



SOCIAL SECURITY

The Commissioner

March 17, 2023

The Honorable Rosa L. DeLauro
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Ranking Member DeLauro:

Thank you for your January 19, 2023 letter asking for information to help Members of Congress understand the impacts of capping fiscal year (FY) 2024 discretionary spending at the FY 2022 enacted level, which would be approximately a six percent cut from our FY 2023 enacted funding. Returning SSA to the FY 2022 funding level or, more drastically, cutting funds by 22 percent from the 2023 enacted level, would greatly harm our ability to serve the public as we are already struggling to recover from the effects of the pandemic.

We are actively using the funding increase we received in FY 2023 to support our hiring efforts to increase staffing as we work to restore sufficient staffing from our lowest staffing levels in over 25 years, particularly in our field offices, teleservice centers, processing centers, and State disability determination services (DDS). Hiring new staff is necessary to improve major workload challenges that affect the public we serve, including people waiting far too long for a disability decision. Funding cuts of the magnitude described above would take us backwards and hurt our customers.

If we return to FY 2022 funding levels in FY 2024, we would:

- Close field offices and shorten hours we are open to the public, cutting off vital access to face-to-face service delivery.
- Increase the amount of time individuals wait for a decision on their initial disability claim, leading to an average wait time of 9 months, or up to 30 percent longer than today.
- Implement a hiring freeze for the agency and the DDS, which means a reduction of over 5,000 employees who are essential to processing retirement claims, making disability decisions, answering the National 800 Number, and issuing new and replacement Social Security cards.
- Furlough staff for over 4 weeks and lay off approximately 6,000 employees—producing even longer wait times than customers experience today on our National 800 Number and in our field offices, causing delays to decisions on retirement claims and delays in processing Social Security cards and verification of Social Security Numbers for individuals seeking employment.
- Eliminate overtime pay, reducing our ability to keep pace with claims and other service requests.

As noted above, a cut to FY 2022 levels (a six percent cut below current funding) would significantly affect our ability to serve the public and undermine our core mission—producing longer wait times for benefits and to reach SSA representatives, as well as reduced access to in-person service.

Congress expressed an expectation for continued modernization of our IT by providing dedicated funding for this purpose. A six percent reduction would support IT funding only for basic operational requirements and would halt our efforts to improve the customer experience, expand our online services, and enhance our systems to improve employee efficiency. We would have to drastically cut IT at a time when we need it to help mitigate other cuts like office hour reductions, a hiring freeze, and layoffs.

The impacts would be even more significant with deeper cuts. ***If we are faced with a cut of more than six percent, it would be catastrophic for the agency and for the people depending on Social Security programs supporting their daily needs. For every \$100 million below the 6 percent reduction, we would have to lay off an additional 1,000 people, further undermining services to the public. Every 1,000 staff lay off is the equivalent of closing over 40 field offices.***

Cuts on this scale would dramatically undermine our ability to function effectively. It would cut in-person access to our field offices, drive up wait times for initial disability and retirement claims processing, lengthen phone wait times, prohibit development of online tools to compensate for the difficulties to reach us by phone and in-person, and create backlogs across the board. It would take years to recover and restore services to levels the public expects.

Millions of Americans depend on Social Security programs to provide income support essential to meeting daily needs, and significant budget cuts prohibit us from providing people with access to vital support. The payments and benefits our programs provide are integral to the economic fabric of our Nation. We appreciate the opportunity to explain the harm a return to FY 2022 funding levels or less would cause for the public we serve, as well as our employees.

I hope you find this information helpful. If you have any further questions, please do not hesitate to contact me, or your staff may contact Michelle King, our Deputy Commissioner for Budget, Finance, and Management, at [REDACTED].

Sincerely,



Kilolo Kijakazi, Ph.D., M.S.W.
Acting Commissioner