SOCIAL SECURITY
Actuarial Services

August 7, 2026

The Honorable Bill Cassidy
United States Senate
Washington, D.C. 20510

Dear Senator Cassidy:

I am writing in response to your request for our estimates of the program cost effects on the Federal Supplemental Security Income (SSI) program of enacting a proposal similar to S. 1234, the "SSI Savings Penalty Elimination Act," which you and several other Senators introduced on April 1, 2025. These updated estimates reflect a different proposed effective date (January 1, 2027) than was included in the Bill as originally introduced and are based on the assumptions underlying the projections presented in the 2025 SSI Annual Report.[1]

As with S. 1234, this proposal would increase the limit on countable resources from $2,000 for unmarried individuals and $3,000 for married couples to $10,000 for unmarried individuals and $20,000 for married couples, and would index these resource limits by the annual percentage change in the Consumer Price Index for All Urban Consumers (CPI-U). For the purpose of the estimates provided here, we have assumed that the specified increases in limits would apply upon enactment in 2027 and would be indexed starting in 2028.

Enactment of this proposal would result in an increase in program cost because some individuals who have countable resources above the current-law limits would become eligible or maintain eligibility under this proposal. If the proposal became effective for eligibility starting on January 1, 2027, we estimate the increase in Federal SSI payments would be $8.9 billion over the calendar year period 2025 through 2034, the first 10 years of the 2025 SSI Annual Report projection period. The table below provides our estimates of the cost increases on an annual basis through 2034. This proposal would not have any direct effects on the financial status of the Social Security (OASDI) trust funds.

Estimated Change in Federal SSI Program Cost for Enacting
the "SSI Savings Penalty Elimination Act" effective January 1, 2027
(In billions)

	Calendar Year										Total
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2025-34
Estimated change in Federal SSI payments	--	--	$0.5	$1.0	$1.1	$1.2	$1.2	$1.3	$1.3	$1.4	$8.9

[1] See chapter IV in the 2025 SSI Annual Report at https://www.ssa.gov/OACT/ssir/SSI25/index.html for details. The assumptions underlying the projections in the 2025 SSI Annual Report are consistent with the intermediate assumptions of 2025 Social Security Trustees Report.

Our estimates for the proposal reflect analysis of survey data from the Annual Social and Economic Supplement to the Current Population Survey (ASEC). The ASEC provides income and resource-related information at the individual level, but not at the level of detail available in SSA's administrative data for recipients. Based on the results of our analysis of this data source, we have been able to reasonably model the expected effects of the enactment of this proposal.

I hope these estimates are helpful. Please let me know if we can provide further assistance.

Sincerely,

Karen P. Glenn

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Chief Actuary