

The SSI Savings Penalty Elimination Act Will Support Women's Economic Security

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Supplemental Security Income (SSI) is a vital support for women, particularly disabled women of color. SSI is a means-tested cash benefit program that is critical for disabled and aging Americans. Faced with strict asset limits that have not been adjusted in almost 40 years, beneficiaries find that working toward financial stability and growing wealth, paying for basic expenses, and addressing debt is incredibly difficult, if not impossible, for disabled women.

The SSI Savings Penalty Elimination Act would support and uplift the more than 4 million women and girls who rely on SSI, including nearly 3.3 million women and girls who are eligible for SSI because they are blind or disabled¹, as well as 723,000 women aged 65 and older who receive SSI on the basis of age.^{2,3} It would also increase the number of disabled women eligible for SSI. The bill is a bipartisan, bicameral bill that would update SSI's asset limits for the first time since the 1980s to ensure disabled and aging Americans are able to save money to support their economic needs and save for financial emergencies without risking the loss of critical benefits.

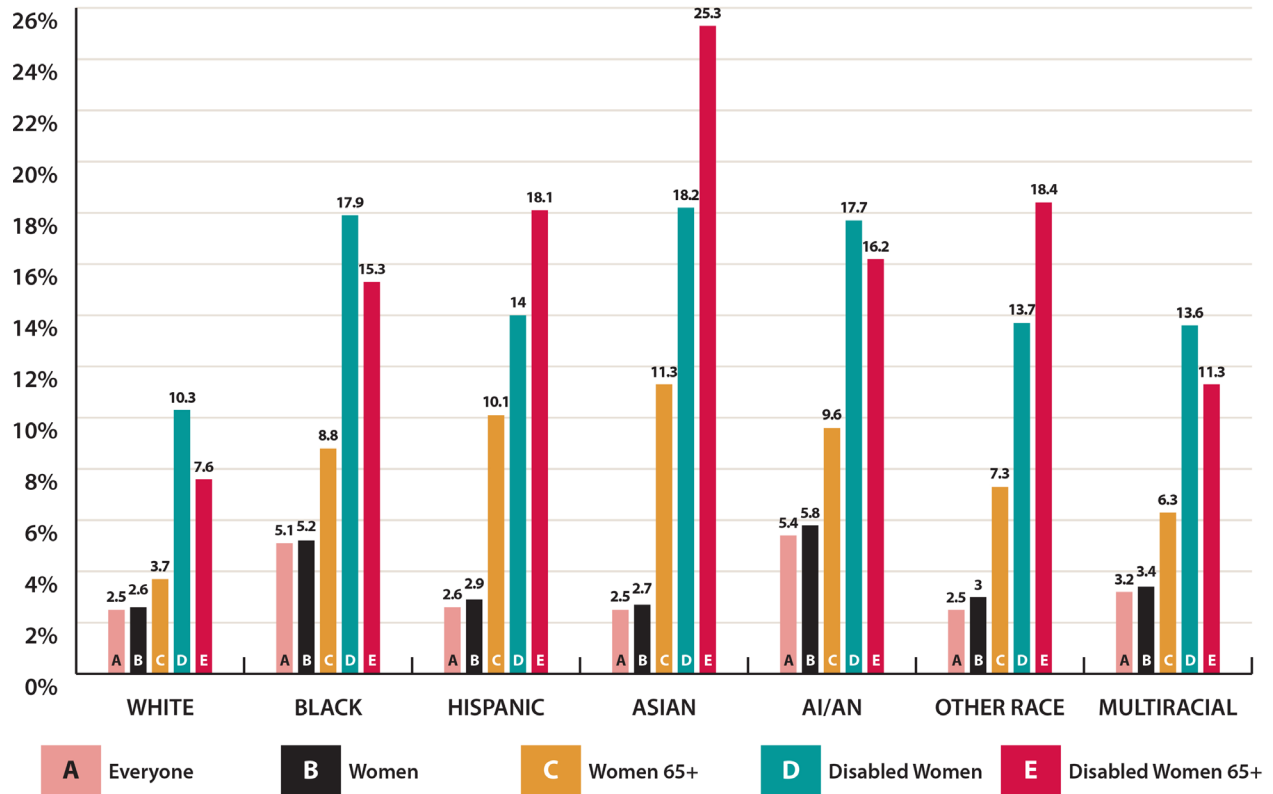
This bill would also eliminate the marriage penalty placed on SSI recipients. SSI recipients currently can have \$2,000 in assets as individuals, and only \$3,000 for married couples or two-parent households with children. These limits punish disabled people who want to get married by disproportionately reducing the assets they can maintain when married. The SSI Savings Penalty Elimination Act would increase the asset limits to \$10,000 for an individual and \$20,000 for married couples, and index the asset limits to inflation moving forward. That means that asset limits would be doubled for a married couple, as opposed to the current situation where the limit for couples is only a 50 percent increase of the individual limit.

The SSI Savings Penalty Elimination Act would be a game-changer for disabled women, particularly disabled women of color.

- **Disabled women are more likely than white nondisabled men to live in poverty, with disabled women of color experiencing particularly high rates of poverty.**⁴ As a result of these disparities, many women must rely on SSI benefits to live. In fact, in December 2021, about 52 percent of all SSI recipients and around 65 percent of elderly recipients were women.⁵ Across all race and ethnicity categories, disabled women and girls were more likely than all women and elderly women to receive SSI in 2022.⁶ SSI is especially critical for disabled women of color and disabled LGBTQI+ people. People who are Black and American Indian/Alaska Native are more than twice as likely to receive SSI as people who are white.⁷ In 2022, 17.9 percent of Black disabled women and girls, 18.2 percent of disabled Asian women and girls, 14 percent of disabled Hispanic women and girls, and 17.7 percent of disabled American Indian/Alaska Native women and girls, and 13.6 percent of multiracial women and girls received SSI, compared to 10.3 percent

of White disabled women and girls.⁸ In a 2020 Center for American Progress survey, 34 percent of disabled LGBTQI+ respondents received SSI benefits, while only 7 percent of nondisabled LGBTQI+ respondents received SSI benefits.⁹ These disparities are the result of deliberate policy choices that are designed to keep disabled people, particularly disabled women and disabled women of color, in poverty.

Share of Population Who Received SSI Benefits by Race/Ethnicity, Age, and Disability, 2022



Source: 2002 American Community Survey, 1-Year Estimates

- **When an SSI recipient exceeds the asset threshold, their entire benefit is not payable for the month.** The Social Security Administration often experiences delays in detection and notice to these recipients, meaning a beneficiary could be overpaid¹⁰ for months – even years – without their knowledge. It can be extremely difficult to repay these debts when SSI recipients have little to no income, with monthly SSI benefits in 2023 at a maximum of \$914 for individuals and \$1,371 for eligible couples. In December 2021, approximately 57 percent of SSI recipients had no income other than their SSI payments.¹¹ Overpayments disproportionately affect women and people of color: women are more likely to experience an overpayment than men and Black and Hispanic recipients are also more likely to experience an overpayment than white beneficiaries.¹²

- **All families, regardless of their composition, deserve support and everyone should have autonomy to make their own choices about their family relationships.** However, the current SSI asset limits take choices away from families by creating a financial disincentive for marriage – forcing people to choose between receiving SSI and getting married. The marriage penalty disproportionately harms women and women of color, who are more likely to serve as caregivers. These marriage penalties stem from a history of eugenic laws prohibiting disabled people from marrying one another to prevent them from creating families.¹³ Marriage to a co-parent is not necessary to raise a child – disabled or otherwise. However, for disabled couples who may want to choose that path, it may not be an option.
- **The current asset limits do not allow beneficiaries to save money for even the most essential needs – let alone to save for retirement or emergencies.** The asset limits have not been updated since the 1970s and have not adjusted for inflation, essentially eroding the savings disabled women can maintain. People with little to no savings are more likely to have unpaid debts and subprime credit scores, or no credit at all.¹⁴
- **People with little to no savings may also struggle with housing security: paying a security deposit, or even the last month’s rent, may be cost prohibitive.** Women – particularly women of color, disabled women, domestic violence survivors and single mothers – face unique barriers to housing security.¹⁵
- **Asset limit increases will have a positive impact on disabled women caring for disabled children.** In 2021, 68.8 percent of SSI recipients under 18 had only one parent in their household.¹⁶ According to U.S. Census Bureau data, 80 percent of single-parent households are headed by women.¹⁷ Additionally, children are more likely to have disabilities of all types when they have at least one disabled parent.¹⁸ Disabled parents, including disabled women, will be able to better work and save with these changes.

Passing the SSI Savings Penalty Elimination Act is critical for the economic security of disabled women – particularly disabled women of color – and their families, who continue to be penalized for saving for their economic futures. Strengthening and improving SSI is a matter of gender, racial and disability justice.

1 Overall, the disability community has reclaimed identity-first language (i.e., “disabled”) to acknowledge disability as a critical part of identity in which to take pride. However, not all members of the disability community prefer identity-first language. Others may prefer person-first language (i.e., “person with a disability”). Preferences may also vary by disability. The National Partnership for Women & Families uses identity-first and person-first language interchangeably. However, we will always honor the language a disabled person chooses for themselves.

2 Those who receive SSI based on age may also have a disability.

3 U.S. Social Security Administration. (2022). Annual Statistical Supplement, 2022 (Table 7.E3). Retrieved 7 December 2023, from: <https://www.ssa.gov/policy/docs/statcomps/supplement/2022/>. (Unpublished calculation based on those identified as “Blind or disabled SSI recipients.” Note that this includes disabled people who are totally or partially blind or who have a medical condition that keeps them from working and is expected to last at least 1 year or result in death.)

4 Author’s calculation using University of Minnesota. (n.d). IPUMS USA: 2017–2021 American Community Survey. Retrieved 8 December 2023, from: www.ipums.org. People are identified as having a disability if they responded that they have difficulty in one or more of the following realms: vision, hearing, cognitive, ambulatory, self-care, and independent living. This is a limited definition of disability that excludes a portion of disabled people. For more information on how disability is measured in the American Community Survey, please see U.S. Census Bureau. (2021, November 2). How Disability Data are Collected from *The American Community Survey*. Retrieved 7 December 2023, from: <https://www.census.gov/topics/health/disability/guidance/data-collection-acs.html>

- 5 Anderson, C. & Sun, S. (2023, October). *SSI Supports Older and Disabled Women with Very Low Incomes. Improving SSI Would Advance Gender, Racial, and Disability Justice* (p. 2). Retrieved 7 December 2023 from the National Women's Law Center website: <https://nwlc.org/wp-content/uploads/2023/10/SSI-Supports-Older-and-Disabled-Women-with-Very-Low-Incomes.-Improving-SSI-Would-Advance-Gender-Racial-and-Disability-Justice.pdf>
- 6 Unpublished calculations by the National Partnership for Women & Families based on the number of people receiving SSI in the U.S. Census Bureau American Community Survey 1-Year Data for 2022, via IPUMS USA, University of Minnesota, www.ipums.org. See chart below.
- 7 Musumeci, M., & Orgera, K. (2021, June). *Supplemental Security Income for People with Disabilities: Implications for Medicaid*. Retrieved 7 December 2023, from KFF website: <https://www.kff.org/medicaid/issue-brief/supplemental-security-income-for-people-with-disabilities-implications-for-medicaid/>
- 8 Unpublished calculations by the National Partnership for Women & Families based on the number of people receiving SSI in the U.S. Census Bureau American Community Survey 1-Year Data for 2022, via IPUMS USA, University of Minnesota, www.ipums.org. See below chart.
- 9 Medina, C., Mahowald, L., & Santos, T. (2021, November). *The United States Must Advance Economic Security for Disabled LGBTQI+ Workers*. Retrieved 7 December 2023 from the Center for American Progress website: <https://www.americanprogress.org/article/united-states-must-advance-economic-security-disabled-lgbtqi-workers/>
- 10 Overpayments happen when benefits are paid to an individual but a government agency later claims the benefits should not have been paid. A benefit recipient may then owe money back to a government agency they cannot afford to pay.
- 11 Social Security Administration. (2022, September). *SSI Annual Statistical Report, 2021* (p. 29). Retrieved 7 December 2023, from: https://www.ssa.gov/policy/docs/statcomps/ssi_asr/2021/ssi_asr21.pdf
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- 14 Ratcliffe, C., Middlewood, B., Knoll, M., Davies, M., & Guillory, G. (2022, March). *Emergency Savings and Financial Security Insights from the Making Ends Meet Survey and Consumer Credit Panel*. Retrieved 7 December 2023 from the Consumer Financial Protection Bureau website: https://files.consumerfinance.gov/f/documents/cfpb_mem_emergency-savings-financial-security_report_2022-3.pdf
- 15 Atkinson, I. (2022, March). *Housing Justice is Gender Justice*. Retrieved 17 December, 2023 from the National Partnership for Women & Families website: <https://nationalpartnership.org/wp-content/uploads/2023/02/housing-justice.pdf>; Lake, J., Novack, V., & Ives-Ruble, M. (2021, May). *Recognizing and Addressing Housing Insecurity for Disabled Renters*. Retrieved 7 December 2023 from Center for American Progress website: <https://www.americanprogress.org/article/recognizing-addressing-housing-insecurity-disabled-renters/>
- 16 See note 11, p. 57.
- 17 United States Census Bureau. (2022). *Census Bureau Releases New Estimates on America's Families and Living Arrangements* [Press Release]. Retrieved 7 December 2023, from: <https://www.census.gov/newsroom/press-releases/2022/americas-families-and-living-arrangements.html>
- 18 Lakdawala, L. & Bharadwaj, P. (2022, November). The relationship between parental disability and child outcomes: Evidence from veteran Families. *PLoS One* 17(11), 14.

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group dedicated to advancing gender and racial equity in the workplace, improving access to affordable, quality health care that authentically meets the needs of all women and families and reduces inequities in health, and promoting reproductive freedom and justice, access to contraception and abortion care, and elimination of the stigma associated with abortion. Learn more: NationalPartnership.org

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