in effect an agreement with the Commissioner under which such State will provide to aged, blind, and disabled individuals (as defined in §416.202) residing in the State who were recipients of aid or assistance for December 1973 as defined in §416.121, under such State's plan approved under title I, X, XIV, or XVI of the Act, mandatory minimum supplementary payments beginning in January 1974 in an amount determined in accordance with §416.2050 in order to maintain their income levels of December 1973. (See §§416.2065 and 416.2070.)

(d) Supplementary payments for recipients of special SSI cash benefits. A State which makes supplementary payments (regardless of whether they are mandatory or optional and whether the payments are federally administered), has the option of making those payments to individuals who receive cash benefits under section 1619(a) of the Act (see § 416.261), or who would be eligible to receive cash benefits except for their income.

[40 FR 7640, Feb. 21, 1975, as amended at 43 FR 48995, Oct. 20, 1978; 45 FR 54748, July 18, 1980; 47 FR 15326, Apr. 9, 1982; 62 FR 38455, July 18, 1997]

§ 416.2005 Administration agreements with SSA.

(a) Agreement-mandatory only. Subject to the provisions of paragraph (d) of this section, any State having an agreement with the Social Security Administration (SSA) under \$416.2001(c) may enter into an administration agreement with SSA under which SSA will make the mandatory minimum supplementary payments on behalf of such State. An agreement under \$416.2001(c) and an administration agreement under this paragraph may be consolidated into one agreement.

(b) Agreement—mandatory and optional payments. Subject to the provisions of paragraph (d) of this section, any State may enter into an agreement with SSA under which the State will provide both mandatory and optional State supplementary payments and elect Federal administration of such State supplementary payment programs. If SSA agrees to administer such State's optional supplementary payments, the State must also have SSA administer

its mandatory minimum supplementary payments unless the State is able to provide sufficient justification for exemption from this requirement.

(c) Administration—combination. Any State may enter into an agreement with SSA under which the State will provide mandatory minimum supplementary payments and elect Federal administration of such payments while providing optional State supplementary payments which it shall administer itself. If the State chooses to administer such payment itself, it may establish its own criteria for determining eligibility requirements as well as the amounts.

(d) Conditions of administration agreement. The State and SSA may, subject to the provisions of this subpart, enter into a written agreement, in such form and containing such provisions not inconsistent with this part as are found necessary by SSA, under which SSA will administer the State supplementary payments on behalf of a State (or political subdivision). Under such an agreement between SSA and a State, specific Federal and State responsibilities for administration and fiscal responsibilities will be stipulated. The regulations in effect for the supplemental security income program shall be applicable in the Federal administration of State supplementary payments except as may otherwise be provided in this subpart as found by SSA to be necessary for the effective and efficient administration of both the basic Federal benefit and the State supplementary payment. If the State elects options available under this subpart (specified in §§ 416.2015-416.2035), such options must be specified in the administration agreement.

[40 FR 7640, Feb. 21, 1975, as amended at 62 FR 312, Jan. 3, 1997]

§ 416.2010 Essentials of the administration agreements.

(a) Payments. Any agreement between SSA and a State made pursuant to §416.2005 must provide that, if for optional supplementation, such State supplementary payments are made to all individuals and/or couples who are:

(1) Receiving (or at the option of the State would, but for the amount of their income, be eligible to receive)