

Mr. SPRINGER. Have you followed the Social Security Act amendment very carefully?

Mr. HABERMEYER. The formula we have established in section 104 of the bill sets forth a table.

Mr. SPRINGER. That is on page 4 of the bill, right?

Mr. HABERMEYER. Yes. This gives increases that are approximately 110 percent of what the railroad man would have received if his earnings had been covered by social security rather than by railroad retirement.

Mr. SPRINGER. Let's go to the costs for a second.

It is my understanding that as of a few days ago the debt was \$190 million, which is excess of outgo over income.

Mr. HABERMEYER. That is the unemployment insurance account, not the retirement account.

Mr. SPRINGER. That is title II, right?

Mr. HABERMEYER. That is title II.

Mr. SPRINGER. And you will have a surplus this year of roughly \$60 million on that?

Mr. HABERMEYER. We had a surplus last year of \$60 million.

Mr. SPRINGER. And that will reduce the \$190 million, is that right?

Mr. HABERMEYER. Actually, the \$190 million is what the unemployment insurance account was in debt to the railroad retirement fund. The unemployment insurance account borrowed from the railroad retirement account \$190 million, the debt we owed last June. At the present time, it is around \$170 million. It is continuing to go down every quarter. We anticipate this year, without amendments, we would have \$50 to \$60 million surplus again to repay to this account. With the amendments, we will incur additional costs of about \$20.5 million. So we would have between \$30 and \$40 million we can reduce the indebtedness with.

Mr. SPRINGER. Title I and title II, the whole bill, how much does that cost? \$60 million?

Mr. HABERMEYER. Title II would be \$20.5 million. That is the unemployment and sickness account.

Mr. SPRINGER. And title I?

Mr. HABERMEYER. Title I would be \$81 million in the first year and \$62 million on a level basis into the future.

Mr. SPRINGER. That is \$100 million this year?

Mr. HABERMEYER. For title I, the cost would be \$81 million this year, but, spread out into perpetuity, it would amount to about \$62 million per year.

Mr. SPRINGER. In other words, \$62 million—

Mr. HABERMEYER. On a level basis, that is right, sir.

Mr. SPRINGER. Is there anything else substantially that the bill does?

Mr. HABERMEYER. No; it does bring in disabled widows.

Mr. SPRINGER. Tell me the people that are brought in that are not now under it.

Mr. HABERMEYER. It will be just the widows. We anticipate about 3,000 between the ages of 50 and 60.

Mr. SPRINGER. Anyone else?

Mr. HABERMEYER. We have a situation where widows have been qualified for benefits or are eligible for benefits under social security