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# **Social Security Administration (SSA): FY2025 Annual Limitation on Administrative Expenses (LAE) Appropriation: In Brief**

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## Introduction

This report provides an overview of proposed levels for the Social Security Administration’s (SSA’s) annual Limitation on Administrative Expenses (LAE) appropriation for FY2025. It also identifies relevant agency, Administration, congressional, and other resources. The dollar and percentage changes discussed in the text are based on actual, unrounded amounts.

## Background on SSA

SSA is an independent agency in the executive branch headed by the commissioner of Social Security. SSA employs about 61,000 federal workers across its more than 1,500 offices and supports about 15,000 state personnel who conduct disability determinations on SSA’s behalf.<sup>1</sup> SSA is responsible for administering Social Security and Supplemental Security Income (SSI), which are the nation’s primary income support programs for older adults and individuals with disabilities. SSA is also responsible for supporting the administration of a number of non-SSA programs and laws, such as Medicare, and provides and verifies data for a variety of purposes. For more information on SSA, see the following resources:

- CRS Report R47097, *Social Security Administration (SSA): Trends in the Annual Limitation on Administrative Expenses (LAE) Appropriation*, “Administrative Responsibilities.”
- CRS Report R47086, *Social Security Policy Resources for Congressional Staff*.
- SSA, *Annual Statistical Supplement, 2023*, “Social Security (Old-Age, Survivors, and Disability Insurance)” and “SSA Resources and Operations,” <https://www.ssa.gov/policy/docs/statcomps/supplement/>.

## Overview of the Annual LAE Appropriation

Benefit payments for SSA’s programs are considered mandatory spending, which is not controlled by appropriations acts.<sup>2</sup> However, the resources to carry out SSA’s programs—as well as to support the administration of Medicare and other priorities—are generally considered discretionary spending and thus are controlled by appropriations acts. Nearly all of SSA’s administrative expenses are funded by appropriations to its LAE account, and almost all of the funding for the LAE account is provided each year as part of the annual appropriations process.

SSA’s annual LAE appropriation is a discretionary lump-sum appropriation composed of funds from the Social Security and Medicare trust funds for their respective shares of administrative expenses, the general fund for SSI’s share of administrative expenses, and certain user fees. The legislative text of SSA’s annual LAE appropriation typically consists of four paragraphs. The first paragraph provides funding for what this report refers to as the *main LAE*, which funds the base LAE and certain program integrity (PI) activities. The *base LAE*, which is equal to the main LAE less total dedicated PI funding, constitutes the bulk of SSA’s discretionary administrative funding. The second paragraph specifies the amount of the main LAE in the first paragraph that is

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<sup>1</sup> SSA, *Annual Performance Report FYs 2023-2025*, March 2024, p. 6, <https://www.ssa.gov/budget/assets/materials/2025/2025APR.pdf>.

<sup>2</sup> See CRS Report R46468, *A Brief Overview of the Congressional Budget Process*.

dedicated to continuing disability reviews, SSI nonmedical redeterminations, and certain other PI activities, known as *dedicated PI funding*.

The third and fourth paragraphs provide additional funding from a portion of the *user fees* collected for SSA's administration of state supplementary payments (SSPs) under the SSI program and certifications of non-attorney claimant representatives. The amounts specified in this report differ slightly from the amounts in relevant congressional reports because those reports apply Congressional Budget Office (CBO) adjustments to user fees based on CBO's projection of actual user fee collections. CBO typically projects SSA's actual user fee collections to be less than the amounts authorized in proposals or legislation.

SSA's annual LAE appropriation is traditionally provided under the Related Agencies section of the annual Departments of Labor, Health and Human Services, and Education, and Related Agencies (LHHS) appropriations act. For more information on SSA's annual LAE appropriation and the annual LHHS appropriations act, see the following resources:

- CRS Report R47097, *Social Security Administration (SSA): Trends in the Annual Limitation on Administrative Expenses (LAE) Appropriation*, "Overview of the LAE Account and the Annual LAE Appropriation."
- SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2025*, "Budget Overview," <https://www.ssa.gov/budget/>.
- CRS Report R48109, *Status of FY2025 Labor, Health and Human Services, and Education Appropriations: In Brief*.
- CRS Report R47936, *Labor, Health and Human Services, and Education: FY2024 Appropriations*.

## FY2025 Budget Requests for the Annual LAE

### Commissioner of Social Security

Section 704(b)(1) of the Social Security Act requires the commissioner of Social Security to prepare an annual budget for the Administration, which is required to be submitted by the President to Congress, without revision, together with the President's budget.<sup>3</sup> The commissioner's budget is independent of the President's budget and is designed to provide Congress with information on the amount of funding that the commissioner believes is necessary for SSA to carry out its mission.

The FY2025 commissioner's budget request for the total annual LAE appropriation is \$16.236 billion, an increase of \$2.009 billion (+14.1%) compared to the FY2024 enacted level. (The presentation of the commissioner's budget in the President's budget does not break out the components of the proposed annual LAE appropriation in the commissioner's budget.) For more information on the FY2025 commissioner's budget, see the last paragraph of SSA's section of the appendix to the FY2025 President's budget:

- U.S. Office of Management and Budget (OMB), *Appendix, Budget of the United States Government, Fiscal Year 2025*, SSA, "Commissioner's Budget," p. 1121, <https://www.govinfo.gov/content/pkg/BUDGET-2025-APP/pdf/BUDGET-2025-APP.pdf#page=1127>.

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<sup>3</sup> 42 U.S.C. §904(b)(1).

## President

The FY2025 President's budget request for the total annual LAE appropriation is \$15.402 billion, an increase of \$1.175 billion (+8.3%) compared to the FY2024 enacted level. The FY2025 total includes \$13.328 billion in base LAE funding, \$171 million in total user fees, and \$1.903 billion in total dedicated PI funding. For more information, see the resources below:

- OMB, *Appendix, Budget of the United States Government, Fiscal Year 2025*, SSA, pp. 1119-1121, <https://www.govinfo.gov/content/pkg/BUDGET-2025-APP/pdf/BUDGET-2025-APP.pdf#page=1125>.
- OMB, *Analytical Perspectives, Budget of the United States Government, Fiscal Year 2025*, Chapter 4: Budget Process, "Social Security Administration (SSA) Dedicated Program Integrity Activities," pp. 33-34, <https://www.govinfo.gov/content/pkg/BUDGET-2025-PER/pdf/BUDGET-2025-PER.pdf#page=44>.
- SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2025*, "Limitation on Administrative Expenses," p. 89, <https://www.ssa.gov/budget/assets/materials/2025/FY25-JEAC.pdf#page=146>.

## FY2025 Congressional Proposals for the Annual LAE

### House

The House Appropriations Committee reported its LHHS bill to the House on July 12, 2024 (H.R. 9029; H.Rept. 118-585). The FY2025 House committee bill proposes \$13.826 billion for the total annual LAE appropriation, a decrease of \$401 million (-2.8%) compared to the FY2024 enacted level. The FY2025 total includes \$11.752 billion in base LAE funding, \$171 million in total user fees, and \$1.903 billion in total dedicated PI funding. For more information, see the resources below:

- LAE section of H.R. 9029, pp. 170-173, <https://www.congress.gov/118/bills/hr9029/BILLS-118hr9029rh.pdf#page=170>.
- H.Rept. 118-585 (amounts reflect CBO adjustments to user fees):
  - LAE section of report write-up, pp. 260-262, <https://www.congress.gov/118/crpt/hrpt585/CRPT-118hrpt585.pdf#page=264>.
  - LAE section of detailed table, pp. 357-358, <https://www.congress.gov/118/crpt/hrpt585/CRPT-118hrpt585.pdf#page=361>.

### Senate

The Senate Appropriations Committee reported its LHHS bill to the Senate on August 1, 2024 (S. 4942; S.Rept. 118-207). The FY2025 Senate committee bill proposes \$14.736 billion for the total annual LAE appropriation, an increase of \$509 million (+3.6%) compared to the FY2024 enacted level. The FY2025 total includes \$12.662 billion in base LAE funding, \$171 million in total user fees, and \$1.903 billion in total dedicated PI funding. For more information, see the resources below:

- LAE section of S. 4942, pp. 179-182, <https://www.congress.gov/118/bills/s4942/BILLS-118s4942rs.pdf#page=179>.
- S.Rept. 118-207 (amounts reflect CBO adjustments to user fees):

- LAE section of report write-up, pp. 318-321, <https://www.congress.gov/118/crpt/srpt207/CRPT-118srpt207.pdf#page=318>.
- LAE section of detailed table, pp. 465-466, <https://www.congress.gov/118/crpt/srpt207/CRPT-118srpt207.pdf#page=465>.

## FY2025 Comparison Tables

This section provides data on the FY2025 proposed levels for the annual LAE appropriation (excluding continuing resolutions) and compares them to the FY2024 enacted level.<sup>4</sup> **Table 1** shows the FY2025 proposed levels for the *total* annual LAE appropriation relative to the FY2024 enacted level.

**Table 1. Comparison of the Total Annual LAE Appropriation, FY2024-FY2025**

In Thousands of Nominal Dollars

Total Annual LAE	FY2024 Enacted	FY2025 Commissioner's Budget	FY2025 President's Budget	FY2025 House Committee	FY2025 Senate Committee	FY2025 Enacted
Dollar amount	\$14,226,978	\$16,236,000	\$15,401,924	\$13,825,776	\$14,735,978	—
Dollar difference relative to FY2024 enacted	—	+\$2,009,022	+\$1,174,946	-\$401,202	+\$509,000	—
Percentage change relative to FY2024 enacted	—	+14.1%	+8.3%	-2.8%	+3.6%	—

**Source:** CRS, based on the materials presented in this report.

**Notes:** The dollar and percentage changes are based on actual, unrounded amounts. The amounts in this table differ slightly from the amounts in relevant congressional reports because those reports apply CBO adjustments to user fees based on CBO's projection of actual user fee collections.

**Table 2** shows the FY2025 proposed levels for the *components* of the annual LAE appropriation relative to the FY2024 enacted level. The total annual LAE is equal to the main LAE component *plus* the SSI SSP user fees component *plus* the non-attorney user fees component. The base LAE, total dedicated PI, base PI, and adjustment PI components are labeled “non-add” because they are included in the main LAE component and thus are not added to the total annual LAE. As noted earlier, the presentation of the commissioner's budget in the President's budget does not break out the components of the proposed annual LAE appropriation in the commissioner's budget. Therefore, the commissioner's budget is not shown in **Table 2**.

<sup>4</sup> On or around August 30, 2024, the President issued a funding priority request for inclusion in a short-term continuing resolution (CR) for FY2025. Among other things, it proposes that SSA's LAE account be funded for the duration of the FY2025 CR at a total rate for operations of \$15.402 billion, an increase of \$1.175 billion (+8.3%) compared to the FY2024 enacted level. See OMB, *FY 2025 Continuing Resolution (CR) Appropriations Issues*, p. 23.

**Table 2. Comparison of the Components of the Annual LAE Appropriation, FY2024-FY2025**

In Thousands of Nominal Dollars

Component	FY2024 Enacted	FY2025 President's Budget	FY2025 House Committee	FY2025 Senate Committee	FY2025 Enacted
<i>Dollar Amount (in Thousands)</i>					
Main LAE	\$14,075,978	\$15,230,924	\$13,654,776	\$14,564,978	—
Base LAE (non-add)	\$12,224,978	\$13,327,924	\$11,751,776	\$12,661,978	—
Total dedicated PI (non-add)	\$1,851,000	\$1,903,000	\$1,903,000	\$1,903,000	—
<i>Base PI (non-add)</i>	\$273,000	\$273,000	\$273,000	\$273,000	—
<i>Adjustment PI (non-add)</i>	\$1,578,000	\$1,630,000	\$1,630,000	\$1,630,000	—
SSI SSP user fees	\$150,000	\$170,000	\$170,000	\$170,000	—
Non-attorney user fees	\$1,000	\$1,000	\$1,000	\$1,000	—
<b>Total Annual LAE</b>	<b>\$14,226,978</b>	<b>\$15,401,924</b>	<b>\$13,825,776</b>	<b>\$14,735,978</b>	<b>—</b>
<i>Dollar Difference Relative to FY2024 Enacted (in Thousands)</i>					
Main LAE	—	+\$1,154,946	-\$421,202	+\$489,000	—
Base LAE (non-add)	—	+\$1,102,946	-\$473,202	+\$437,000	—
Total dedicated PI (non-add)	—	+\$52,000	+\$52,000	+\$52,000	—
<i>Base PI (non-add)</i>	—	\$0	\$0	\$0	—
<i>Adjustment PI (non-add)</i>	—	+\$52,000	+\$52,000	+\$52,000	—
SSI SSP user fees	—	+\$20,000	+\$20,000	+\$20,000	—
Non-attorney user fees	—	\$0	\$0	\$0	—
<b>Total Annual LAE</b>	<b>—</b>	<b>+\$1,174,946</b>	<b>-\$401,202</b>	<b>+\$509,000</b>	<b>—</b>
<i>Percentage Change Relative to FY2024 Enacted</i>					
Main LAE	—	+8.2%	-3.0%	+3.5%	—
Base LAE (non-add)	—	+9.0%	-3.9%	+3.6%	—
Total dedicated PI (non-add)	—	+2.8%	+2.8%	+2.8%	—
<i>Base PI (non-add)</i>	—	0.0%	0.0%	0.0%	—
<i>Adjustment PI (non-add)</i>	—	+3.3%	+3.3%	+3.3%	—
SSI SSP user fees	—	+13.3%	+13.3%	+13.3%	—
Non-attorney user fees	—	0.0%	0.0%	0.0%	—
<b>Total Annual LAE</b>	<b>—</b>	<b>+8.3%</b>	<b>-2.8%</b>	<b>+3.6%</b>	<b>—</b>

**Source:** CRS, based on the materials presented in this report.

**Notes:** The dollar and percentage changes are based on actual, unrounded amounts. Components may not sum to totals due to rounding. “Non-add” amounts are displayed for clarification purposes. These amounts are not added to the totals. The commissioner’s budget is not shown because the presentation of the commissioner’s budget in the President’s budget does not break out the components of the proposed annual LAE appropriation. The amounts in this table differ slightly from the amounts in relevant congressional reports because those reports apply CBO adjustments to user fees based on CBO’s projection of actual user fee collections.

## Historical Tables

**Table 3** shows the requested total annual LAE appropriation in the commissioner’s budget and the President’s budget, as well as the enacted total annual LAE appropriation, since FY2009.<sup>5</sup>

**Table 3. Requested and Enacted Total Annual LAE Appropriation, FY2009-FY2025**  
In Thousands of Nominal Dollars

Fiscal Year	Commissioner’s Budget	President’s Budget	Enacted
2009	\$10,395,000	\$10,327,000	\$10,453,500
2010	\$11,800,000	\$11,451,000	\$11,446,500
2011	\$13,100,000	\$12,378,863	\$11,423,607
2012	\$12,938,000	\$12,522,000	\$11,453,290
2013	\$12,470,000	\$11,760,000	\$11,045,566
2014	\$12,199,000	\$11,069,846	\$11,697,040
2015	\$10,787,000	\$12,024,000	\$11,805,945
2016	\$12,516,000	\$12,513,000	\$12,161,945
2017	\$13,460,000	\$13,067,000	\$12,481,945
2018	—	\$12,457,000	\$12,872,945
2019	\$12,788,000	\$12,393,000	\$12,876,945
2020	\$13,270,000	\$12,773,000	\$12,870,945
2021	\$13,804,000	\$13,351,473	\$12,930,945
2022	\$14,484,000	\$14,188,896	\$13,341,945
2023	\$15,353,000	\$14,773,300	\$14,126,978
2024	\$16,223,000	\$15,489,200	\$14,226,978
2025	\$16,236,000	\$15,401,924	—

**Source:** CRS, based on applicable budget requests and annual LHHS appropriations acts.

**Notes:** Amounts reflect new budget authority under the annual LAE appropriation only and include reductions due to sequestration and most rescissions. The FY2018 commissioner’s budget is not shown because the President did not submit it. The amounts for the commissioner’s budget for FY2015 and FY2017 and for the President’s budget for FY2014 are adjusted to exclude certain mandatory and other funding. For information on the adjustment methodology, as well as data for FY1997-FY2008, see CRS Report R47097, *Social Security Administration (SSA): Trends in the Annual Limitation on Administrative Expenses (LAE) Appropriation*.

**Table 4** shows the enacted annual LAE appropriation, by component, since FY2009.<sup>6</sup> As noted earlier, the total annual LAE is equal to the main LAE component *plus* the SSI SSP user fees component *plus* the non-attorney user fees component. The base LAE, total dedicated PI, base PI, and adjustment PI components are labeled “non-add” because they are included in the main LAE component and thus are not added to the total annual LAE.

<sup>5</sup> **Table 3** starts with FY2009 to match the period used in **Table 4**.

<sup>6</sup> **Table 4** starts with FY2009 because dedicated PI funding has been consistently provided in the annual LAE appropriation each fiscal year since FY2009. Dedicated PI funding was first provided in the annual LAE appropriation for FY1996-FY2002. No dedicated PI funding was provided in the annual LAE appropriation for FY2003-FY2008.



**Table 4. Enacted Annual LAE Appropriation, by Component, FY2009-FY2024**

In Millions of Nominal Dollars

<b>Component</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Main LAE	\$10,307.5	\$11,285.5	\$11,238.0	\$11,291.6	\$10,884.2	\$11,525.0	\$11,680.9	\$12,024.9	\$12,357.9	\$12,753.9
Base LAE (non-add)	\$9,803.5	\$10,527.5	\$10,481.5	\$10,535.5	\$10,141.6	\$10,328.0	\$10,284.9	\$10,598.9	\$10,538.9	\$11,018.9
Total dedicated PI (non-add)	\$504.0	\$758.0	\$756.5	\$756.1	\$742.6	\$1,197.0	\$1,396.0	\$1,426.0	\$1,819.0	\$1,735.0
<i>Base PI (non-add)</i>	\$264.0	\$273.0	\$272.5	\$273.5	\$272.0	\$273.0	\$273.0	\$273.0	\$273.0	\$273.0
<i>Adjustment PI (non-add)</i>	\$240.0	\$485.0	\$484.0	\$482.6	\$470.6	\$924.0	\$1,123.0	\$1,153.0	\$1,546.0	\$1,462.0
SSI SSP user fees	\$145.0	\$160.0	\$185.6	\$160.7	\$160.4	\$171.0	\$124.0	\$136.0	\$123.0	\$118.0
Non-attorney user fees	\$1.0	\$1.0	\$0.0	\$1.0	\$0.9	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
<b>Total Annual LAE</b>	<b>\$10,453.5</b>	<b>\$11,446.5</b>	<b>\$11,423.6</b>	<b>\$11,453.3</b>	<b>\$11,045.6</b>	<b>\$11,697.0</b>	<b>\$11,805.9</b>	<b>\$12,161.9</b>	<b>\$12,481.9</b>	<b>\$12,872.9</b>
<b>Component</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>				
Main LAE	\$12,741.9	\$12,739.9	\$12,794.9	\$13,202.9	\$13,986.0	\$14,076.0				
Base LAE (non-add)	\$11,058.9	\$11,157.9	\$11,219.9	\$11,494.9	\$12,202.0	\$12,225.0				
Total dedicated PI (non-add)	\$1,683.0	\$1,582.0	\$1,575.0	\$1,708.0	\$1,784.0	\$1,851.0				
<i>Base PI (non-add)</i>	\$273.0	\$273.0	\$273.0	\$273.0	\$273.0	\$273.0				
<i>Adjustment PI (non-add)</i>	\$1,410.0	\$1,309.0	\$1,302.0	\$1,435.0	\$1,511.0	\$1,578.0				
SSI SSP user fees	\$134.0	\$130.0	\$135.0	\$138.0	\$140.0	\$150.0				
Non-attorney user fees	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0				
<b>Total Annual LAE</b>	<b>\$12,876.9</b>	<b>\$12,870.9</b>	<b>\$12,930.9</b>	<b>\$13,341.9</b>	<b>\$14,127.0</b>	<b>\$14,227.0</b>				

**Source:** CRS, based on applicable annual LHHS appropriations acts and annual SSA operating plans.

**Notes:** Components may not sum to totals due to rounding. Amounts reflect new budget authority under the annual LAE appropriation only and include reductions due to sequestration and most rescissions. Amounts for certain components are adjusted from those in applicable annual LHHS appropriations acts and SSA's congressional budget justifications for purposes of consistent presentation. "Non-add" amounts are displayed for clarification purposes. These amounts are not added to the totals. The table does not reflect CBO adjustments to user fees based on CBO's projection of actual user fee collections.

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