

# Supplemental Security Income Restoration Act

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Today's economic realities—higher health care and housing costs, disappearing pensions, inadequate Social Security benefits, and the lingering effects of the Great Recession—mean more people, including older adults, are struggling to pay for housing, food, medicine, and other necessities. As seniors fall further behind, they are aging into poverty and homelessness. Today in America approximately 7 million seniors are living in poverty.

To address poverty among seniors and people with disabilities, Reps. Raul Grijalva (D-AZ), Elissa Slotkin (D-MI), and Jan Schakowsky (D-IL) introduced the Supplemental Security Income Restoration Act in the House along with 34 cosponsors. The Act will restore the original intent of the program by updating outdated rules and modernizing a number of financial eligibility rules.

## What Is SSI?

Supplemental Security Income (SSI) is a supplemental program to the Social Security system that provides modest financial assistance for people who are unable to work enough to meet their basic needs. A 70-year-old woman who never married and worked only in informal low-paying jobs throughout her life, or a younger adult with a disability that keeps them from earning a living are both examples of people who could qualify for SSI.

## How Much Money Do People on SSI Have to Live On?

The full monthly federal benefit in 2024 is \$943 for an individual and \$1,415 for a couple, well below the federal poverty level. In fact, the individual benefit level is just 74% of the federal poverty level, falling far short of the amount of income support that seniors and people with disabilities need to meet their basic needs. Those who do receive income from other sources see it deducted from their SSI benefits. In addition to the strict income eligibility limits, SSI recipients must have assets below \$2,000 to qualify for the program.

The current program rules effectively require recipients to live below the poverty line, leading to homelessness, hunger, and illness among older adults and persons with disabilities. Further, the program's rules and requirements are so strict that it keeps out many of the people it was created to help. It's time to update the SSI program to better serve our nation's lowest-income seniors and people with disabilities.

## Why Does the SSI Program Need Updating?

Most of the SSI eligibility rules have not been updated since the program was signed into law by President Nixon 50 years ago. For example, the amount of income a beneficiary is allowed to receive from other sources (such as a pension) without having their benefits reduced is \$20. The cost of living today is more than 5.5 times what it was in

1972, meaning \$20 today is equivalent in purchasing power to about \$3 in 1972 dollars. In addition, the asset limit for the program—\$2,000—has not been updated since 1989.

## How Will the Supplemental Security Income Restoration Act Help Low-Income Seniors and People With Disabilities?

Under the Act, several needed updates to the program's eligibility rules will be made.

- The SSI benefit rate will be increased to at least 100% of the Federal Poverty Level, adjusted annually, so that no one receiving SSI will be left to live below the poverty line.
- Couples will receive their full SSI benefit, totaling twice the individual rate, rather than a reduced marriage penalty rate.
- Low-income seniors and people with disabilities who can't work enough to meet all their basic needs will be able to save up to \$10,000 and couples will be able to save up to \$20,000 for emergencies such as car repairs, new roofs, and other unexpected expenses, without losing benefits.
- Individuals will be able to receive up to \$149 monthly from other sources, such as Social Security benefits or pension payments, without a corresponding loss in benefits.
- Individuals who are able to work will be able to earn up to \$486 a month without being penalized.
- Individuals who live in households with others, including family members, will no longer be penalized with lower benefits through the in-kind support and maintenance provision.
- Individuals who transfer assets (even small amounts of money to a family member) will no longer suffer harsh penalties.
- Eliminate installment payment requirements and extend the time to spend down resources so that SSI recipients who have been waiting for months or years to obtain their benefits can receive the full overdue amount.
- Exclude retirement accounts from countable resources to allow people with disabilities to build up their savings for retirement and use those resources to pay for expenses in later life.
- State and local earned income tax credits, tribal benefits, and child tax credits will be excluded from income calculations in the same manner as general tax payments.

These modest but needed fixes will provide much needed relief to the people this program was designed to help. Justice in Aging agrees that it's time to take action and improve this critical program now.