



SSI Savings Penalty Elimination Act (S. 1234/H.R. 2540)

Legislative Request

Please cosponsor the SSI Savings Penalty Elimination Act.

Background

The Supplemental Security Income (SSI) program provides monthly payments to qualified beneficiaries, including many individuals with disabilities. Currently, to remain eligible to receive these benefits, individuals may not have more than \$2,000 in resources (assets). This limit poses a barrier to independence for many people with disabilities who wish to work, earn, and save but are unable to do so without fear of losing their SSI benefits. Additionally, if two SSI qualified beneficiaries choose to marry, their combined allowable assets cannot exceed \$3,000. This is often referred to as the "marriage penalty" as the combined limit is less than the allowable assets that everyone would be able to hold if they were unmarried. This limit once again poses a barrier for many individuals with disabilities who are forced to choose between getting married or keeping their benefits. Asset limitations have not changed since 1984 and have not been adjusted to account for inflation and other economic conditions.

Bill Summary

The SSI Savings Penalty Elimination Act would increase asset limits to \$10,000 for individuals and \$20,000 for married couples and index both limits annually to adjust for inflation. This would better align the asset limitations with today's economic conditions and eliminate the "marriage penalty."

Impact

Due to the current asset limitations, it is nearly impossible for many SSI eligible individuals to achieve their goals without fear of losing their benefits. Increasing the asset limitation would allow individuals with disabilities the opportunity to more effectively work, earn, and save to achieve greater independence. Furthermore, by eliminating the marriage penalty, this bill would ensure that individuals with disabilities do not have to choose between marrying someone they love and losing their critical SSI benefits.

The fear of losing SSI benefits is a serious systemic barrier to employment for individuals with disabilities. Increasing asset limitations will open the labor market for skilled workers with disabilities to earn and save beyond these current limitations.

For more information, please contact our policy team at policy@ndss.org.