

Cosponsor the Bipartisan SSI Savings Penalty Elimination Act



Supplemental Security Income (SSI) provides critical benefits to 7.4 million low-income seniors and people with disabilities to help them meet basic needs for food, clothing, and shelter. SSI beneficiaries include around 1 million children and 300 thousand veterans. Unfortunately, while costs for basic necessities have increased over the years, SSI's strict asset limits have not kept pace with inflation and haven't been updated since 1989.

An individual on SSI is not allowed to have more than \$2,000 in total financial resources at any time. Married couples are only allowed \$3,000. Resources that count towards the SSI asset limit include cash, money in bank accounts, most retirement accounts, stocks and bonds, the value of life insurance policies and burial funds over \$1,500, and some personal property.

The bipartisan **SSI Savings Penalty Elimination Act** led by Senator Catherine Cortez Masto (D-NV), Senator Bill Cassidy (R-LA), Representative Danny Davis (D-IL), and Representative Brian Fitzpatrick (R-PA) would empower millions of people with disabilities to earn and save more money for their futures by:

- Raising the asset limits for individuals to \$10,000
- Raising the asset limits for couples to \$20,000 to help correct a harmful marriage penalty
- Indexing the asset limits to inflation moving forward

400+ businesses, faith-based organizations, and advocates have endorsed the bill including AARP, Microsoft, the U.S. Chamber of Commerce, the National Association of Evangelicals, the U.S. Conference of Catholic Bishops, the Bipartisan Policy Center, and more.

Here's why stakeholders across the political spectrum support the SSI Savings Penalty Elimination Act:

- **Federal policy shouldn't punish people for saving responsibly.** SSI beneficiaries are not allowed to build sufficient resources to address emergencies in the future, such as a leaky roof, a broken furnace, or car repairs. A recent analysis by JPMorgan Chase found that the current asset limit makes it difficult for SSI beneficiaries to achieve any measure of economic security.
- **SSI's antiquated asset rules are a barrier to workforce participation.** Many individuals who receive SSI want to work and do in fact work. But the extremely low asset limit prevents people from saving money from paid work for fear that they could be kicked off of SSI if they save over \$2,000. The fear of disqualification is justified — tens of thousands of recipients see their benefits suspended or permanently revoked each year for exceeding the asset limit.
- **SSI's savings requirements penalize marriage.** SSI's low asset limits are a barrier to marriage and incentivize divorce. A person's benefits can be eliminated due to their spouse's assets. Dual-eligible couples must hold fewer assets when married than if they remain legally apart. What should be a personal decision about love, faith, and commitment is turned into a financial dilemma.
- **SSI's out-of-date asset limits are extremely costly for SSA to administer.** Because SSI's asset caps are so low, administering this policy is extraordinarily expensive for the Social Security Administration. Administering SSI's asset limits and other outdated rules costs roughly 80 percent of what it costs SSA to run the much-larger Social Security program, which serves 8 times as many people as SSI. Updating SSI's archaic asset caps would simplify one of the agency's most costly workloads, saving taxpayer dollars.
- **Voters across party lines agree: SSI's out-of-date asset limits are due for an upgrade.** According to recent polling, more than 8 in 10 Democrats, more than 7 in 10 Independents, and more than 7 in 10 Republicans support updating SSI's asset limits to \$10,000 for individuals and \$20,000 for couples.

Contact Darcy Milburn, The Arc's Director of Social Security and Healthcare Policy at milburn@thearc.org with any questions.