

# ACCESSIBLE ASSETS: ASSET BUILDING IN THE DISABILITY COMMUNITY

Karen Harris  
The Shriver Center

Pathways To Prosperity  
October 17-18, 2011



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Sargent Shriver National Center on Poverty Law

Recipient of 2010 Macarthur award for creative and effective institutions

# Shriver Center

- **The Sargent Shriver National Center on Poverty Law**
  - The Shriver Center provides national leadership in efforts to increase justice and opportunity for low-income people by ensuring a humane safety net, a chance to prosper, and a voice and representation in public decisions that affect them.
- **Asset Opportunity Unit**
  - Takes action against poverty by advocating for policies that expand asset-building opportunities for all.



**SHRIVER  
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Sargent Shriver National Center on Poverty Law

# Income Poverty

- **U.S. Poverty Level in 2010**

- 46.2 Million

- 15.1%

- 52 years



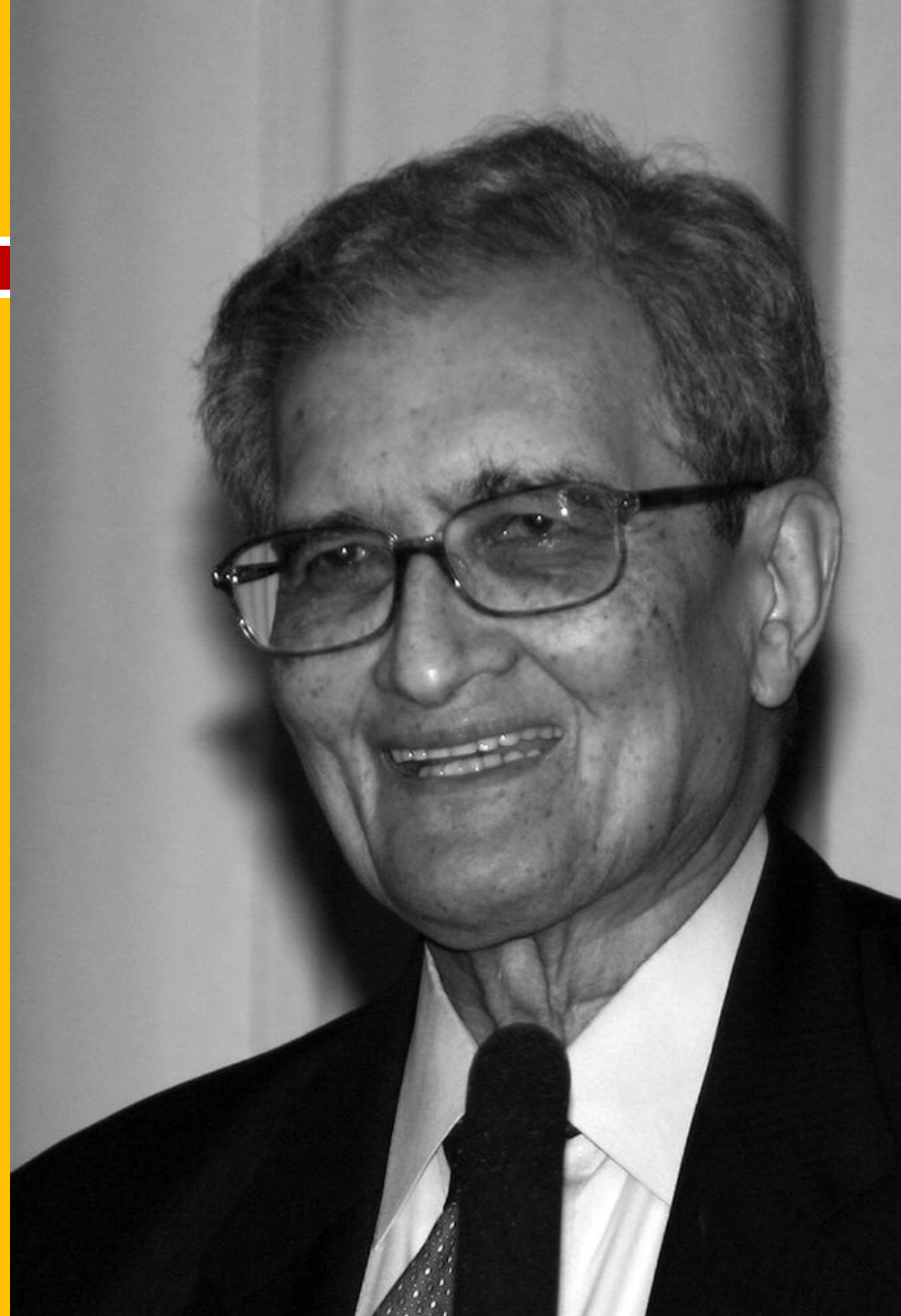
# Income Poverty v. Asset Poverty



- **Asset poverty** focuses on total household wealth, rather than just income
- An “**asset poor**” household **does not have enough assets** to meet its expenses for **3 months** if no outside sources of income
  - 1 in 5 U.S. families are asset poor.
  - In Illinois over 25%, or 1 in 4, households are asset poor.
  - 1/3 of U.S. households have zero or negative assets.
  - As many as 80% of households with a disability have zero assets.

“The relevance of disability in the understanding of deprivation in the world is often underestimated ....”

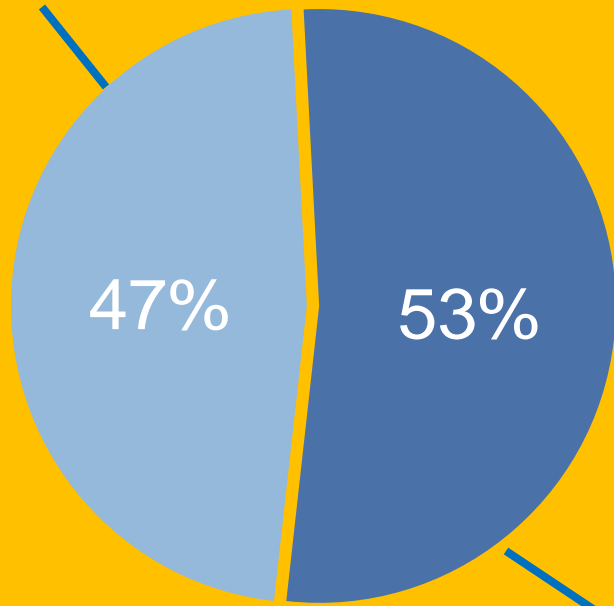
*Amartya Sen, Winner of 1998 Nobel Prize in Economics, former honorary president of Oxfam*



# Poverty and Disability

Working Age People with Income Below the Annual Poverty Line in 1997 By Disability Status

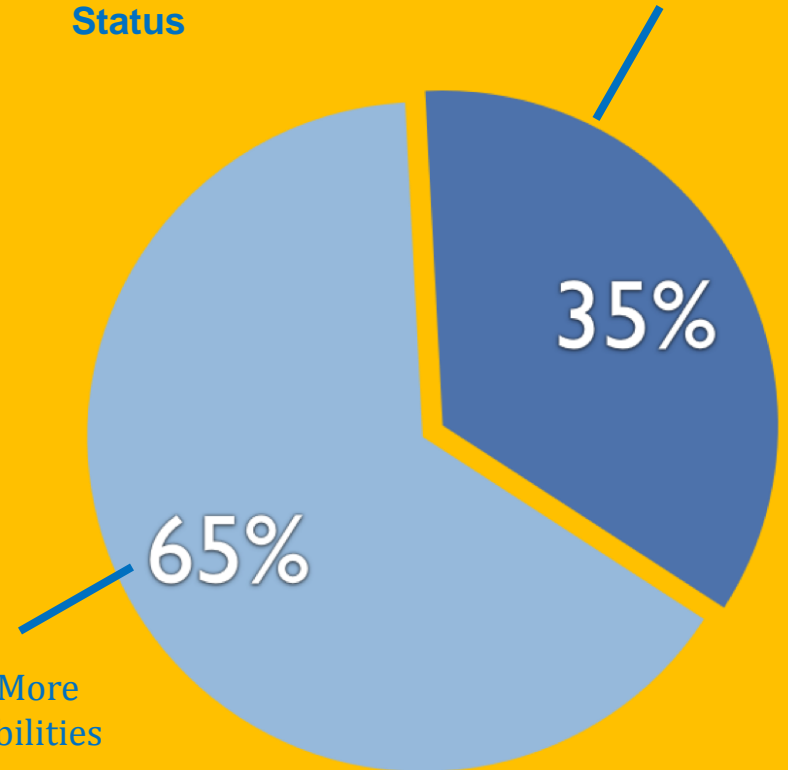
1 or More Disabilities



No Disabilities

Working Age People (25-61) Experiencing Long-Term Income Poverty (more than 36 months over a 4 year period) by Disability Status

No Disabilities



1 or More Disabilities



Mayor's Office for People with Disabilities

# Existing Barriers

## Multiple barriers exist for people with disabilities to build assets:

Policy barriers that preclude saving, restrict earnings, and complicate even low levels of employment

Fear of losing health care coverage if they work or save

General financial illiteracy and lack of basic financial and tax knowledge

Lack of relationship with local financial institution

Limited access to technology and internet

Lack of materials in alternative formats (Braille, CD, large print, 504 compliant websites and software, etc.)

# Asset Limit Rules

- States have authority to eliminate asset tests in TANF and Medicaid and, with USDA approval, in Food Stamp Program
- States can implement asset limit reform by legislation or administrative rule
- Several states have implemented asset test reform
- See “Reforming State Rules on Asset Limits,” Clearinghouse Review (Mar-Apr 2007), State Asset Limit Toolkit, and CFED Resource Guide

# Federal Asset Limit Reform

- **SSI Savers Act of 2010 (H.R. 4937)**
  - Introduced by Rep. Niki Tsongas (D-MA)
  - Revise Asset Limits:
    - \$5,000 per individual, \$7,500 per couple
    - Index to inflation
    - Education savings accounts excluded

# Individual Development Accounts

- The Assets for Independence Act of 1998
  - Matched savings accounts (1-4 times)
  - Savings are designated for a goal of either purchasing a home, starting a business, or attending school
  - Participants receive financial literacy training
  - Eligibility:
    - TANF
    - Household assets less than \$10,000
    - EITC
    - Income less than 200% of FPL

# Allies, Inc.

**Success of Saving (SOS):** A saving program engaged in the fight to reverse endemic poverty among people with disabilities in New Jersey.

- Program offers matched savings accounts to provide an incentive for attending and completing financial literacy coursework with case management services provided by Allies, Inc.
- Unlike AFI IDA programs, savers may save for any asset goal (furniture, television, vacation, engagement ring, etc.)
- Savings accounts are opened jointly between Allies, Inc. and the saver. Because Allies, Inc. acts as the corporate fiduciary of these accounts, funds deposited are ineligible for consideration of Social Security benefits.

# Federal IDA Reform

- **Assets for Independence Reauthorization Act of 2010 (H.R. 6354)**
  - Raises the authorization limit to \$75 million
  - Simplifies asset purchase processes
  - Expands eligibility standards
  - Allows matches to be placed into a 529 college savings account
  
- **IDA Protection Act of 2010 (H.R. 6067)**
  - Increase federal funding available for IDAs by \$25 million
  - Eliminate requirement for state matching funds

# Achieving a Better Life Experience (ABLE)

## Act of 2009

- **H.R. 1205 & S. 493** (February 26, 2009)
- Introduced by Sen. Robert Casey (D-PA) and Rep. Ander Crenshaw (R-FL)
- Purpose:
  - To encourage & assist individuals & families in saving private funds for the purpose of supporting individuals with disabilities to maintain health, independence, and quality of life
  - To provide secure funding for disability- related expenses on behalf of designated beneficiaries with disabilities that supplement, not supplant, public benefits

# ABLE Act of 2009

- One tax exempt account per SSI beneficiary up to \$500,000
- Allowable expenses include:
  - Preschool & postsecondary education; tutoring; special education services; training;
  - Employment supports;
  - Personal assistance and community-based supports;
  - Respite care;
  - Assistive technology and home modifications;
  - Out-of-pocket medical, vision, or dental expenses;
  - Transportation vehicle purchases or modifications;
  - Insurance premiums;
  - Habilitation and rehabilitation services; and
  - Other services or products allowed by regulation

# Resources

- [\*Shriver Center Accessible Assets Webinar Resource Pages\*](#)

<http://www.povertylaw.org/clearinghouse-review/web-extras/asset-building-disability-webinar>

<http://www.povertylaw.org//clearinghouse-review/web-extras/accessible-assets/resources>

- [\*Asset Coalition Toolkit for States\*](#)

[www.assetcoalitiontoolkit.org](http://www.assetcoalitiontoolkit.org)

- [\*CFED\*](#)

<http://cfed.org/programs/idas/>

# Thank you!

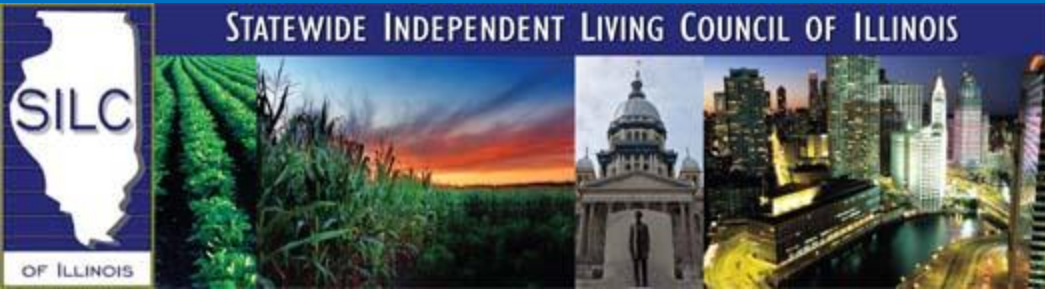
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Karen Harris

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# ASSET DEVELOPMENT & SELF-SUFFICIENCY STRATEGIES FOR INDIVIDUALS WITH DISABILITIES

William L. Gorman  
Executive Director  
SILC of Illinois



# Employment-related Services

- ❑ Social Security Work Incentives – maintain SSI [Section 1619(a)] or Medicaid [Section 1619(b)].
- ❑ Medicaid Buy-In Program – work and pay a small premium to maintain Medicaid health coverage.
- ❑ Ticket To Work Program
- ❑ Plan to Achieve Self-Sufficiency (PASS) for SSI recipients.
- ❑ Property Essential to Self-Sufficiency (PESS) for SSI recipients.
- ❑ Impairment-Related Work Expenses (IWRE) for SSI and SSDI recipients.
- ❑ Work Expenses for the Blind (BWE).

# Individual Development Accounts (IDA)

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A federal grant program that creates matched savings accounts for low income individuals to purchase a first home, pay for post secondary education or start a business.



# North Carolina IDA Projects

- Choanoke Area Development Assoc. of NC, Inc.
- North Carolina Department of Labor
- City of Gastonia
- United Way of Forsyth County
- City of High Point
- Monroe-Union County Community Development Corporation



# Self-Employment

- Learn About It
  - Start-Up USA [www.start-up-usa.biz](http://www.start-up-usa.biz)
  - Contact a Work Incentives and Planning Assistance Program in your state (WIPA).
- Microenterprise Development – a small business of five or fewer employees

# Financial Education / Financial Literacy Resources

- Money Smart curriculum –  
[www.fdic.gov/consumers/consumer/moneysmart](http://www.fdic.gov/consumers/consumer/moneysmart)
- Practical Money Skills for Life –  
[www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)
- American Association for Retired Persons –  
[www.aarp.org/states](http://www.aarp.org/states)



# Home Ownership

- HUD Section 8 rent vouchers could possibly be used to purchase a home.
- Family Self-Sufficiency Program – an employment and savings program for low-income individuals that receive Section 8 vouchers through HUD. This is an optional program for a local Public Housing Authority.
- HUD Earned Income Disregard – some work income is disregarded in calculating your rent in some HUD programs.
- Low Income Housing Tax Credit- incentives for investors to develop low income housing.
- Community Development Block Grants could be utilized to build or rehab accessible housing.
- Investigate Medicaid Waiver programs in your state.



# Tax Benefits for Individuals and Businesses

- Federal Credit for Elderly or Disabled
- Federal Child and Dependent Care Credit
- Federal Child Tax Credit
- Disabled Access Credit for Businesses
- Barrier Removal Tax Deduction for Businesses
- Work Opportunity Credit for Employers
- Earned Income Tax Credit (EITC)
  - A refundable federal income tax credit. Even if a person does not owe federal taxes, a low income person could possibly get a refund but they must file a federal tax return. Some states also have an EITC.



# Trusts for Individuals with Disabilities

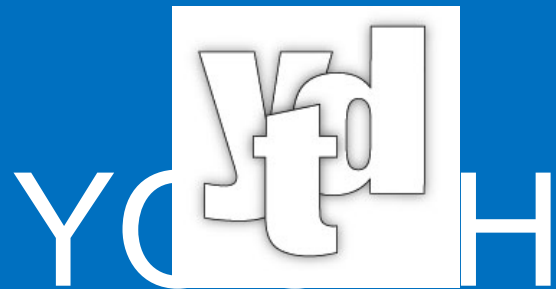
- Varies from state to state; however, most states have some provisions for special needs trusts and/or pooled special needs trusts. These trusts are arrangements where funds can be invested for a recipient of SSI or Medicaid without losing eligibility for these benefits.
- Contact the Special Needs Alliance at [www.specialneedsalliance.com](http://www.specialneedsalliance.com) or your state bar association.

# Thank You

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William L. Gorman, Executive Director  
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510 East Monroe Street- 3rd Floor  
Springfield, IL 62701  
217-744-7777 (V/TTY)  
217-744-7744 (FAX)  
[www.silcofillinois.org](http://www.silcofillinois.org)





# TRANSITION DEMONSTRATION

**PATHWAYS TO PROSPERITY CONFERENCE**

Monday October 17, 2011

Joyanne Cobb, SSA, OPDR



# SSI Children and Young Recipients

- There are approximately 775,000 SSI recipients aged 14-25.
- We pay approximately \$350 million a month or \$4.2 billion a year in SSI benefits.
- Most will remain dependent on SSI, Medicaid, and other public assistance for their entire lives unless they receive additional services and supports.



# Purpose of YTD

- The Youth Transition Demonstration (YTD) is a research study to promote and rigorously evaluate promising strategies to help youth with disabilities become as economically self-sufficient as possible as they transition from school to work.
- YTD is part of a broader initiative to encourage disability beneficiaries to work.

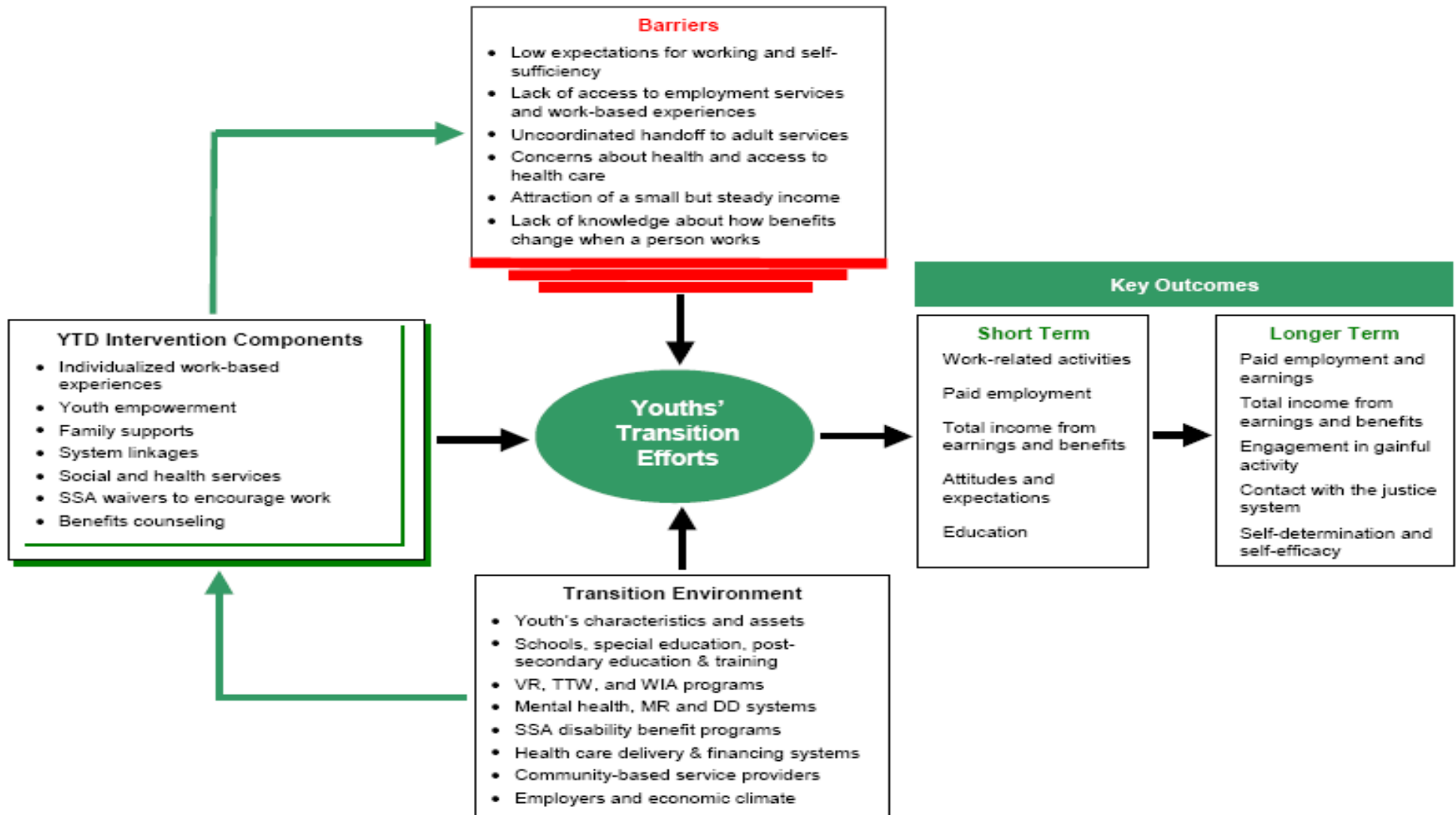


# Youth Transition Demonstration

- Identify the best practices for enabling youth with disabilities, aged 14 to 25, to transition to self-sufficiency through education and work.
- Services include: work-based experiences, family supports, system linkages, social and health services, and **benefits counseling.**



# YTD Logic Model



# YTD Timeline

- 2003: SSA awarded 7 cooperative agreements.
- 2005: SSA strengthened evaluation using random assignment design, requiring new projects.
- 2005: SSA awarded Mathematica Policy Research, Inc. a contract to evaluate and provide technical assistance to the YTD projects.
- 2006: Track 1 random-assignment projects began enrollment in Bronx County, New York; Colorado (4 counties); and Erie County, New York.
- 2006 - 2007: SSA and MPR selected 5 applicants to pilot projects for 6 months, and then, SSA and MPR selected 3 of the 5 pilot projects to add to YTD.



# YTD Timeline

- 2008: Track 2 random-assignment projects began enrollment in Miami-Dade County, Florida; Montgomery County, Maryland; and West Virginia (19 counties).
- 2009: MPR prepared process analysis.
  - SSA received final reports from non-random assignment project.
- 2010: The 12 month impact reports are reviewed, finalized and posted on the SSA YTD web site.
- 2010 – 2011: 12-Month Impact and Process Analyses (site specific)
- 2014: Final Report - comprehensive report including:
  - 36- and 48-month impact and process analyses by site
  - Process summary
- 2014 and Beyond: Cost-Benefit Analysis (CBA) Memo
  - CBA for first 3 years of projects
  - Detailed directions for CBA in future years



# The SSI Waivers

- Five modified SSI program rules (waivers) apply to YTD participants in the control group. They are designed to encourage and reward work, to promote asset development, and to otherwise encourage youth to take part in the YTD.
- The Waivers are:
  - The general earned-income exclusion (GEIE) waiver
  - Age 18 CDR Decision Delay waiver
  - The student earned-income exclusion (SEIE) waiver
  - **A plan for achieving self-support (PASS) waiver**
  - **The individual development accounts (IDAs) waiver**



# The SSI Waivers

- The **general earned-income exclusion (GEIE)** normally excludes \$65 plus half the remainder of earned income not covered by the student earned-income exclusion. For YTD participants, the GEIE excludes \$65 plus three-fourths of the remainder.
- The **student earned-income exclusion (SEIE)**, which normally applies only to individuals who are age 21 or younger, applies to all working YTD participants who qualify as students, regardless of age.



# SSI Waivers

- If a **medical continuing disability review (CDR)** or age-18 medical redetermination results in a finding that a participant no longer meets the medical requirements for benefits, SSA continues to pay benefits for as long as the individual remains a YTD participant.



# SSI Waivers That Encourage Savings

## □ The PASS Waiver

- A plan for achieving self-support (PASS), which normally must have a specific work goal (getting a particular kind of job or starting a particular business), may specify career exploration or post-secondary education as its goal.

## □ THE SSI IDA WAIVER

- The SSI program's treatment of individual development accounts (IDAs) that involve Assets for Independence Act (AFIA) grant funds or TANF dollars extends to IDAs that do not involve Federal funds.



# SSI Waivers That Encourage Savings

- SSI rule on IDA's were waived to allow use of funds for additional qualified purposes.
  
- Purpose of rules waiver:
  - ▣ Raise awareness of IDA's in the disability community.
  - ▣ Test the waiver in order to gather support for a policy changes.



# IDA and Plan to Achieve Self - Support (PASS)

- Income and assets used for expenses of getting a job or starting a business do not count.
- IDA for post-secondary education or business start-up can be folded into a PASS.



# Take Away Message

**If you receive SSI:**

- ❑ **It pays to work**
- AND**
- ❑ **An IDA can make it pay more**



# California Bridges to Youth Self-Sufficiency (Bridges)

## SSI Youth / Supplemental Security Record (SSR)

- At the time of enrollment, 25% of Bridges participants who receive SSI had earnings posted to the SSR. By the end of their involvement in Bridges, 55% of participants who receive SSI had earnings posted to the SSR.

## All Youth Participants / Bridges Management System

- Competitive jobs went from 5% to 23%
- Sheltered employment went from 9% to 4%
- Tertiary school attendance rose from 13% to 32%
- **One student did participate in the IDA waiver and purchased a new condominium with his savings. This student continues to be employed and financially self sufficient in his own home. (IDA's were not a major part of the intervention at this site)**



# Mississippi Youth Transition Initiative (MYTI)

## All Youth Participants / MYTI Management System

- Work activity rose from 7% to 33%, all of whom were competitively employed; Tertiary school completion rose from 2% to 12%
- **23 opened IDA Savings Accounts**
  - Savings in individual development accounts for homeownership and self-employment rose from \$0 to \$80,000 (\$1 to \$4 match)
  - **Total Individual Savings with Interest      \$18,714.41**
  - **Total Match Savings with Interest              \$63,203.12**
  - **Total Available for Asset Purchase              \$81,917.53**

IDA's were really pushed at this site and financial literacy education was provided  
stently



# Random Assignment Projects

## Track 1

- Bronx County, New York (John F. Kennedy, Jr. Institute of the City University of New York)
- Colorado (University of Colorado/ One-Stop Workforce Centers)
- Erie County, NY (Board of Cooperative Educational Services)



# Random Assignment Projects

## Track 2

- Miami-Dade County, Florida (Abilities, Inc. of Florida)
- Montgomery County, Maryland (St. Luke's House, Inc.)
- West Virginia (Human Resources Development Foundation)



# YTD Youth Actively Saving

Number of YTD Participants Who Have Established and IDA and PASS  
Random Assignment Sites

	Original Random Assignment Projects			New Random Assignment Projects			Total
	CO	CUNY	Erie	Miami VA	Mont. Co. MD	West	
IDA	2	0	0	27	0	0	29
PASS	1	0	2	0	1	0	4

\* Financial literacy education and IDA's are provided as a part of the intervention at the Miami site.



# HOME OWNERSHIP



**The New Homeowner, Willie**

# College Tuition



Fashion & Design Student, Angela

# Car Ownership



**Working and Independent, Christopher**

# Questions

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Joyanne Cobb

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Social Security Administration , Office of Program  
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