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FISCAL IMPACT REPORT

ORIGINAL DATE 3/01/2007

SPONSOR Ortiz y Pino LAST UPDATED _____ HB _____

SHORT TITLE Income Benefits for Certain Disabled Persons SM 47

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

Senate Memorial 47 requests the U.S. Congress to remove the penalty associated with being a married individual with a disability receiving Supplemental Security Income benefits.

It also requests that copies of the memorial be sent to each member of New Mexico's Congressional Delegation.

FISCAL IMPLICATIONS

NFI

SIGNIFICANT ISSUES

Supplemental Security Income (SSI) provides benefits to income eligible people who are blind, disabled or aged. The program guarantees eligible people with a subsistence level of income which may be supplemented by the state. A person's benefit level depends upon the individual's living arrangement. Eligibility for SSI is important for many people with disabilities since it automatically entitles them to eligibility for Medicaid.

Under the SSI program, the amount of benefits granted depends upon the marital status of the individuals seeking assistance. Married couples in which both individuals are disabled and

applying for benefits receive a lower rate of benefits than unmarried disabled individuals. In New York, the amount of SSI that an unmarried disabled individual living alone received in 2001 was \$617 per month. An unmarried disabled individual living with others received \$553 per month. A married disabled couple living alone received \$900 per month or \$450 each. Generally, the monthly amounts allocated to a disabled couple are divided equally and paid separately to the two individuals.

Two individuals are considered to be an eligible couple if both are eligible for benefits, are married (or the equivalent of married) and have lived in the same household as husband and wife within the past six months. If an individual is married to (or the equivalent of married to) an individual who is also receiving disability benefits, then that individual will receive less assistance. Congress based this rule on the reasoning that two people living together can live more economically than if they lived alone. However, if this was truly the rationale than married eligible couples should each receive \$553 per month which is the SSI rate for people living with others instead of only \$450 each per month. Yet, individuals who are married receive \$153 less per month than those who are unmarried. This difference in benefit rates between married and unmarried persons is termed the marriage penalty. Unfortunately, there is no way to get around this marriage penalty.

Senate Memorial 47 mentioned that differences in treatment of individuals with disabilities also relates to social expectations that individuals with disabilities could not fully participate as equal members of their communities and could not develop loving relationships with others. Individuals with disabilities wish to marry and live as full community members and also hold religious and moral beliefs that preclude them from living together as husband and wife without being married.

BM/mt