



# SOCIAL SECURITY

The Commissioner

August 29, 2008

The Honorable Nancy Pelosi  
Speaker of the House of Representatives  
Washington, D.C. 20515

Dear Madam Speaker:

Enclosed for consideration of the Congress is the Administration's bill to make program and administrative improvements to the Old-Age, Survivors, and Disability (OASDI) program, the Supplemental Security Income (SSI) program, and the Special Benefits for Certain World War II Veterans program. A section-by-section description of the proposals is also enclosed with this letter.

Section 1 of the bill would provide authority for us to develop and carry out experiments and demonstrations designed to determine the effects of various alternatives to the current retirement earnings test that applies to workers retiring before full retirement age.

Section 2 of the bill would clarify that an individual need only be subject to an outstanding felony arrest warrant in order for us to suspend benefits, would allow us to disclose to law enforcement officers information about fugitive felons and parole violators, and would simplify the administration of this provision.


Section 3 of the bill would require attorneys and non-attorney representatives to use the Internet to complete disability forms in order to receive legal fees. This change would help us optimize the appeals process as we continue to work to reduce the disability backlogs.

Section 4 of the bill would reauthorize appropriations for the Protection and Advocacy Systems and for the Work Incentives Planning and Assistance program through fiscal year 2014. These important programs support work opportunities for our beneficiaries with disabilities.

The Office of Management and Budget advises that there is no objection to the transmittal of this bill to the Congress, and its enactment would be in accord with the program of the President. We urge the Congress to give the draft bill prompt and favorable consideration.

I am sending an identical letter to the Honorable Richard B. Cheney, President of the Senate.

Sincerely,



Michael J. Astrue

Enclosures



## SOCIAL SECURITY

The Commissioner

August 29, 2008

The Honorable Richard B. Cheney  
President of the Senate  
Washington, D.C. 20510

Dear Mr. Cheney:

Enclosed for consideration of the Congress is the Administration's bill to make program and administrative improvements to the Old-Age, Survivors, and Disability (OASDI) program, the Supplemental Security Income (SSI) program, and the Special Benefits for Certain World War II Veterans program. A section-by-section description of the proposals is also enclosed with this letter.

Section 1 of the bill would provide authority for us to develop and carry out experiments and demonstrations designed to determine the effects of various alternatives to the current retirement earnings test that applies to workers retiring before full retirement age.


Section 2 of the bill would clarify that an individual need only be subject to an outstanding felony arrest warrant in order for us to suspend benefits, would allow us to disclose to law enforcement officers information about fugitive felons and parole violators, and would simplify the administration of this provision.

Section 3 of the bill would require attorneys and non-attorney representatives to use the Internet to complete disability forms in order to receive legal fees. This change would help us optimize the appeals process as we continue to work to reduce the disability backlogs.

Section 4 of the bill would reauthorize appropriations for the Protection and Advocacy Systems and for the Work Incentives Planning and Assistance program through fiscal year 2014. These important programs support work opportunities for our beneficiaries with disabilities.

The Office of Management and Budget advises that there is no objection to the transmittal of this bill to the Congress, and its enactment would be in accord with the program of the President. We urge the Congress to give the draft bill prompt and favorable consideration.

I am sending an identical letter to the Honorable Nancy Pelosi, Speaker of the House.

Sincerely,  
  
Michael J. Astrue

Enclosures

## **Social Security Programs Administrative Improvements Amendments of 2008**

### Establish Demonstration Authority for Title II Retirement Benefits

Section 1 would provide authority to the Commissioner of Social Security to develop and carry out experiments and demonstrations designed to determine the relative advantages and disadvantages of treatment of earnings of title II beneficiaries from early retirement age (age 62 for retired workers) to full retirement age. Such studies would identify and measure the impact of the retirement earnings test (RET) alternatives upon work behavior, benefit receipt, total income, and wealth, assessed at age 63 and older. This would inform SSA whether RET alternatives should be implemented in order to promote beneficiary economic well being, administrative cost savings, and Trust Fund levels. Consistent with section 1110(b)(2)(A) of the Act (relating to SSI demonstration authority), any demonstration project under this proposal would not disadvantage any beneficiary participating in the project.

The provision would be effective upon enactment and authority to begin demonstrations under the provision would expire two years after enactment.

### Revise Provisions Limiting Payment of Benefits to Fugitive Felons under Titles II, VIII, and XVI of the Social Security Act

Section 2 would amend Sections 202(x)(1)(A), 1611(e)(4)(A)(i), and 804(a)(2) to clarify that no individual who is subject to an outstanding warrant for his arrest for a felony, either before or after conviction, may be paid benefits for any month that the warrant is outstanding. It would also amend Sections 202(x)(3) and 1611(e)(5) to allow the Commissioner to disclose to any Federal, State, or local law enforcement officer, upon the written request of the officer, the current address, Social Security number, and photograph (if applicable) of any applicant for benefits who is a fugitive felon or probation/parole violator.

These changes would permit SSA to continue to use the database of outstanding arrest warrants currently used to determine whether an individual's payments should be suspended based on fugitive status. SSA would also be able to share data with law enforcement officials with regard to beneficiaries as well as applicants for benefits and individuals whose payments have been suspended due to fugitive felon or probation/parole violation status.

### Require Attorneys and Non-Attorney Representatives To Use the Internet To Complete Disability Forms in Order To Receive Legal Fees

Section 3 would require that attorneys and non-attorney representatives who wish to be paid for representing disability claimants would have to complete and submit via the Internet all necessary forms that SSA designates as being appropriate for electronic submission. All attorneys and non-attorney representatives who fail to submit these forms properly will be considered to have waived all fees for representation. This would help optimize the appeals process and bring SSA in line with Federal courts that already require case actions to be filed electronically.

The provision would apply to all representative appointments made after the date of enactment.

### Reauthorization of Appropriations for Certain Work Incentive Proposals

Section 4 would reauthorize grants for the Protection and Advocacy (P&A) Systems and for the Work Incentives Planning and Assistance (WIPA) program through fiscal year 2014. The P&A Systems' return to work supports and services have become an integral pillar in SSA's return to work and work incentive mission. The P&A Systems are very important to the successful administration of the Ticket to Work Program. As Ticket use continues to increase, SSA anticipates an increased demand for P&A services. The national WIPA Program, previously titled the Benefits Planning Assistance and Outreach Program, is another key element in SSA's return to work efforts and has established its worth and effectiveness. The program has expanded the supports available to our beneficiaries with disabilities. SSA anticipates a continuing need and increased demand for WIPA services. However, both the P&A Systems and WIPA program are scheduled to sunset in September 2009. Reauthorization needs to happen far enough in advance of FY 2010 to allow for grantees to plan appropriately. (Under the Ticket to Work and Work Incentives Improvement Act of 1999, these programs were authorized through the end of fiscal year 2004. The Social Security Protection Act of 2004 extended the authorization through the end of fiscal year 2009.)

The provision would be effective upon enactment.

A B I L L

To amend the Social Security Act and enact other changes related to the old-age, survivors and disability insurance program, the supplemental security income program and the special benefits for certain World War II veterans program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; TABLE OF CONTENTS.

(a) Short title.--This Act may be cited as the "Social Security Programs Administrative Improvements Amendments of 2008".

(b) Table of Contents.--The table of contents for this Act is as follows:

Sec. 1. Establish Demonstration Authority for Title II Retirement Benefits.

Sec. 2. Revise Provisions Limiting Payment of Benefits to Fugitive Felons under Titles II, VIII, and XVI of the Social Security Act.

Sec. 3. Require Attorneys and Non-Attorney Representatives to Use the Internet to Complete Disability Forms in Order to Receive Legal Fees.

Sec. 4. Reauthorization of Appropriations for Certain Work Incentive Proposals.

SEC. 1. ESTABLISH DEMONSTRATION AUTHORITY FOR TITLE II  
RETIREMENT BENEFITS.

Title II of the Social Security Act is amended by adding at the end thereof the following:

"Sec. 235. (a) IN GENERAL.--The Commissioner shall develop and carry out experiments and demonstration projects designed to determine the relative advantages and disadvantages of treatment of earnings of Title II beneficiaries from early retirement age to full retirement age.

"(b) REQUIREMENTS.--The experiments and demonstration projects developed under subsection (a) shall be of sufficient scope and shall be carried out on a wide enough scale to adequately evaluate the appropriateness of such proposals for national implementation without committing such programs to the adoption of any particular system either locally or nationally.

"(c) AUTHORITY TO WAIVE COMPLIANCE WITH BENEFITS REQUIREMENTS.--In the case of any experiment or demonstration project initiated under subsection (a), the Commissioner may waive compliance with the benefit requirements of this title insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such experiment or project shall be

actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such experiments and demonstration projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

"(d) REPORTS.--(1) INTERIM REPORTS.--On or before December 31 of each year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an annual interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials that the Commissioner may consider appropriate.

"(2) TERMINATION AND FINAL REPORT.--The authority to initiate projects under the preceding provisions of this section shall terminate two years after the date of enactment. Not later than 90 days after the termination of any experiment or demonstration project carried out under this section, the Commissioner shall submit to the

Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to that experiment or demonstration project."

SEC. 2. REVISE PROVISIONS LIMITING PAYMENT OF BENEFITS TO FUGITIVE FELONS UNDER TITLES II, VIII, AND XVI OF THE SOCIAL SECURITY ACT.

(a) TITLE II AMENDMENTS.--

(1) WARRANT REQUIREMENT.--Section 202(x)(1)(A)(iv) of the Social Security Act (42 U.S.C. 402(x)(1)(A)(iv)) is amended to read as follows:

"(iv) is the subject of an arrest warrant for the purpose of--

"(I) prosecution under the laws of the jurisdiction issuing such warrant for a crime, or an attempt to commit a crime, which is a felony under the laws of such jurisdiction, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed, or

"(II) custody or confinement after conviction under such laws of such a crime or attempt to commit a crime."

(2) DISCLOSURE--Section 202(x)(3)(C) of such Act (42 U.S.C. 402(x)(3)(C)) is amended--



(A) by striking "any beneficiary under this title" and inserting "any individual who is a recipient of benefits under this title (or would be such a recipient but for the application of clause (iv) or (v) of paragraph (1)(A)), or who is an applicant for benefits under this title"; and

(B) by striking "the beneficiary" each place it appears and inserting "such individual".

(3) EFFECTIVE DATE.--The amendments made by this subsection shall be effective as if they had been included in the enactment of section 203(a) of the Social Security Protection Act of 2004 (P.L. 108-203).

(b) TITLE VIII AMENDMENTS.--

(1) WARRANT REQUIREMENT.--Section 804(a)(2) of the Social Security Act (42 U.S.C. 1004(a)(2)) is amended to read as follows:

"(2) during any part of which the individual is the subject of an arrest warrant for the purpose of--

"(I) prosecution under the laws of the jurisdiction issuing such warrant for a crime, or an attempt to commit a crime, which is a felony under the laws of such jurisdiction, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed, or

"(II) custody or confinement after conviction

under such laws of such a crime or attempt to commit a crime."

(2) EFFECTIVE DATE.--The amendments made by this subsection shall be effective as if they had been included in the enactment of section 251 of the Foster Care Independence Act of 1999 (P.L.106-169).

(c) TITLE XVI AMENDMENTS.--

(1) WARRANT REQUIREMENT.--Section 1611(e)(4)(A)(i) of the Social Security Act (42 U.S.C. 1382(e)(4)(A)(i)) is amended to read as follows:

"(i) the subject of an arrest warrant for the purpose of--

"(I) prosecution under the laws of the jurisdiction issuing such warrant for a crime, or an attempt to commit a crime, which is a felony under the laws of such jurisdiction, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed, or

"(II) custody or confinement after conviction under such laws of such a crime or attempt to commit a crime."

(2) DISCLOSURE--Section 1611(e)(5) of such Act (42 U.S.C. 1382(e)(5)) is amended--

(A) by striking "any recipient of benefits under this title" and inserting "any individual who is a recipient of benefits under this title (or would be

such a recipient but for the application of paragraph (4)(A)), or who is an applicant for benefits under this title"; and

(B) by striking "the recipient" each place it appears and inserting "such individual".

(3) EFFECTIVE DATE.--The amendments made by this subsection shall be effective as if they had been included in the enactment of section 202(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193).

**SEC. 3. REQUIRE ATTORNEYS AND NON-ATTORNEY REPRESENTATIVES TO USE THE INTERNET TO COMPLETE DISABILITY FORMS IN ORDER TO RECEIVE LEGAL FEES.**

(a) IN GENERAL.--Section 206(a) of the Social Security Act is amended by adding at the end the following:

"(4) (A) Any person who wishes to be paid for representing a claimant under this subsection must complete and submit electronically all necessary forms for pursuing the disability claim that the Commissioner designates as appropriate for electronic submission.

"(B) A representative who fails to submit these forms electronically will be considered to have waived all fees for representation."

(b) EFFECTIVE DATE.--This requirement will apply to all appointments made after the date of enactment.

**SEC. 4. REAUTHORIZATION OF APPROPRIATIONS FOR CERTAIN WORK**

## INCENTIVE PROPOSALS.

(a) BENEFITS PLANNING, ASSISTANCE, AND OUTREACH--Section 1149(d) of the Social Security Act is amended by striking "2009" and inserting "2014".

(b) PROTECTION AND ADVOCACY--Section 1150(h) of the Social Security Act is amended by striking "2009" and inserting "2014".