



Tom Harkin, U.S. Senator



MEMORANDUM

TO: Interested Parties
FROM: Senator Tom Harkin
RE: **Analysis of House Budget Cuts on the Social Security Administration in Iowa**
DATE: February 22, 2011

This week the House proposed cutting funding the Social Security Administration's (SSA) administrative expenses by more than \$125 million below last year's funding level.

Because of the economic downturn and an aging population, since 2008 the number of Americans filing for disability and retirement benefits has increased dramatically. While funding for the Social Security Administration's administrative expenses has largely kept pace with this increased work in recent years, the House proposal jeopardizes the basic administration of Social Security programs.

The House proposal would force SSA to freeze all hiring, meaning they couldn't replace workers as they retire or leave the agency. This would leave SSA with about 3,500 fewer staff at the end of the year. Furthermore this attrition wouldn't happen uniformly so it will leave some of SSA's 1,400 offices (more than 20 in Iowa) disproportionately understaffed.

The House proposal may ultimately force SSA to furlough its more than 60,000 employees for up to four weeks. Jerry Nelson, the field office manager of the Waterloo Social Security Field Office, recently testified in front of Senator Harkin's Labor, Health and Human Services, and Education Appropriations Subcommittee on the effect of what just one furlough day would mean to his office. (Full testimony can be found [here](#)):

"Furloughs would be devastating to both the public that depends on us and to our employees... In my office, one furlough day would translate to 100 visitors not seen, 32 claims not taken, 150 phone calls unanswered, and 7 redeterminations not done... As people return to conduct business on days the office is open, walk-in office visitors would have longer waits to see a representative. Members of the public would also have to wait longer for scheduled appointments. Claims processing time would increase. A furlough day could be devastating to someone in a dire need situation desperate for a critical or immediate payment, or for a beneficiary needing verification information to qualify for food stamps, to obtain housing, or to get Medicaid."

Nationwide, as a result of the House proposal, the millions of Americans and thousands of Iowans filing for retirement and disability benefits this year would wait longer for the benefits they've earned, backlogs of those with pending disability claims and hearings could reach record levels, and waiting times at field offices and SSA's 1-800 number would increase dramatically. Delaying these services to the most vulnerable populations—retirees, survivors, and person with disabilities—not only devastates millions of American families, but also hurts the economy.

Iowans receiving and filing for Social Security benefits:

- There are over 600,000 Iowans receiving Social Security benefits; 45,000 will file for retirement benefits this year alone.
- The number of Iowans filing for disability benefits has increased 23 percent since 2008 and the number of appeals of those decisions has increased 57 percent.

Disability Benefits

	2008	2010	2008 to 2010 Increase
Disability Claims Received			
Iowa	20,269	24,964	23%
National	2,591,900	3,129,023	21%
Disability Review Hearings Requested			
Iowa	2,302	3,615	57%
National	589,449	720,161	22%

To view the location of Social Security Administration offices across Iowa, click [here](#).