



## SOCIAL SECURITY

Office of the Commissioner

November 16, 1995

The Honorable Alice Rivlin  
Director  
Office of Management and Budget  
Washington, D.C. 20503

Dear Ms. Rivlin:

In response to the President's request for a review of agency shutdown plans in light of the unprecedented shutdown of the Federal government, we have determined that SSA must begin implementing Phase II of its contingency staffing plan on Monday morning, November 20, 1995 in order to begin accepting and processing claims. SSA is taking this action in order to appropriately administer the trust funds.

In addition to continuing benefit payments under the Social Security, Supplemental Security Income (SSI), the Federal Coal Miners Health and Safety ("Black Lung") programs, Phase II will involve recalling sufficient staff from furlough to administer these programs, including the taking of new applications. This action is essential for the SSA to carry out its responsibilities to the public to administer the trust funds for which it is responsible, and is consistent with the Department of Justice's advice concerning activities authorized during a lapse in appropriations.

Social Security disability, retirement and survivor's benefits are funded through an indefinite appropriation which does not require annual appropriations legislation. Funds for SSI and Black Lung Benefits have been appropriated through December 31, 1995. Although funds for the costs necessary to administer these programs have not been appropriated, the Department of Justice opinions indicate that continued appropriations for the benefit payments "necessarily implies" lawful continuation of such administration. An appropriations lapse which lasts for more than one to two weeks would cripple SSA's ongoing ability to properly administer its trust funds, and could irreversibly impair its capacity not only to distribute accurate payments to current beneficiaries of all of its programs, but also to process new claims and appeals "in the pipeline."

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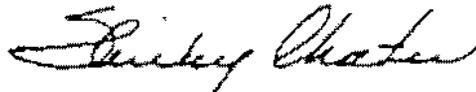
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Phase II of SSA's contingency staffing plan would operationalize SSA's field facilities, including the reopening of SSA's toll-free telephone service, and State DDS facilities. Under Phase II, SSA would take and process new applications for SSI and Social Security benefits, and the agency would resume processing appeals. Under Phase II, however, SSA would not process applications for Social Security numbers, personal earnings and benefit estimates and annual wage reporting activities. Employees whose primary duties are staff support would continue to be furloughed. Approximately 49,715 staff will be recalled from furlough to ensure the payment of benefits to individuals who are eligible under our programs. Total staffing under Phase II of the contingency staffing plan will be 54,495. 11,700 employees will continue to be furloughed.

Sincerely,



Shirley S. Chater  
Commissioner of Social Security

Enclosures