

Category G: Trust Fund Investment in Equities (2011 Trustees Report intermediate assumptions)					
Description of proposed provisions		Change from present law		Results with this provision	
		Long-range actuarial balance	Annual balance in 75th year	Long-range actuarial balance	Annual balance in 75th year
	Present Law, Alternative II.			-2.22	-4.24
G1	Invest 40 percent of the Trust Funds in equities (phased in 2012-2026), assuming an ultimate 6.4 percent real rate of return on equities.	0.62	0.00	-1.61	-4.24
G2	Invest 40 percent of the Trust Funds in equities (phased in 2012-2026), assuming an ultimate 5.4 percent real rate of return on equities.	0.45	0.00	-1.78	-4.24
G3	Invest 40 percent of the Trust Funds in equities (phased in 2012-2026), assuming an ultimate 2.9 percent real rate of return on equities. Thus, the ultimate rate of return on equities is the same as that assumed for Trust Fund bonds.	0.00	0.00	-2.22	-4.24
G4	Invest 15 percent of the Trust Fund in equities (phased in 2012-2021), assuming an ultimate 6.4 percent annual real rate of return on equities.	0.25	0.00	-1.97	-4.24
G5	Invest 15 percent of the Trust Funds in equities (phased in 2012-2021), assuming an ultimate 2.9 percent annual real rate of return on equities. Thus, the ultimate rate of return on equities is the same as that assumed for Trust Fund bonds.	0.00	0.00	-2.22	-4.24