

Section 215(i) also specifies that an automatic benefit increase under title II, effective for December of any year, will be limited to the increase in the national average wage index for the prior year if the "OASDI fund ratio" for that year is below 20.0 percent. The OASDI fund ratio for a year is the ratio of the combined assets of the Old-Age and Survivors Insurance and Disability Insurance Trust Funds at the beginning of that year to the combined expenditures of these funds during that year. (The expenditures in the ratio's denominator exclude transfer payments between the two trust funds, and reduce any transfers to the Railroad Retirement Account by any transfers from that account into either trust fund.) For 2003, the OASDI fund ratio is assets of \$1,377,965 million divided by estimated expenditures of \$475,178 million, or 290.0 percent. Because the 290.0-percent OASDI fund ratio exceeds 20.0 percent, the automatic benefit increase for December 2003 is not limited.

Title II Benefit Amounts

In accordance with section 215(i) of the Act, in the case of workers and family members for whom eligibility for benefits (*i.e.*, the worker's attainment of age 62, or disability or death before age 62) occurred before 2004, benefits will increase by 2.1 percent beginning with benefits for December 2003 which are payable in January 2004. In the case of first eligibility after 2003, the 2.1 percent increase will not apply.

For eligibility after 1978, benefits are generally determined using a benefit formula provided by the Social Security Amendments of 1977 (Pub. L. 95-216), as described later in this notice.

For eligibility before 1979, we determine benefits by means of a benefit table. You may obtain a copy of this table by writing to: Social Security Administration, Office of Public Inquiries, Windsor Park Building, 6401 Security Boulevard, Baltimore, MD 21235. The table is also available on the Internet at address <http://www.socialsecurity.gov/OACT/ProgData/tableForm.html>.

Section 215(i)(2)(D) of the Act requires that, when the Commissioner determines an automatic increase in Social Security benefits, the Commissioner will publish in the **Federal Register** a revision of the range of the primary insurance amounts and corresponding maximum family benefits based on the dollar amount and other provisions described in section 215(a)(1)(C)(i). We refer to these benefits as "special minimum" benefits. These benefits are payable to certain individuals with long periods of

relatively low earnings. To qualify for such benefits, an individual must have at least 11 "years of coverage." To earn a year of coverage for purposes of the special minimum benefit, a person must earn at least a certain proportion of the "old-law" contribution and benefit base (described later in this notice). For years before 1991, the proportion is 25 percent; for years after 1990, it is 15 percent. In accordance with section 215(a)(1)(C)(i), the table below shows the revised range of primary insurance amounts and corresponding maximum family benefit amounts after the 2.1 percent automatic benefit increase.

SPECIAL MINIMUM PRIMARY INSURANCE AMOUNTS AND MAXIMUM FAMILY BENEFITS PAYABLE FOR DECEMBER 2003

Number of years of coverage	Primary insurance amount	Maximum family benefit
11	\$31.10	\$47.30
12	63.00	95.30
13	95.20	143.30
14	127.00	191.00
15	158.80	238.80
16	190.80	287.10
17	222.90	335.20
18	254.90	383.00
19	286.70	431.00
20	318.70	478.80
21	350.90	527.20
22	382.50	574.90
23	415.00	623.60
24	446.90	671.20
25	478.80	718.60
26	511.20	767.50
27	542.80	815.20
28	574.80	863.00
29	606.70	911.30
30	638.70	958.80

Title XVI Benefit Amounts

In accordance with section 1617 of the Act, maximum SSI Federal benefit amounts for the aged, blind, and disabled will increase by 2.1 percent effective January 2004. For 2003, we derived the monthly benefit amounts for an eligible individual, an eligible individual with an eligible spouse, and for an essential person—\$552, \$829, and \$277, respectively—from corresponding yearly unrounded Federal SSI benefit amounts of \$6,633.23, \$9,948.73, and \$3,324.22. For 2004, these yearly unrounded amounts increase by 2.1 percent to \$6,772.53, \$10,157.65, and \$3,394.03, respectively. Each of these resulting amounts must be rounded, when not a multiple of \$12, to the next lower multiple of \$12. Accordingly, the corresponding annual amounts, effective for 2004, are \$6,768, \$10,152, and \$3,384. Dividing the yearly amounts

by 12 gives the corresponding monthly amounts for 2004 \$564, \$846, and \$282, respectively. In the case of an eligible individual with an eligible spouse, we equally divide the amount payable between the two spouses.

Title VIII of the Act provides for special benefits to certain World War II veterans residing outside the United States. Section 805 provides that "[t]he benefit under this title payable to a qualified individual for any month shall be in an amount equal to 75 percent of the Federal benefit rate [the maximum amount for an eligible individual] under title XVI for the month, reduced by the amount of the qualified individual's benefit income for the month." Thus the monthly benefit for 2004 under this provision is 75 percent of \$564, or \$423.00.

Student Earned Income Exclusion

A blind or disabled child, who is a student regularly attending school, college, or university, or a course of vocational or technical training, can have limited earnings that are not counted against his or her SSI benefits. The maximum amount of such income that may be excluded in 2003 is \$1,340 per month but not more than \$5,410 in all of 2003. These amounts increase based on a formula set forth in regulation 20 CFR 416.1112.

To compute each of the monthly and yearly maximum amounts for 2004, we increase the corresponding unrounded amount for 2003 by the latest cost-of-living increase. If the amount so calculated is not a multiple of \$10, we round it to the nearest multiple of \$10. The unrounded monthly amount for 2003 is \$1,342.07. We increase this amount by 2.1 percent to \$1,370.25, which we then round to \$1,370. Similarly, we increase the unrounded yearly amount for 2003, \$5,409.89, by 2.1 percent to \$5,523.50 and round this to \$5,520. Thus the maximum amount of the income exclusion applicable to a student in 2004 is \$1,370 per month but not more than \$5,520 in all of 2004.

Fee for Services Performed as a Representative Payee

Sections 205(j)(4)(A)(i) and 1631(a)(2)(D)(i) of the Act permit a qualified organization to collect from an individual a monthly fee for expenses incurred in providing services performed as such individual's representative payee. Currently the fee is limited to the lesser of: (1) 10 percent of the monthly benefit involved; or (2) \$30 per month (\$58 per month in any case in which the individual is entitled to disability benefits and the Commissioner has determined that