

**STUDY CONCERNING THE ESTABLISHMENT OF THE SOCIAL SECURITY  
ADMINISTRATION AS AN INDEPENDENT AGENCY**

Joint Study  
Panel on the  
Social Security  
Administration.  
42 USC 902 note

**SEC. 338. (a)** There is hereby established, under the authority of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, a joint study panel to be known as the Joint Study Panel on the Social Security Administration (hereafter in this section referred to as the "Panel"). The duties of the Panel shall be to conduct the study provided for in subsection (c).

Membership.

**(b)(1)** The Panel shall be composed of 3 members, appointed jointly by the chairmen of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate and such chairmen shall jointly select one member of the Panel to serve as chairman of the Panel. Members of the Panel shall be chosen, on the basis of their integrity, impartiality, and good judgment, from individuals who, as a result of their training, experience, and attainments, are widely recognized by professionals in the fields of government administration, social insurance, and labor relations as experts in those fields.

Vacancies.

**(2)** Vacancies in the membership of the Panel shall not affect the power of the remaining members to perform the duties of the Panel and shall be filled in the same manner in which the original appointment was made.

Pay.

**(3)** Each member of the Panel not otherwise in the employ of the United States Government shall receive the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day during which such member is actually engaged in the performance of the duties of the Panel. Each member of the Panel shall be allowed travel expenses in the same manner as any individual employed intermittently by the Federal Government is allowed travel expenses under section 5703 of title 5, United States Code.

**(4)** By agreement between the chairmen of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, such Committees shall provide the Panel, on a reimbursible basis, office space, clerical personnel, and such supplies and equipment as may be necessary for the Panel to carry out its duties under this section. Subject to such limitations as the chairmen of such Committees may jointly prescribe, the Panel may appoint such additional personnel as the Panel considers necessary and fix the compensation of such personnel as it considers appropriate at an annual rate which does not exceed the rate of basic pay then payable for GS-18 of the General Schedule under section 5332 of title 5, United States Code, and may procure by contract the temporary or intermittent services of clerical personnel and experts or consultants, or organizations thereof.

Appropriation  
authorization.

**(5)** There are hereby authorized to be appropriated to the Panel, from amounts in the general fund of the Treasury not otherwise appropriated, such sums as are necessary to carry out the purposes of this section.

**(c)(1)** The Panel shall undertake, as soon as possible after the date of the enactment of this Act., a thorough study with respect to the

## PUBLIC LAW 98-21—APR. 20, 1983

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implementation of **removing** the Social Security Administration from the **Department of Health and Human Services** and **establishing** it as an independent agency in the executive branch with its own independent administrative structure, **including the possibility** of such a structure headed by a **board** appointed by the President, by and with the advice and consent of the **Senate**.

(2) The Panel in its study under paragraph (1) shall address, **analyze**, and report **specifically** on the following matters:

Matters to  
be analyzed

(A) the manner in which the transition to an independent agency would be conducted;

(B) the authorities which would have to be **transferred** or amended in such a transition;

(C) the **program** or programs which would be included within the **jurisdiction** of the new agency;

(D) the legal and other **relationships** of the Social Security Administration with other organizations which would be **required** as a result of establishing the Social Security Administration as an independent **agency**; and

(E) any other details which may be necessary for the development of appropriate legislation to establish the Social Security Administration as an independent agency.

(d) The Panel shall submit to the Committee on Ways and Means of the House of **Representatives** and the Committee on Finance of the Senate, not later than April 1, 1984, a report of the findings of the study conducted under subsection (c), together with any recommendations the Panel considers appropriate. The Panel and all authority granted in this section shall **expire thirty days** after the date of the submission of its report under this section.

Report to  
congressional  
committees

Expiration date

CONFERENCE REPORT ACCOMPANYING THE SOCIAL SECURITY  
AMENDMENTS OF 1983 (P.L. 98-21)

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**G. STUDY OF SSA AS AN INDEPENDENT AGENCY**

*Present law*

The Social Security Administration is currently part of the Department of Health and Human Services.

*House bill*

Authorizes a feasibility and implementation study with respect to establishing SSA as an independent agency. Such study shall include but not be limited to the following points: the feasibility of changing the current status of SSA; how to manage the transition; what authorities would need to be transferred or amended; what programs would be involved; what agency & administrative relationships would need to be adjusted, etc. The study would be conducted (in consultation with the Commissioner of Social Security) by a panel of administrative experts appointed by the House Committee on Ways and Means and the Senate Committee on Finance, with a report and recommendations to be submitted to the Committees no later than January 1, 1984.

*Senate amendment*

Similar to the House provision except—

- (1) commission would be appointed by the President with advice and consent of the Senate,
- (2) report would be due no later than April 1, 1984, and
- (3) implementation, not feasibility, of independent SSA, is included in study mandate.

*Conference agreement*

The conference agreement provides for the following:

In keeping with the recommendations of the National Commission on Social Security Reform, a study shall be conducted with respect to the establishment of the Social Security Administration as an independent agency under a bipartisan board appointed by the

President, by and with the advice and consent of the Senate. The study shall be conducted by a Commission (consisting of experts widely recognized in the fields of government administration, social insurance, and labor relations. The study shall address, analyze and report to the Congress on: how to manage the transition, what authorities would need to be transferred or amended, the program(s) which should be included within the jurisdiction of the new agency, the legal and other relationships of the Social Security Administration with other organizations which would be required as a result of establishing the Social Security Administration as an independent agency, and any other details which may be necessary for the development of appropriate legislation to establish the Social Security Administration as an independent agency.

The study would be conducted (in consultation with the Commissioner of Social Security) by a panel of experts appointed by the House Committee on Ways and Means and the Senate Committee on Finance, with a report and recommendations to be submitted to the Committees no later than April 1, 1984.

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Excerpted from the Report of the National Commission on Social Security (1981).

### Greater independence for Social Security Programs

Because the National Commission believes that significant improvements in the operation of Social Security and related programs and the public's understanding of those programs would result, it recommends the creation of an independent agency, to be called the Social Security Board. The Board should be responsible for administering the Old-Age, Survivors, and Disability Insurance program, the Supplemental Security Income program, and the Medicare and Medicaid programs. The day-to-day operations of each program should be directed by three career employees--an executive director and two chief operations officers who would report to the executive director. One operations officer would be responsible for the cash benefits programs and the other for the health care programs.

The independent agency the Commission recommends would resemble the original Social Security Board in that it would be governed by a three- or five-member board reporting directly to the President. The Board would be appointed by the President with the advice and consent of the Senate. Not more than two members, in the case of a three-member Board (or three in the case of a five-member Board), at any one time could be members of the same political party. One member would be designated by the President as Chairman and would be appointed for a fixed term which would coincide with the term of the President. The initial appointments would vary so that no more than one term would expire in any calendar year.

Note: See dissenting view by Chairman Gwirtzman.

**Dissenting Statement on an Independent  
Social Security Board and on Removing Social  
Security from the Unified Budget**

**by Mr. Gwartzman**

I am not impressed by the argument for removing the Social Security Administration from the Department of Health and Human Services and setting it up as an independent agency. Other programs financed through separate taxation and trust funds, such as unemployment compensation and the Federal highway program exist under the general supervision of Cabinet departments. The internal administrative problems of the Social Security Administration seem to me to be of the type endemic to any large government organization, and which would be neither helped nor hurt by creating an independent board.

I am concerned that this proposal would mean further dismemberment of the Department of Health and Human Services, which has already seen its education programs transferred to the new Department of Education. Severing Social Security, Medicare, and Medicaid would result in the loss of about 60 percent of the Department's personnel, and would leave little to justify its continued existence as a separate Cabinet department.

Excerpted from the Report of the National Commission on Social Security Reform (1983).

Social Security Administration as an Independent Agency.

- (22) The majority of the members of the National Commission believes -- as a broad, general principle -- that it would be logical to have the Social Security Administration be a separate independent agency, perhaps headed by a bi-partisan board. The National Commission recommends that a study should be made as to the feasibility of doing this.\*

The Social Security Administration is now part of the Department of Health and Human Services. Its fiscal operations and the size of its staff are larger than those of the remainder of the Department combined.

The National Commission has not had the time to look into the various complex issues involved in such an administrative reorganization and, therefore, recommends that a study group should be formed to look into this matter. Issues involved include whether the leadership of such an independent agency should be assigned to a single individual or whether there should be a governing board of several members, selected on a bi-partisan basis, and whether the operations of the Medicare program should be included in such an independent agency, or whether they should remain as a subsidiary agency within the Department of Health and Human Services, as at present.

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\* See additional views of Commissioners Ball, Keys, Kirkland, Moynihan, and Pepper in Chapter 4.

**SUPPLEMENTARY STATEMENT****BY**

**Commissioners Robert M Ball, Martha Keys,  
Lane Kirkland, Daniel Patrick Moynihan and Claude Pepper  
(members selected by the Democratic leadership of the Congress)**

**Social Security as an Independent Agency**

**We believe that it would improve the operation of the Social Security system and strengthen public confidence in the integrity of the program if it were administered as an independent agency under a bi-partisan Board as it was in the early days of the program. We do not believe that an in-depth study is necessary, but rather any study should be confined to the details of implementation.**