

United States Senate Committee on Finance

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SOCIAL SECURITY ADMINISTRATION TO RECEIVE EMERGENCY FUNDS

Supplemental amendment from Baucus, Grassley will reimburse hurricane-related costs

Washington, DC – U.S. Senators Chuck Grassley (R-Iowa) and Max Baucus (D-Mont.) yesterday won Senate approval of an amendment to provide \$38 million in supplemental funds to the Social Security Administration this year. That money would reimburse Social Security for administrative expenditures incurred as a result of Hurricane Katrina and the other 2005 hurricanes. Social Security provided assistance to more than 528,000 hurricane evacuees. That help included as many as 85,000 immediate payments for displaced beneficiaries and those who could not access their bank or other financial accounts.

“Social Security Administration performed superbly in the aftermath of these hurricanes, and they needed their emergency expenditures reimbursed to keep serving Americans now,” said Baucus. **“This agency took a big, \$300 million hit in the budget this year, and they simply couldn’t absorb \$38 million in extra hurricane costs. In agreeing to this amendment, the Senate is giving Social Security just a bit back to help serve beneficiaries.”**

“Government agencies often rise to the occasion after natural disasters, and it’s important to make sure their budgets are compensated appropriately for unanticipated work,” Grassley said.

In addition to the cost of emergency payments, Social Security incurred administrative costs as it processed applications from many victims newly eligible for Social Security disability or survivors benefits or Supplemental Security Income benefits, changed the addresses of beneficiaries displaced by hurricanes, and confirmed Social Security numbers for those who had lost identification documents. Costs were also incurred for expenses for workers serving in affected areas and for repairs or temporary replacements for damaged or destroyed Social Security offices.

The supplemental funding legislation approved by the Senate reimburses a number of Federal agencies for costs arising from these hurricanes. The Social Security reimbursement will be paid for with previously undirected funds from a FEMA Disaster Relief account in the bill, and will incur no additional costs.

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