

United States Senate Committee on Finance

For Immediate Release
Thursday, June 15, 2006

Contact:

Carol Guthrie (Baucus)
Jill Gerber (Grassley)
(202) 224-4515

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.) today hailed the final Senate passage of the supplemental appropriations conference report, which included their amendment providing that will provide \$38 million in supplemental funds to the Social Security Administration this year. Grassley and Baucus won Senate approval of their amendment on May 4 during the Senate consideration of the supplemental appropriations bill. The conference report is the final version of the legislation that is sent to the President after passing both houses of Congress. The \$38 million will 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.

“The 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 repairs or temporary replacements for damaged or destroyed Social Security offices, and for expenses for workers who relocated in affected areas to serve the people in those areas.

The supplemental funding legislation approved by the Senate today 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.

###