

**§ 404.425 Total amount of deductions where deduction events occur in more than 1 month.**

If a deduction event described in §§ 404.415, 404.417, and 404.421 occurs in more than 1 month, the total amount deducted from an individual's benefits is equal to the sum of the deductions for all months in which any such event occurred.

- 9. Amend § 404.435 by revising paragraph (a)(2) to read as follows:

**§ 404.435 Excess earnings; months to which excess earnings cannot be charged.**

(a) \* \* \*

(2) In which he or she was considered not entitled to benefits (due to noncovered work outside the United States or no child in care as described in § 404.436);

\* \* \* \* \*

- 10. In § 404.436, revise paragraph (b) and remove paragraphs (c), (d) and (e) to read as follows:

**§ 404.436 Excess earnings; months to which excess earnings cannot be charged because individual is deemed not entitled to benefits.**

\* \* \* \* \*

(b) Failure to have a child in his or her care (as described in § 404.421).

- 11. Amend § 404.437 by revising paragraph (a) to read as follows:

**§ 404.437 Excess earnings; benefit rate subject to deductions because of excess earnings.**

\* \* \* \* \*

(a) After reduction for the *maximum* (see §§ 404.403 and 404.404). The rate as reduced for the maximum as referred to in this paragraph is the one applicable to remaining entitled beneficiaries after exclusion of beneficiaries deemed not entitled under § 404.436 (due to a deduction for engaging in noncovered remunerative activity outside the United States or failure to have a child in his or her care);

\* \* \* \* \*

- 12. Amend § 404.458 by revising the first sentence to read as follows:

**§ 404.458 Limiting deductions where total family benefits payable would not be affected or would be only partly affected.**

Notwithstanding the provisions described in §§ 404.415, 404.417, 404.421, 404.451, and 404.453 about the amount of the deduction to be imposed for a month, no such deduction is imposed for a month when the benefits payable for that month to all persons entitled to benefits on the same earnings record and living in the same household remain equal to the maximum benefits

payable to them on that earnings record.

\* \* \*

**Subpart J—[Amended]**

- 13. The authority citation for subpart J of part 404 continues to read as follows:

**Authority:** Secs. 201(j), 204(f), 205(a), (b), (d)-(h), and (j), 221, 225, and 702(a)(5) of the Social Security Act (42 U.S.C. 401(j), 404(f), 405(a), (b), (d)-(h), and (j), 421, 425, and 902(a)(5)); 31 U.S.C. 3720A; sec. 5, Pub. L. 97-455, 96 Stat. 2500 (42 U.S.C. 405 *note*); secs. 5, 6(c)-(e), and 15, Pub. L. 98-460, 98 Stat. 1802 (42 U.S.C. 421 *note*).

**§ 404.902 [Amended]**

- 14. In § 404.902, remove and reserve paragraph (g).

**Subpart P—[Amended]**

- 15. The authority citation for subpart P of part 404 continues to read as follows:

**Authority:** Secs. 202, 205(a), (b), and (d)-(h), 216(i), 221(a) and (i), 222(c), 223, 225, and 702(a)(5) of the Social Security Act (42 U.S.C. 402, 405(a), (b), and (d)-(h), 416(i), 421(a) and (i), 422(c), 423, 425, and 902(a)(5)); sec. 211(b), Pub. L. 104-193, 110 Stat. 2105, 2189.

- 16. Amend § 404.1596 by revising paragraphs (b)(2)(i) and (b)(2)(ii) and removing paragraph (b)(2)(iii) to read as follows:

**§ 404.1596 Circumstances under which we may suspend your benefits before we make a determination.**

\* \* \* \* \*

(b) \* \* \*  
(2) \* \* \*

(i) You have failed to respond to our request for additional medical or other evidence and we are satisfied that you received our request and our records show that you should be able to respond; or

(ii) We are unable to locate you and your checks have been returned by the Post Office as undeliverable.

\* \* \* \* \*

**Subpart V—[Amended]**

- 17. The authority citation for subpart V of part 404 continues to read as follows:

**Authority:** Secs. 205(a), 222, and 702(a)(5) of the Social Security Act (42 U.S.C. 405(a), 422, and 902(a)(5)).

- 18. Revise § 404.2101 to read as follows:

**§ 404.2101 General.**

Section 222(d) of the Social Security Act authorizes the transfer from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal

Disability Insurance Trust Fund of such sums as may be necessary to pay for the reasonable and necessary costs of vocational rehabilitation (VR) services provided certain disabled individuals entitled under section 223, 225(b), 202(d), 202(e) or 202(f) of the Social Security Act. The purpose of this provision is to make VR services more readily available to disabled individuals and ensure that savings accrue to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund. Payment will be made for VR services provided on behalf of such an individual in cases where—

(a) The furnishing of the VR services results in the individual's completion of a continuous 9-month period of substantial gainful activity (SGA) as specified in §§ 404.2110 through 404.2111; or

(b) The individual continues to receive disability payments from us, even though his or her disability has ceased, because of his or her continued participation in an approved VR program which we have determined will increase the likelihood that he or she will not return to the disability rolls (see § 404.2112).

- 19. Amend § 404.2102 by revising the second sentence of the introductory text and paragraph (f) to read as follows:

**§ 404.2102 Purpose and scope.**

\* \* \* Payment will be provided for VR services provided on behalf of disabled individuals under one or more of the provisions discussed in § 404.2101.

\* \* \* \* \*

(f) Section 404.2112 describes when payment will be made to a VR agency or alternate participant because an individual's disability benefits are continued based on his or her participation in a VR program which we have determined will increase the likelihood that he or she will not return to the disability rolls.

\* \* \* \* \*

**§ 404.2103 [Amended]**

- 20. Amend § 404.2103 by removing the definition of *Good cause for VR refusal*.

**§ 404.2109 [Amended]**

- 21. Amend § 404.2109 by removing paragraph (c) and redesignating paragraphs (d) through (h) as paragraphs (c) through (g).

**§ 404.2113 [Removed]**

- 22. Remove § 404.2113.