40	20.0%	7,596	4,236	283	1,396	8,123	2,962	5,230	1,010	2,4
2018	0.10	2.70	23.0%	7.558	4,852	1,166	(144)	8,421	3,022	4,389	-	(1
2019	-0.16	2.10	27.0%	7,532	5,670	1	(2,005)	8,706	3,079	5,627	-	(2,0
2020	-0.42	1.60	27.0%	7,530	5,731	(133)	(3,936)	8,971	3,122	5,849	-	(3,9
2021	-0.70	1.10	27.0%	7,547	5,792	(398)	(6,089)	9,213	3,163	6,050		(6,0
2022	-0.98	0.80	27.0%	7,587	5,853	(432)	(8,254)	9,435	3,202	6,233	-	(8,2
2023	-1.27	0.40	27.0%	7,657	5,912	(593)	(10,593)	9,639	3,239	6,400	-	(10,5
2024	-1.58	0.10	27.0%	7.761	5.973	(768)	(13,149)	9,829	3,275	6,554	•	(13,1
2025	-1.90	-0.30	27.0%	7.885	6,038	(961)	(15.957)	10,013	3,311	6,702	•	(15,9
2026	-2.26	-0.60	27.0%	8.019	6,108	(1,265)	(19,133)	10,195	3,350	6,845	•	(19,1
2027	-2.63	-0.90	27.0%	8,170	6,180	(1,412)	(22,535)	10,376	3,390	6,986	-	(22,5
2028	-3.01	-1.20	27.0%	8,349	6,252	(1,669)	(26,301)	10,559	3,429	7,130	-	(26,3
2029	-3.42	-1.50	27.0%	8,552 8,755	6,323	(1,955)	(30,485)	10,744	3,466 3,505	7,278 7,430		(30,4
2030	-3.86	-1.90	27.0%	8.755	6,398	(2,272)	(35,115)	10,935	3,505	7,430	•	(35,1
2031	-4.34	-2.20	27.0%	8,946 9,112	6,477 6,563	(2,679)	(40,263)	11,137	3,548 3,595	7,589 7,758	-	(40,2 (45,8
2032	-4.86	-2.60	27.0%			(3,009)	(45,822)	11,354			-	
2033	-5.42	-3.00	27.0%	9,259	6,656	(3,426)	(51,850)	11,589	3,649	7,940	•	(51,8
2034	-6.01	-3.40	27.0%	9,435	6,753	(3,879) (4,374)	(58,411)	11,826	3,703	8,124	-	(58.4
2035	-6.61	-3.80	27.0%	9,660	6,848		(65.597)	12,053	3,754	8,300	•	(6 5, : (73,
2036	-7.24	-4.30	27.0%	9,878	6,955	(4,943)	(73,464)	12,280	3,811	8,469	•	(81,9
2037	-7.92	-4.80	27.0%	10,089	7.079	(5,506)	(81,980)	12,505	3,878	8,627 8,794	-	(91,
2038	-8.65	-5.30	27.0%	10.285	7.214	(6,145)	(91,196)	12,746	3,952	8,7 74 8,971		
2039	-9.42	-5.90	27.0%	10,480	7,358	(6,836)	(101,153)	13,003	4,032		•	(101,1
2040	-10.23	-6.50	27.0%	886,01	7,511	(7,582)	(111,912)	13,255	4,115	9,139	•	(111,9
2041	-11.09	-7.10	27.0%	10.888	7,678	(8,397)	(123,520)	13,506	4,206	9,299	-	(123,
2042	-11.99	-7.80	27.0%	11,104	7,855	(9,258)	(136,026)	13,744	4,302	9,442	-	(136,
2043	-12.96	-8.50	27.0%	11,281	8,045	(10,192)	(149,454)	14,014	4,408	9,606	-	(149,
2044	-14.03	-9.30	27.0%	11,421	8,250	(11,194)	(163,819)	14,308	4,523	9,785	•	(163,
2045	-15.19	-10.10	27.0%	11.541	8,470	(12,265)	(179,155)	14,594	4.647	9,948	•	(179.
2046	-16.44	-10.90	27.0%	11.637	8,706	(13,408)	(195,494)	14,881	4,780	10,101	•	(195,
2047	-17.77 -19.22	-11.80	27.0% 27.0%	11.735 11.789	8,959 9,225	(14,623)	(212,893)	15,154 15,464	4,922 5,074	10,232 10,389	:	(212, (231,
2048		-12.80				(15,916)	(231,372)	15,795		10,558	•	(250,
2049	-20.79	-13.90	27.0%	11,821	9,506	(17,288)	(250,975)		5,236		-	
2050	-22.46 -24.21	-15.00 -16.20	27.0% 27.0%	11.857 11.894	9,804 10,117	(18,745) (20,291)	(271.773) (293.841)	16,114 16,438	5,406 5,585	10,708 10,853	-	(271, (293,
2051 2052	-24.21 -26.04	-16.20	27.0%	11,955	10,449	(20,291)	(317,278)	16,753	5,772	10,981		(317,
2052 2053	-27.93	-17.60	27.0%	12,026	10,449	(23,675)	(342,179)	17,067	5,969	11,098	•	(342,
2054	-27.93	-20.50	27.0%	12,115	11,170	(25,528)		17,378	6,176	11,202		(368;
2054 2055							(368,651)			11,202	•	(396,
	-31.90	-22.00	27.0%	12,226	11.562	(27,499)	(396,814)	17,683	6,393		-	
2056	-33.96	-23.70 -25.50	27.0% 27.0%	12,361	11,976	(29,597)	(426,796)	17,987	6,621	11,366	•	(426,
2057	-36.06			12.524	12,414	(31,831)	(458,736)	18,289	6,861	11,427	•	(458,
2058	-38.19	-27.30	27.0%	12,710 12,920	12.877	(34,212)	(492,782)	18,588	7,113	11,475	•	(492, (529,
2059	-40.36 -42.57	-29.20	27.0%		13,361	(36,752)	(529,092) (567,842)	18,891	7,376	11,515	•	-
2060	-42.57	-31.20	27.0%	13,154	13,866	(39,461)	(567,842)	19,199	7,650	11,550	-	(567,
2061	-44.81	-33.20	27.0%	13,414	14,392	(42,353)	(609,217)	19,513	7,934	11,579	•	(609,
2062 2063	-47.09	-35.20	27.0%	13,697	14,941	(45.442)	(653,415)	19,833	8,229	11,603	•	(653,
2064	-49.42 -51.83	-37.30 -39:50	27.0% 27.0%	13,996 14,310	15.513 16,110	(48,742)	(700,641)	20,165	8,537	11,627	•	(700, (751,
						(52,269)	(751,110)	20,515	8,859	11,656	-	
2065	-54.31	-41.70 -43.90	27.0%	14,643	16,731	(\$6,039)	(805,061)	20,885	9,193	11,692	-	(805
2066	-56.84	-43.90 46.20	27.0%	15,000	17,378	(60,069)	(862,752)	21,273	9,541	11,732	-	(862. (924.
2067	-59.41 -62.05	-46.20	27.0%	15,380	18,051	(64,380)	(924,461)	21,678	9,903	11,775		
2068 2069	-62.05 -64.78	-48.50 -50.90	27.0% 27.0%	15,781 16,198	18,753 19,485	(68,992)	(990,481) (1,061,119)	22,107	10,280	11,827	•	(990,
2069 2070	-64.78 -67.58	-50.90 -53.40	27.0%	16,634	20,247		(1,061,119)	22,564 23,051	10,674	11,890		(1,061,
	-70.47	-55.90	27.0%	17,090	21.041				11,513	11,966		(1,136,
2071				17,090	21,869		(1,217,616)	23,566		12,053		(1,217,
2072	-73.44 76.49	-58.40	27.0%				(1,304,220)	24,110	11,959	12,151	•	(1,304,
2073	-76.49 -79.44	-61.10 -63.80	27.0%	18,071	22,732		(1,396,938)	24,687	12,424	12,263	•	(1,396,
2074	-79.64	-63.80	27.0%	18,590	23,631		(1,496,208)	25,303	12,909	12,394	•	(1,496
2075	-82.90	-66.60	27.0%	19,129	24,567		(1,602,504)	25,961	13,416	12,546	-	(1,602
2076	-86.27	-69.40	27.0%	19,690	25,542		(1,716,334)	26,661	13,943	12,718	•	(1,716,
2077	-89.74	-72.40	27.0%	20.276	26,557		(1,838,247)	27,404	14,493	12,911	-	(1,838,
2078	-93.31	-75.40	27.0%	20,889	27.614		(1,968.833)	28,193	15,066	13,127	-	(1,968,
2079	-96.97	-78.50	27.0%	21,531	28,713		(2.108,728)	29,031	15,663	13.368	•	(2,108,
2080	-100.72	-81.70	27.0%	22,206	29,857		(2,258,619)	29,920	16,284	13,636		(2,258,
2081	-104.55	-85.00	27.0%	22,920	31,047		(2,419,247)	30,860	16,930	13,930		(2,419,

Table 3. Financial Effect of Proposed Changes with Unlimited Tier 2 Benefits Progress of the National Railroad Retirement Investment Trust (NRRIT), Railroad Retirement Account (RRA) and Social Security Equivalent Benefit Account (SSEBA) under Employment Assumption III (Dollar Amounts in Millions)

		Average		_	Combined NI	RIT and RRA			Combined			
Calendar Year	Account benefits ratio	account benefits ratio	Tier 2 tax rate	Benefits and admin- istration	Tax income	Other income	Balance. end year	Benefits and admin- istration	Tax income	Other inc/exp	Balance, end year	Combine balance end yea
2009	4.74	6.90	16.0%	\$ 4,516	\$ 2,725 3,190	\$ 1,742 1,592	\$ 20,935 20,155	\$ 6,293 6,334	\$ 2,686 2,702	\$ 3,543 3,637	\$ 783 788	\$ 21,7 20,9
2010 2011	3.87 3.07	6.70 6.50	16.0% 16.0%	5,562 6,405	3,200	1,342	18,392	6,538	2,702	3,893	813	19,2
2012	2.47	6.10	17.0%	6,990	3,418	1,338	16,158	6,747	2,688	4,086	839	16,9
2013	1.98	5.70	18.0%	7,379	3,650	1,166	13,595	6,975	2,728	4,275	867	14,4
2014	1.54	5.30	18.0%	7,608	3,712	967	10,666	7,239	2,781	4,491	900	11,5
2015	1.10	4.70	18.0%	7,728	3,770	749	7,457	7,520	2,839	4,715	935	8,3
2016 2017	0.64 0.22	4.10 3.40	18.0% 20.0%	7,770 7,764	3,826 4,248	401 234	3,915 633	7,819 8,123	2,901 2,962	4,924 5,230	940 1,010	4,8: 1,6-
2017	-0.02	2.60	23.0%	7,744	4,865	1,101	(1,144)	8,421	3,022	4,389	-	(1,14
2019	-0.32	2.00	27.0%	7,741	5,684	(81)	(3,282)	8,706	3,079	5,627	-	(3,2
2020	-0.60	1.50	27.0%	7,760	5,748	(237)	(5,532)	8,971	3,122	5,849	-	(5,5
2021	-0.92	1.10	27.0%	7.799	5,810	(527)	(8,047)	9,213	3,163	6,050	-	(8,0
2022	-1.23	0.70	27.0%	7,862	5,873	(589)	(10,625)	9,435	3,202	6,233	-	(10,6
2023	-1.56	0.30	27.0%	7,957	5,933 5,996	(782) (99 3)	(13,431)	9,639	3,239 3,275	6,400	-	(13,4
2024 2025	-1.91 -2.29	-0.20 -0.50	27.0% 27.0%	8,088 8,241	6,063	(1,226)	(16,516) (19,920)	9,829 10,013	3,273	6,554 6,702	-	(19,9)
2026	-2.69	-0.80	27.0%	8,405	6,135	(1,576)	(23,766)	t0,195	3,350	6,845	-	(23,7
2027	-3.11	-1.20	27.0%	8,589	6,210	(1,775)	(27,920)	10,376	3,390	6,986	-	(27,9
2028	-3.55	-1.50	27.0%	8,803	6,284	(2,090)	(32,529)	10,559	3,429	7,130	-	(32,5
2029	-4.01	-1.90	27.0%	9,042	6,358	(2,441)	(37,653)	10,744	3,466	7,278	-	(37,6
2030	-4.51	-2.20	27.0%	9,283	6,436	(2,830)	(43,331)	10,935	3,505	7,430	-	(43,3
2031	-5.05	-2.60	27.0%	9,511	6.517	(3,317)	(49,641)	11,137	3,548	7,589	-	(49,6
2032	-5.63	-3.00 -3.50	27.0% 27.0%	9,715 9,898	6,605 6,702	(3,735) (4,250)	(56,486) (63,931)	11,3 54 11,589	3,595 3,649	7,758 7,940	•	(56,4 (63,9
2033 2034	-6.26 -6.92	-4.00	27.0%	10,113	6,801	(4,230)	(72,053)	11,826	3,703	8,124	:	(72,0
2035	-7.60	-4.50	27.0%	10,378	6,899	(5,424)	(80.957)	12.053	3,754	8,300		(80,9
2036	-8.31	-5.00	27.0%	10,637	7,009	(6,123)	(90,709)	12,280	3,811	8,469	-	(90,7
2037	-9.08	-5.50	27.0%	10,889	7,136	(6,830)	(101,291)	12,505	3,878	8,627	-	(101,2
2038	-9.90	-6.10	27.0%	11,124	7,274	(7,625)	(112,766)	12,746	3,952	8,794	-	(112,7
2039	-10.77	-6.80	27.0%	11,358	7,421	(8,486)	(125,190)	13,003	4,032	8,971	•	(125,1
2040	-11.68	-7.50	27.0%	11,607	7,576	(9,419)	(138,640)	13,255	4,115	9,139 9,299	-	(138,6
2041 204 2	-12.65 -13.66	-8.20 -8.90	27.0% 27.0%	11,848 12,108	7,746 7,926	(10,438) (11,520)	(153,180) (168,882)	13,506 13,744	4,206 4,302	9,299	:	(153,1 (1 68, 8
2042	-14.76	-9.70	27.0%	12,100	8,119	(12,696)	(185,785)	14,014	4,408	9,606		(185,7
2044	-15.96	-10.60	27.0%	12,507	8,326	(13,959)	(203.927)	14,308	4,523	9,785	-	(203,9
2045	-17.27	-11.50	27.0%	12,661	8,548	(15,314)	(223,354)	14.594	4,647	9,948	-	(223,3
2046	-18.70	-12.50	27.0%	12,784	8,785	(16,766)	(244,118)	14,881	4,780	10,101		(244,1
2047	-20.21	-13.50	27.0%	12,908	9,040	(18.313)	(266,299)	15,154	4,922	10,232	-	(266,2
2048	-21.87	-14.60	27.0%	12,984	9,308	(19,966)	(289,941)	15,464	5,074	10,389	-	(289,9
2049	-23.67	-15.80	27.0%	13,037	9,591	(21,727)	(315,114)	15,795	5,236	10,558 10,708	-	(315,1 (341,9
20 50 20 51	-25.59 -27.62	-17.10 -18.50	27.0% 27.0%	13,091 13,146	9,890 10,204	(23,601) (25,598)	(341,917) (370,457)	16,114 16,438	5,406 5,585	10,708	-	(370,4
2052	-29.74	-20.00	27.0%	13,224	10,537	(27,725)	(400,868)	16,753	5,772	10,981	_	(400,8
2053	-31.95	-21.60	27.0%	13,311	10,889	(29,992)	(433,282)	17,067	5,969	11,098	-	(433,
2054	-34.25	-23.30	27.0%	13,416	11,261	(32,409)	(467,847)	17,378	6,176	11,202	-	(467,8
2055	-36.62	-25.10	27.0%	13,544	11.654	(34,988)	(504,725)	17.683	6,393	11,290	-	(504,7
2056	-39.07	-27.10	27.0%	13,698	12,069	(37,740)	(544,094)	17,987	6,621	11,366	-	(544,0
2057	-41.56	-29.10	27.0%	13,880	12,509	(40,679)	(586,144)	18,289	6,861	11,427	•	(586,
2058	-44.12 46.73	-31.20	27.0%	14,086 14,318	12,972	(43,819)	(631,077) (679,113)	18,588 18,891	7,113 7,376	11,475 11,515		(631,0 (67 9 ,1
2059 2060	-46.73 -49.40	-33.50 -35.80	27.0% 27.0%	14,518	13,458 13,965	(47,176) (50,765)	(730,490)	19,199	7,650	11,550		(730,4
2061	-52.12	-38.20	27.0%	14,863	14,493	(54,606)	(785,466)	19,513	7,934	11,579		(785,
2062	-54.90	-40.60	27.0%	15,173	15,043	(58,716)	(844,311)	19,833	8,229	11,603		(844,
2063	-57.76	-43.10	27.0%	15,503	15.618	(63,116)	(907,312)	20,165	8,537	11,627		(907,
2064	-60.72	-45.70	27.0%	15,849	16,217	(67,827)	(974,771)	20,515	8,859	11,656	-	(974,
2065	-63.76	-48.40	27.0%	16,216	16,841		(1,047.017)	20,885	9,193	11,692	•	(1,047,
2066	-66.88	-51.10	27.0%	16,609	17,490		(1,124,413)	21,273	9,541	11,732	•	(1,124,4
2067	-70.06	-53.80 -56.70	27.0%	17,029 17,471	18,166 18,871		(1,207,342) (1,296,213)	21,678 22,107	9,903 10,280	11,775 11,827	:	(1,207, (1,296,
2068 2069	-73.33 -76.70	-56. 70 -59.60	27.0% 27.0%	17,471	19,606		(1,391,461)	22,107	10,280	11,827		(1,391,
2070	-80.19	-62.60	27.0%	18,415	20,371		(1,493,552)	23,051	11,085	11,966		(1,493,
2071	-83.78	-65.70	27.0%	18,920	21,169		(1,602,991)	23,566	11,513	12,053	-	(1,602,
2072	-87.47	-68.90	27.0%	19,451	22,000	(119,877)	(1,720,319)	24,110	11,959	12,151		(1,720,
2073	-91.28	-72.10	27.0%	20,006	22,867		(1,846,116)	24,687	12,424	12,263	•	(1,846,
2074	-95.22	-75.50	27.0%	20,582	23,770		(1,981,003)	25,303	12,909	12,394	•	(1,981,
2075	-99.30	-78.90	27.0%	21,180	24,710		(2,125,642)	25,961	13,416	12,546	-	(2,125,
2076 2077	-103.51 -107.86	-82.50 -86.10	27.0% 27.0%	21,802 22,452	25,689 26,709		(2,280,751) (2,447,101)	26,661 27,404	13,943 14,493	12,718 12,911	•	(2,280, (2,447,
2078	-107.86	-80.10 -89.90	27.0%	23,132	26,709		(2,447,101)	28,193	15,066	13,127	:	(2,625,
2079	-116.95	-93.80	27.0%	23,844	28,874		(2,825,522)	29,031	15,663	13,368		(2,816,9
2080	-121.67	-97.80	27.0%	24,593	30,024		(3,022,221)	29,920	16,284	13,636		(3,022,
2081	-126.49	102.00	27.0%	25,384	31,219		(3,242,505)	30,860	16,930	13,930	-	(3,242,
2082	-131.40	106.30	27.0%	26,223	32,462		(3,478,878)	31,853	17,602	14,251		(3,478,