



## **URGE YOUR SENATORS TO EMPOWER INDIVIDUALS RECEIVING SUPPLEMENTAL SECURITY INCOME (SSI) TO SAVE FOR COSTLY EXPENSES: CO-SPONSOR AND PASS THE BIPARTISAN SSI SAVINGS PENALTY ELIMINATION ACT (S. 2767/H.R. 5408)**

### **Overview of the Supplemental Security Income (SSI) Savings Penalty Elimination Act:**

- The SSI Savings Penalty Elimination Act would raise the asset limit for individuals from \$2,000 to \$10,000 and for couples from \$3,000 to \$20,000 and index these limits to inflation moving forward by modernizing out-of-date caps on assets.
- On September 12, 2023, Senators Bill Cassidy (R-LA) and Sherrod Brown (D-OH) introduced the bill. The House companion bill was introduced the same day and is sponsored by Representatives Brian Fitzpatrick (R-PA) and Brian Higgins (D-NY). The bill would ensure that low-income people with disabilities and older adults are able to save for purchases like costly durable medical equipment, medicine, and other unexpected or emergency expenses without losing benefits.
- Currently, the asset limits do not adjust for inflation every year; in fact, Congress last set the asset limits of \$2,000 (individual) and \$3,000 (couples) 34 years ago yet today's cost of living is nearly 2.5 times higher. Therefore, with each passing year the asset limit imposes greater challenges on individuals.
- If individuals' assets exceed the \$2,000 cap or \$3,000 for married couples, even on a short-term basis, their already meager SSI payments can be reduced or denied.

### **Background:**

- **SSI provides sub-poverty minimum income** to adults and children with severe disabilities, as well as older adults. To qualify, recipients must have very limited income and few assets, and rely on SSI to meet their basic needs; for approximately 60%, SSI is their only source of income.
- **SSI provides an extremely modest cash benefit**, a maximum of \$841 a month in 2022, for low-income individuals with disabilities and older adults that meet the program's strict means-tested criteria. As of March 2022, nearly 7.6 million people relied on SSI to meet their basic needs: 4.3 million working-age individuals with disabilities; 1 million children with disabilities; and 2.3 million older adults.
- **Current SSI benefits and rules determining eligibility trap people in poverty** with benefits and eligibility caps on income and assets set decades ago.

### **The SSI Saving Penalty Elimination Act will:**

- **Ensure asset limits better reflect the current cost of living** and that they do not become stagnant.
- **Mitigate the impact of inflation.** Given that inflation is at its highest level in decades, this legislation is vital as it would assist some of our nation's poorest citizens cope with rising costs.
- **Removes Congress from decisions regarding asset limits.** By linking the increase in the asset limit to economic data rather than political deliberations, SSI recipients will have greater predictability as they seek to meet their basic needs.

- **Modernize a key aspect of the SSI program.** The asset limits have not been raised in over three decades.

#### **Why These Changes are Needed:**

- **Alleviate some financial strain on Jewish-affiliated partner agencies**, which help their clients meet basic needs. Reducing uncompensated care costs will allow our partner agencies to re-allocate these funds to meet other needs.
- People with disabilities are [more than twice as likely](#) to live in poverty as those without disabilities. **Of great importance to our community, 1/3 of Holocaust survivors live in poverty.** Due to persistent health and economic disparities – clearly revealed by the COVID-19 pandemic – people of color are likelier to need SSI.
- The [JPMorgan Chase Policy Center](#), which also concluded that SSI’s outdated asset and income limits create barriers to working and saving, has called for the asset limit to be reformed: “A reformed SSI program would play a crucial role in expanding economic opportunity and mobility for people with disabilities.”
- In a 2022 [op-ed](#), Andrew Biggs, a senior fellow at the American Enterprise Institute, asserted that SSI’s \$2,000 asset limit set in 1989 impedes Americans saving for retirement and needs to be raised to its present value of \$10,000. As Biggs wrote, IRAs and 401(k)s did not exist when the SSI benefit was created, but that today even the lowest income workers can be expected to exceed \$2,000 in retirement account balances. Biggs called on Congress to address this problem, noting that: “[n]ot only has SSI’s resource limit been lowered in real terms, but an additional category of resources – retirement plan balances – has effectively been added to the mix, making it more difficult to qualify for benefits and effectively impossible to save for retirement while receiving SSI.”

**For more information or if your Senators or Representatives would like to co-sponsor the bill, please contact: Aaron Kaufman, JFNA’s Senior Manager of Legislative Affairs, at [Aaron.Kaufman@jewishfederations.org](mailto:Aaron.Kaufman@jewishfederations.org). (July 2023)**