Social Security

A Brief History

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Cover: President Franklin Roosevelt signs the Social Security Act into law.

For more information about the history of Social Security, see our Internet site at *http://www.socialsecurity.gov/history*

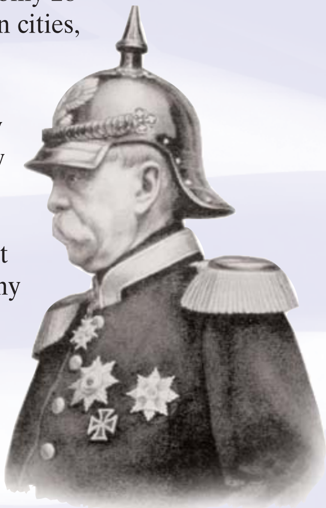
CONTENTS

A FOUNDATION OF ECONOMIC SECURITY

For most of human history, people lived and worked on farms in extended families and this was the foundation of their economic security. However, this changed as the developed world underwent the Industrial Revolution. The extended family and the family farm as sources of economic security became less common as more and more people became wage-earners, working for others. Along with the shift from an agricultural to an industrial economy, Americans moved from farms and small rural communities to larger cities. In 1890, only 28 percent of the U.S. population lived in cities, by 1930 this percentage had exactly doubled, to 56 percent.

In Europe in the late 19th century the idea developed for Social Security as one form of economic security in a modern industrialized world. The world's first Social Security retirement program was put into effect in Germany in 1889, designed by Germany's legendary Chancellor, Otto von Bismarck.

In the United States, the Great Depression of the 1930s triggered a crisis in the nation's economic life. It was against this backdrop that the Social Security Act emerged.



Bismarck

THE SOCIAL SECURITY ACT

On June 8, 1934, President Franklin D. Roosevelt, in a message to the Congress, announced his intention to provide a program for Social Security. Subsequently, the President created by Executive Order the Committee on

Economic Security, which was composed of Frances Perkins, Secretary of Labor, Chairwoman; Henry Morgenthau, Jr., Secretary of the Treasury; Henry A. Wallace, Secretary of Agriculture; Homer S. Cummings, Attorney General; and Harry L. Hopkins, Federal Emergency Relief Administrator. The committee was instructed to study the entire problem of economic security and to make recommendations that would serve as the basis for legislative consideration by the Congress.

Frances Perkins

In early January 1935, the Committee made its report to the President, and on January 17 the President introduced the report to both Houses of Congress for simultaneous consideration. Each House passed its own version, but eventually the differences were resolved and the Social Security Act was signed into law on August 14, 1935. In addition to several provisions for the general welfare, the new Act created a social insurance program designed to pay retired workers age 65 or older a continuing income.

IMPLEMENTING THE ACT

One provision of the Act established a bipartisan Social Security Board (SSB) composed of three members appointed by the President. The original members were John G. Winant, Chairman; Arthur J. Altmeyer; and Vincent M. Miles. (Eventually, SSB would be replaced by the current Social Security Administration, headed by a single Commissioner rather than a board.) In 1935, SSB was faced with the task of providing employers, employees and the public with information on how earnings were to be reported, what benefits were available and how they were to be provided. In addition, sites for field installations had to be chosen and personnel to staff these offices had to be selected and trained. The monumental first job was the need to register employers and workers by January 1, 1937, when workers would begin acquiring credits toward old-age insurance benefits and payroll taxes would start to be collected. Since SSB did not have the resources available to accomplish this, they contracted with the U.S. Post Office to distribute the applications, beginning in November 1936. The post offices collected

First meeting of the Social Security Board, 9/14/35. Left to right: Altmeyer, Winant and Miles

Postmen in New York City distributing Social Security number applications in November 1936 the completed forms, typed the Social Security number cards, and returned the cards to the applicants. The applications then were forwarded to SSB's processing center located in Baltimore, Md., where the numbers were registered and various employment records established. Over 35 million Social Security cards were issued through this procedure in 1936-37.

The first Social Security number was issued to John D. Sweeney, Jr. of New Rochelle, N.Y. The lowest number ever issued (001-01-0001) was to Grace Dorothy Owen of Concord, N.H.

FIRST PAYMENTS

Under the 1935 law, monthly benefits were to start in 1942. From 1937 until 1942, Social Security was to pay benefits to retirees in the form of a single, lump-sum refund payment. The earliest reported applicant for a lump-sum refund was a retired Cleveland motorman named Ernest Ackerman, who retired one day after the Social Security program began. During his one day of participation in the program, a nickel was withheld from Mr. Ackerman's pay for Social Security, and, upon retiring, he received a lump-sum payment of 17 cents. The average lump-sum payment during this period was $58.06. The smallest payment ever made was for 5 cents.

Ernest Ackerman

1939 AMENDMENTS

The original Act provided only retirement benefits, and only to the worker. The 1939 Amendments made a fundamental change in the Social Security program. The Amendments added two new categories of benefits: payments to the spouse and minor children of a retired worker (called dependents benefits) and survivors benefits paid to the family in the event of the premature death of the worker. The 1939 Amendments also increased benefit amounts and accelerated the start of monthly benefit payments from 1942 to 1940.

MONTHLY BENEFITS

Ida May Fuller

Payment of monthly benefits began in January 1940. On January 31, 1940, the first monthly retirement check was issued to a retired legal secretary, Ida May Fuller, of Ludlow, Vt., in the amount of $22.54. Miss Fuller died in January 1975 at the age of 100. During her 35 years as a beneficiary, she received over $22,000 in benefits.

1950 AMENDMENTS

From 1940 until 1950, virtually no changes were made in the Social Security program. Because the program was still in its infancy, Social Security's retirement benefits were very low. In fact, until 1951, the average welfare benefit received under the old-age assistance provisions of the Act was higher than the average retirement benefit received under Social Security. Only about 50 percent of America's workers were covered under the program at that time. In 1950 major amendments were enacted. These amendments raised benefits for the first time and placed the program on the road to the virtually universal coverage it has today.

President Truman signs the 1950 amendments.

THE STORY OF COLAS

Most people are aware that there are annual increases in Social Security benefits to offset the effects of inflation on fixed incomes. These increases, known as cost-of-living adjustments (COLAs), are such an accepted feature of the program that it is difficult to imagine Social Security without them. But, in fact, when Ida May Fuller received her first $22.54 benefit payment in January of 1940, this was the amount she could expect to receive for life. It was not until the 1950 Amendments that Congress legislated the first COLA — a 77 percent increase. From that point on, benefits were increased only when Congress enacted special legislation.

In 1972, the law was changed to provide, beginning in 1975, for automatic annual COLAs based on the annual increase in consumer prices. No longer do beneficiaries have to await a special act of Congress to receive a benefit increase and no longer does inflation drain value from Social Security benefits.

Social Security COLAs 1950-2005

Effective Date	Percent Increase	Effective Date	Percent Increase
9/51	77.0	12/85	3.1
9/52	12.5	12/86	1.3
9/54	13.0	12/87	4.2
1/59	7.0	12/88	4.0
1/65	7.0	12/89	4.7
2/68	13.0	12/90	5.4
1/70	15.0	12/91	3.7
1/71	10.0	12/92	3.0
9/72	20.0	12/93	2.6
3/74	7.0	12/94	2.8
6/74	11.0	12/95	2.6
6/75	8.0	12/96	2.9
6/76	6.4	12/97	2.1
6/77	5.9	12/98	1.3
6/78	6.5	12/99	2.5
6/79	9.9	12/00	3.5
6/80	14.3	12/01	2.6
6/81	11.2	12/02	1.4
6/82	7.4	12/03	2.1
12/83	3.5	12/04	2.7
12/84	3.5		

Notes: The increase in 3/74 was a special, limited-duration increase; it was effective for only 3/74-5/74. In June 1974 all payment levels reverted to their 2/74 level and the 11 percent increase was permanently applied on this base. The COLA for December 1999 was originally determined as 2.4 percent, however, it was subsequently raised to 2.5 percent. Initially, the automatic COLAs were effective in June each year (and received in the July payment) but a 1983 change in the law shifted the effective date to December (for payments received in January).

DISABILITY BENEFITS

The Social Security Amendments of 1954 initiated a disability insurance program that provided the public with additional coverage against economic insecurity. At first, there was a disability "freeze" of workers' Social Security records during years when they were unable to work. While this measure offered no cash benefits, it did prevent such periods of disability from reducing or wiping out retirement and survivor

President Eisenhower signs the "disability freeze" bill.

benefits. On August 1, 1956, the Social Security Act was amended to provide cash benefits to disabled workers aged 50-65 and disabled adult children. Over the next few years, Congress broadened the scope of the program, permitting the dependents of disabled workers to qualify for benefits, and eventually disabled workers at any age could qualify.

MEDICARE & OTHER CHANGES

The decade of the 1960s brought additional changes to the Social Security program. Among the most significant was a provision in the Amendments of 1961 lowering the age at which men are first eligible for retirement benefits to 62 (women previously were given this option in 1956).

The most significant change involved the passage of Medicare. Under Medicare, health coverage was extended to Social Security beneficiaries aged 65 or older (and eventually to those receiving disability benefits as well). Nearly 20 million beneficiaries enrolled

President Johnson signs the Medicare Bill, in the presence of former President Harry Truman (seated, right).

in Medicare in the first three years of the program. Social Security would continue to have responsibility for the Medicare program until a 1977 reorganization created the Health Care Financing Administration (HCFA). HCFA assumed administrative responsibility for Medicare at that time. (In 2001, HCFA was renamed the Centers for Medicare & Medicaid Services.)

THE DECADE OF THE 1970s

In addition to the automatic annual COLA provision, the 1972 law also introduced wage-indexing of the initial benefit amount upon retirement, in order to ensure that Social Security benefits keep up with standards of living. These two changes, taken together, introduced the principle of automatic adjustments in Social Security benefits to compensate for both wage and price inflation in the economy.

The 1970s also saw stress on program financing as the adverse economic conditions of that era combined with a maturing program to produce the first period of sustained fiscal imbalance in the system. Amendments enacted in 1977 sought to restore financial balance to the system. The current tax-rate schedule for Social Security was set in these amendments in 1977 (the schedule was slightly modified in 1983).

President Carter signs the 1977 amendments.

Supplemental Security Income (SSI) Program

In addition to the financing changes introduced in the legislation of 1972 and 1977, the 1970s also saw the creation of the Supplemental Security Income (SSI) program.

In the original 1935 Social Security Act, programs were introduced for needy aged and blind individuals and, in 1950, needy disabled individuals were added. These three programs were known as the "adult categories" of welfare and were administered by state and local governments with partial federal funding. Over the years, the state programs became more complex and inconsistent, with as many as 1,350 administrative agencies involved and payments varying more than 300 percent from state to state. In 1969, President Nixon identified a need to reform these and related welfare programs to "bring reason, order, and purpose into a tangle of overlapping programs." In 1971, Secretary of Health, Education and Welfare Elliot Richardson proposed that Social Security assume responsibility for the adult categories. In the Social Security Amendments of 1972, Congress federalized the adult categories by creating the SSI program and assigned responsibility for it to Social Security.

SSI is a needs-based program for elderly, blind and disabled individuals.

THE DECADE OF THE 1980s

President Reagan signs the 1983 amendments.

The Social Security Amendments of 1980 made changes in the disability program. Most of these changes focused on various work incentive provisions for both Social Security and SSI disability benefits. The 1980 Amendments also required Social Security to conduct periodic reviews of current disability beneficiaries to certify their continuing eligibility. This became a massive, controversial workload. By 1983, the reviews had been halted, and, in 1984, Congress passed the

Greenspan Commission

Disability Benefits Reform Act modifying several aspects of the disability program, including how disability reviews are conducted.

In the early 1980s, the Social Security program faced a serious short-term financing crisis. President Ronald Reagan appointed a blue-ribbon panel, known as the Greenspan Commission, to study the financing issues and make recommendations for legislative changes. The final bill, signed into law in April 1983, made numerous changes in the Social Security program, including the partial taxation of Social Security benefits; the first coverage of federal employees; raising the retirement age gradually starting in 2000; and increasing the reserves in the Social Security trust funds.

President Bush signs the 1989 law authorizing annual Social Security Statements.

In 1989, as part of the Omnibus Budget Reconciliation Act, President George Bush signed into law the requirement that Social Security send annual *Social Security Statements* to almost all persons working under Social Security. These *Statements* are an important financial planning tool available from Social Security.

THE DECADE OF THE 1990s

President Clinton signs the "Ticket to Work" bill, December 1999.

Social Security had its status in the government upgraded when it became an independent agency in the federal government in March 1995. This means the Commissioner of Social Security reports directly to the President. Under the 1994 legislation, the periodic Social Security Advisory Councils were abolished and a permanent seven-member bipartisan Social Security Advisory Board was formed to provide independent advice and counsel on Social Security.

Welfare reform legislation, signed by President Clinton in August 1996, eliminated the old Aid to Families with Dependent Children program from the original Social Security Act and replaced it with new time-limited benefits linked to a work requirement. The legislation also terminated SSI eligibility for most noncitizens (this provision was scaled-back somewhat in 1997). Also the eligibility rules for awarding SSI disability benefits to children were tightened.

On December 17, 1999, the "Ticket to Work and Work Incentives Improvement Act of 1999" became law, providing disability beneficiaries with a voucher they may use to obtain vocational rehabilitation services,

Social Security Commissioner Jo Anne B. Barnhart signs off on the final federal regulations implementing the "Ticket to Work" procedures.

employment services, and other support services from an employment network of their choice. In addition to allowing beneficiaries to obtain vocational services, the law provides incentive payments to providers for successful rehabilitations in which the beneficiary returns to work. The provisions also provide a number of safeguards to the beneficiaries to protect their benefits and health.

THE NEW MILLENNIUM

On April 7, 2000, President Clinton signed into law H.R. 5, "The Senior Citizens' Freedom to Work Act of 2000," eliminating the Retirement Earnings Test for beneficiaries at or above full retirement age. (The test still applies to beneficiaries below the full retirement age.) This allowed approximately 900,000 people who were collecting benefits but also working to not have their benefits reduced because of work. The aim of this bill was to avoid penalizing seniors who choose to work in retirement.

President Clinton signs the bill partially repealing the Retirement Earnings Test.

On May 1, 2001, President George W. Bush appointed a 16-member bipartisan "President's Commission to Strengthen Social Security." In December 2001, the Commission held its final meeting and voted unanimously to approve the Draft Final Report. The Commission offered three possible scenarios for how personal accounts might be introduced into the Social Security program.

President Bush introduces the members of his Presidental Commission to Strengthen Social Security.

The report also recommended that "there be a period of [national] discussion ... before legislative action is taken to strengthen and restore sustainability to Social Security."

At the start of his second term, in his State-of-the-Union address, President Bush emphasized the need to "pass reforms that solve the financial problems of Social Security once and for all." The President established basic principles to guide reform, including the "guarantee that there is no change for those now retired or nearing retirement" and that "any changes in the system are gradual." He has pledged to work with Congress to find themost effective combination of reforms to strengthen Social Security for future generations.

THE DEVELOPMENT OF SOCIAL SECURITY

Administratively, the “Ticket to Work” regulations were finalized in late 2001, and the program launched in the first set of states in early 2002. In recent years, improvements have been made to enhance the integrity of Social Security numbers, to guard against “identify theft,” to ease the wage reporting burdens on small businesses and to streamline the processing of disability claims.

In late 2003, President Bush signed into law the Medicare Prescription Drug Improvement and Modernization Act. The Social Security Administration has significant administrative responsibilities in the implementation of this law. In 2004, the President signed into law the Social Security Protection Act (improving the management of the representative payee process) and the Identity Theft Penalty Enhancement Act.

THE GROWTH OF SOCIAL SECURITY

Social Security has grown to become a major facet of modern life. One in six Americans receives a Social Security benefit, and about 98 percent of all workers are in jobs covered by Social Security. From 1940, when slightly more than 222,000 people received monthly Social Security benefits, until today, when more than 47 million people receive such benefits, Social Security has grown steadily. The SSI program, meanwhile, provides income support to more than seven million people.

PROGRAM GROWTH

Social Security

Year	Beneficiaries	Dollars (b)
1937	53,236 (a)	$1,278,000
1938	213,670 (a)	$10,478,000
1939	174,839 (a)	$13,896,000
1940(e)	222,488	$35,000,000
1950	3,477,243	$961,000,000
1960	14,844,589	$11,245,000,000
1970	26,228,629	$31,884,000,000
1980	35,584,955	$120,598,000,000
1990	39,832,125	$247,816,000,000
2000	45,414,794	$407,635,000,000
2001	45,877,506	$431,931,000,000
2002	46,444,317	$453,821,000,000
2003	47,038,486	$470,778,000,000
2004	47,687,722	$493,212,000,000

SSI

Year	Beneficiaries (c)	Dollars (d)
1974	3,996,064	$5,096,813,000
1975	4,314,275	$5,716,072,000
1980	4,142,017	$7,714,640,000
1985	4,138,021	$10,749,938,000
1990	4,817,127	$16,132,959,000
1995	6,514,134	$27,037,280,000
2000	6,601,686	$30,671,699,000
2001	6,688,489	$32,165,856,000
2002	6,787,857	$33,718,999,000
2003	6,902,364	$34,693,278,000
2004	6,987,845	$36,065,358,000

a. Recipients of one-time lump-sum payments.

b. Benefit payments only.

c. Recipients of federally administered payments only.

d. Includes both federal payment and federally administered state supplementation payments.

e. Start of monthly retirement benefits under Social Security; prior years are single lump-sum payouts only.

KEY DATES IN THE HISTORY OF SOCIAL SECURITY

Here is a summary of some of key dates in the development of the Social Security program:

06/08/34: Federal legislation to promote economic security was recommended in President Roosevelt's Message to Congress.

06/29/34: President Roosevelt created the Committee on Economic Security to study the problems related to economic security and to make recommendations for a program of legislation.

01/17/35: The Committee on Economic Security's recommendations were introduced in the 74th Congress.

04/19/35: The Social Security Act was passed in the House of Representatives, 372 to 33.

06/19/35: The Social Security Act was passed in the Senate by a vote of 77 to 6.

08/14/35: The Social Security Act became law with President Roosevelt's signature.

08/23/35: The Senate confirmed the President's nomination of the original members of the Social Security Board: John G. Winant, Chairman; Arthur J. Altmeyer; and Vincent M. Miles.

10/36: The first Social Security field office was opened in Austin, Texas.

11/09/36: The Baltimore office for record-keeping operations opened in the Candler Building.

11/24/36: Applications for Social Security account numbers were first distributed by the Post Office.

01/01/37: Workers began to acquire credits toward old-age insurance benefits — payroll taxes collected for the first time.

01/37: First applications for benefits filed. Ernest Ackerman, a retired Cleveland motorman, was among the first to apply.

03/11/37: First Social Security benefits paid (one-time payment only).

07/01/39: Under the Federal Reorganization Act of 1939, the Social Security Board was made part of the newly established Federal Security Agency (FSA).

08/10/39: The Social Security Amendments of 1939 broadened the program to include dependents and survivors benefits.

01/31/40: Ida May Fuller became the first person to receive an old-age monthly benefit check.

07/16/46: Under the President's Reorganization Plan of 1946, the Social Security Board was abolished and the Social Security Administration was established. Arthur J. Altmeyer was appointed as the first Commissioner.

08/28/50: President Truman signed the 1950 Social Security Amendments.

04/11/53: President Eisenhower abolished the FSA and created a new Department of Health, Education and Welfare (HEW). Social Security was made part of this new cabinet agency.

09/01/54: Social Security Amendments established a disability "freeze" to help prevent the erosion of a disabled worker's benefits.

KEY DATES IN THE HISTORY OF SOCIAL SECURITY

08/01/56: The Social Security Act was amended to provide monthly benefits to permanently and totally disabled workers aged 50-64 and for adult children of deceased or retired workers, if disabled before age 18.

06/30/61: The Social Security Amendments of 1961 were signed by President John Kennedy, permitting all workers to elect reduced retirement at age 62.

07/30/65: President Johnson signed the Medicare bill at the Truman Presidential Library in Independence, Mo.

10/12/66: President Johnson visited Social Security headquarters to participate in the 15th Annual Honor Awards Ceremony — the only visit by a President.

07/01/72: President Nixon signed into law P.L. 92-336 which authorized a 20 percent cost-of-living adjustment (COLA), effective 9/92, and established the procedures for issuing automatic annual COLAs beginning in 1975.

10/30/72: Social Security Amendments of 1972 signed into law by President Nixon — creating the Supplemental Security Income (SSI) program.

01/01/74: SSI program went into operation as a result of the Social Security Amendments of 1972.

03/09/77: HEW reorganization plan was published in Federal Register, creating the Health Care Financing Administration to manage the Medicare and Medicaid programs.

05/4/80: HEW was abolished and replaced by the Department of Health and Human Services (HHS). Social Security became a part of HHS at this time.

06/09/80: President Carter signed the Social Security Amendments of 1980. Major provisions involved greater work incentives for disabled Social Security and SSI beneficiaries and continuing disability reviews.

08/13/81: The Omnibus Budget Reconciliation Act of 1981 made numerous changes in Social Security, SSI and AFDC. These included: a phasing out of student's benefits; stopping young parents benefits when a child reached 16; limiting the lump-sum death payment and changes in the minimum benefit.

01/20/83: The National Commission on Social Security Reform sent its recommendations for resolving the Social Security program's financial problems to the President and Congress.

04/20/83: President Reagan signed into law the Social Security Amendments of 1983.

10/09/84: Disability Benefits Reform Act of 1984 signed by President Reagan.

06/06/86: President Reagan signed the Federal Employees' Retirement System (FERS) Act, which established Social Security coverage for federal employees hired after December 31, 1983.

10/01/88: Social Security's nationwide 800-number telephone service implemented.

05/17/94: Social Security's Internet site *(Social Security Online)* was launched on the World-Wide Web.

03/31/95: Social Security became an independent agency.

04/19/95: The Alfred P. Murrah Federal Building in Oklahoma City, Okla., was bombed, killing 168 individuals, including 16 Social Security employees.

08/22/96: President Clinton signs the welfare reform bill.

12/98: The first-ever White House Conference on Social Security was held in Washington, D.C., on December 8 and 9, 1998.

10/01/99: Social Security begins annual mailing of the *Social Security Statement* to all workers age 25 and over.

12/17/99: President Clinton signed the "Ticket to Work and Work Incentives Improvement Act of 1999."

04/07/00: President Clinton signed into law a bill eliminating the Retirement Earnings Test for those beneficiaries at or above full retirement age.

11/02/00: Social Security announced the availability of its new online application process for Social Security retirement claims.

05/02/01: President Bush announced the appointment of a 16-member bi-partisan President's Commission to Strengthen Social Security.

06/14/01: The Health Care Financing Administration changed its name to the Centers for Medicare & Medicaid Services.

12/11/01: The President's Commission to Stregthen Social Security held its final meeting and voted unanimously to approve to Draft Final Report. The Commission offered three possible scenarios for how personal accounts might be introduced into the Social Security program.

02/05/02: The "Ticket to Work" program was officially launched in the first 13 states.

02/19/02: New updated rules, better reflecting the state of medical science, took effect regarding the evaluation of disabilities basedon problems of the musculoskeletal system (the most commontype of disability under Social Security).

03/01/02: Social Security implemented tighter rules on the issuance of Social Security cards to aliens not authorized to work in the United States.

04/15/02: The U.S. House of Representatives Committee on Reform, Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations, gave the Social Security Administration the highest grade in the federal government for its financial management practices.

01/06/03: Social Security implemented a new service for small business owners, providing electronic wage reporting capabilities to businesses with 20 or fewer employees.

09/25/03: At a hearing before the House Ways and Means Subcommittee on Social Security, Commissioner Barnhart presented an approach to improving the disability determination process that would shorten decision times, pay benefits faster to people who are obviously disabled, and test new incentives for those with disabilities who wish to remain in, or return to, the workforce.

12/08/03: President Bush signed into law the Medicare Prescription Drug, Improvement and Modernization Act of 2003.

03/02/04: President Bush signed into law H.R. 743, the Social Security Protection Act of 2004 (Public Law 108-203). This law contains more than 50 main provisions, many affecting the conduct of representative payees under the law, as well as a wide variety of other administrative and technical matters.

07/15/04: President Bush signed into law H.R. 1731, the Identity Theft Penalty Enhancement Act, which imposes criminal penalties for theft of another person's identity, including for purposes of obtaining Social Security-related benefits.

01/26/05: Mississippi became the first state to fully implement Social Security's new fully electronic disability application process under its eDib initiative.

AGENCY ORGANIZATIONAL HISTORY

This list summarizes the major organizational changes to the agency over the years:

The Social Security Board is Created

The Social Security Administration began life as the Social Security Board (SSB). The SSB was created at the moment President Roosevelt inked his signature on the Social Security Act (August 14, 1935). The SSB was an entirely new entity, with no staff, no facilities and no budget. The initial personnel were donated from existing agencies, and a temporary budget was obtained from the Federal Emergency Relief Administration. The Board itself consisted of three executives appointed by the President and such staff as they needed to hire.

The Federal Security Agency Absorbs the Board

On 7/1/39, the Social Security Board lost its independent agency status when the new sub-cabinet level Federal Security Agency was created. The FSA encompassed the SSB, the Public Health Service, the Office of Education, the Civilian Conservation Corps and the U.S. Employment Service.

Agency is Created

On 7/16/46, under the President's Reorganization Plan of 1946, the SSB was replaced by the Social Security Administration, under the leadership of a Commissioner. Arthur Altmeyer, who had been chairman of the Board of the SSB, became Social Security's first Commissioner.

HEW Replaces the Federal Security Agency

On 4/11/53, President Eisenhower abolished the FSA and created a new Department of Health, Education and Welfare (HEW). Social Security was made part of this new cabinet agency.

HEW Replaced by HHS

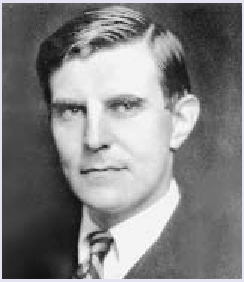
On 5/4/80, the Department of Health and Human Services replaced HEW. Social Security was a major part of HHS until it returned to its original status as an independent agency.

Social Security Becomes an Independent Agency

Throughout the years, arguments had been made that Social Security should be returned to independent agency status. This debate was given impetus in 1981 when the National Commission on Social Security recommended that the agency once again become an independent Social Security Board. The 1983 National Commission on Social Security Reform (a.k.a., the Greenspan Commission) again raised this issue and recommended a special study be commissioned of the matter. This special study was completed in 1984, and it outlined several options for making Social Security an independent agency. This led to numerous legislative proposals in the ensuing years and in 1994 the legislation passed both houses of Congress unanimously making Social Security, once again, an independent agency. President Clinton signed the bill on August 15, 1994 (59 years and one day after FDR signed the original Act). The change took effect on March 31, 1995.

SOCIAL SECURITY BOARD MEMBERS

From 1935 until 1946, the Social Security program was the responsibility of a three-person executive group known as the Social Security Board. Although one of the members was designated as the Chairman, all three held equal voting status in the Board's decision-making. During this 11-year period, six different individuals were members of the Social Security Board.



John G. Winant
Board Chairman
1935-1937

Arthur J. Altmeyer
Member 1935-1937
Chairman 1937-1946

Vincent M. Miles
Member
1935-1937

George E. Bigge
Member
1937-1946

Mary W. Dewson
Member
1937-1938

Ellen S. Woodward
Member
1938-1946

SOCIAL SECURITY COMMISSIONERS

Arthur J. Altmeyer
7/46-4/53

William L. Mitchell*
4/53-11/53

John W. Tramburg
11/53-8/54

*Since 1946, a Commissioner has headed the Social Security Administration. As of 2005, 23 men and women have served as the permanent or acting Commissioner of Social Security. (*Denotes acting status.)*

Charles I. Schottland
8/54-2/59

William L. Mitchell
2/59-4/62

Robert M. Ball
4/62-3/73

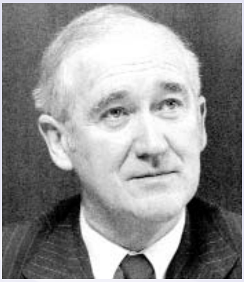
Arthur E. Hess*
3/73-10/73


James B. Cardwell
10/73-12/77


Don I. Wortman*
12/77-10/78


Stanford G. Ross
10/78-1/80


Herbert R. Doggette, Jr.*
1/80-1/80


William J. Driver
1/80-1/81


Herbert R. Doggette, Jr.*
1/81-5/81


John A. Svahn
5/81-9/83

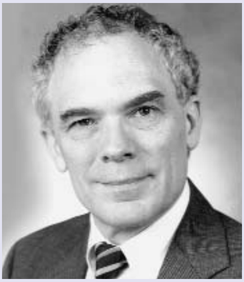

Martha A. McSteen*
9/83-6/86


Dorcas R. Hardy
6/86-8/89

SOCIAL SECURITY COMMISSIONERS

Gwendolyn S. King
8/89-10/92

Louis D. Enoff*
10/92-7/93



Lawrence H. Thompson*
7/93-10/93

Shirley S. Chater
10/93-3/97

John J. Callahan*
3/97-9/97

Kenneth S. Apfel
9/97-1/01

William A. Halter*
1/01-3/01

Larry G. Massanari*
3/01-11/01

Jo Anne B. Barnhart
11/01-present

Former Social Security Commissioners on the occasion of the unveiling of the new independent-agency logo, March 1995.

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