



Statement for the Record

Consortium for Constituents with Disabilities Financial Security and Poverty Taskforce

Before the Committee on Financial Services

Subcommittee on Diversity and Inclusion

U.S. House of Representatives

Subcommittee Hearing: Diversity Includes Disability: Exploring Inequities in Financial Services for Persons with Disabilities, Including Those Newly Disabled Due to Long-Term COVID

May 24, 2022

The Consortium for Constituent with Disabilities (CCD) Financial Security and Poverty Task Force

CCD works to engage in concerted advocacy for national public policy that ensures the self-determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society free from racism, ableism, sexism, and xenophobia, as well as LGBTQ+ based discrimination and religious intolerance; that enhances the civil rights and quality of life of all people with disabilities and their families; and that reflects the values of the Americans with Disabilities Act and all civil rights law. The Financial Security and Poverty Taskforce specifically works to promote public policy aimed at increasing the financial security of all individuals with disabilities and their families. Because of the disproportionate number of people with disabilities living in poverty, our task force also advocates for public policy that impacts people living in poverty, including the disproportionate number of people of color with disabilities living in poverty.

ABLE Age Adjustment Act (S. 331/H.R. 1219)

We wish to underscore our support for the ABLE Age Adjustment Act as a critical piece of legislation that would help address inequities in financial services for people with disabilities. This bill would allow people with disabilities more opportunity to save and achieve financial independence. Despite the introduction of the ABLE Age Adjustment Act in every Congress since the passage of the original ABLE Act, people with disabilities that developed after age 26 still cannot use ABLE accounts to save for future expenses related to their disability. It is time for Congress to pass the ABLE Age Adjustment Act and expand access to ABLE accounts. The bipartisan, bicameral ABLE Age Adjustment Act would allow people who develop their disabilities before age 46 to

establish ABLE accounts, allowing them to save for future expenses without placing needed disability services, health care, and income support at risk.

SSI Savings Penalty Elimination Act (S. 4102)

Supplemental Security Income (SSI) provides an extremely modest cash benefit, a maximum of \$841 a month in 2022, for low-income individuals with disabilities and older adults that meet the strict means-tested criteria. In March 2022, nearly 7.6 million people: 4.3 million working-age individuals with disabilities; 1 million children with disabilities; and 2.3 million older adults relied on the program. Unfortunately, the benefit's low, outdated countable asset limit of \$2,000 for individuals/\$3,000 for couples does not allow people to save for emergencies, such as a leaky roof, car repair, or other unexpected expense. The current asset limit does not adjust for inflation and was last updated in 1989.

Introduced by Senators Sherrod Brown (D-OH) and Rob Portman (R-OH), the bipartisan SSI Savings Penalty Elimination Act would significantly improve the lives of SSI recipients by raising the asset limit to \$10,000 per individual/\$20,000 per couple. This would allow SSI beneficiaries to save more for unexpected expenses, improving their financial security and independence. The legislation also adjusts that number for inflation every year, a critical element in today's inflationary environment. We wish to underscore our support for this important bill.

Private Loan Disability Discharge Act of 2021 (H.R. 2498)

We wish to express our support for Representative Dean's "Private Loan Disability Discharge Act of 2021". Currently, people with disabilities with long term and substantial work limitations, called total and permanent disabilities, are eligible to have their federal student loans discharged. This protection includes many veterans, both with service-connected disabilities and those who became disabled following their service. This same relief is not available to people with disabilities who took out private student loans. Representative Dean's bill would address this unfair distinction and better ensure that all borrowers with disabilities would be able to discharge their student loans if they meet the existing total and permanent disability standard. It is particularly important to ensure that borrowers with disabilities have access to this relief now since the protections of the Stop Taxing Death and Disability Act are set to expire in 2025. This means that any loans discharged after 2025 as part of this provision, if enacted, will be potentially taxable if Congress does not extend these protections and we want to ensure that borrowers and families have plenty of time to plan for any future tax liabilities.

Equal Credit Act of 2022

We wish to express our support for the Equal Credit Act of 2022. Unfortunately, people with disabilities are often excluded from mainstream financial services and are less likely to be banked or have access to mainstream credit¹. The issue of people with disabilities being excluded from financial services is also an intersectional one. A history

¹ Auchenbach, K. (2019, November 20). Banking Status and Financial Behaviors of Adults with Disabilities: Findings from the 2017 FDIC National Survey of Unbanked and Underbanked Households and Focus Group Research. Retrieved from <https://www.nationaldisabilityinstitute.org/reports/banking-status-and-financial-behaviors-2019/>

of exclusive practices in the United States, such as redlining and employment discrimination, have resulted in a system where people of color with disabilities, particularly Black, Indigenous and People of Color (BIPOC) and the Latinx community, are at a particular disadvantage financially². However, the groups with the highest poverty rates are Black and Indigenous individuals with disabilities². These troubling statistics reinforce our view that any attempt to better the financial prospects of people with disabilities and people of color with disabilities should be pursued. We fully support the inclusion of the definition of disability as defined under the Americans with Disabilities Act to the Equal Credit Opportunity Act.

Conclusion

Promoting greater economic independence for people with disabilities and addressing existing inequities in financial services are top priorities for our taskforce. We thank the committee for this important hearing on a critical topic. We urge Congress to pass all of the bills referenced above. We are eager to work with you to ensure broader access to financial security for people with disabilities. Please contact Cyrus Huncharek (cyrus.huncharek@ndrn.org), David Goldfarb (goldfarb@thearc.org), or Michael Morris (mmorris@ndi-inc.org) with any questions or to discuss further.

Sincerely,

Autism Society of America
Autistic Women & Nonbinary Network
Cure SMA
National Academy of Elder Law Attorneys (NAELA)
National Association of State Directors of Developmental Disabilities Services
National Disability Institute
National Disability Rights Network (NDRN)
National Down Syndrome Society
National Organization of Social Security Claimants' Representatives
The Viscardi Center

² Auchenbach, K. (2020, September 2). Research Brief: Race, Ethnicity and Disability. Retrieved from <https://www.nationaldisabilityinstitute.org/reports/research-brief-race-ethnicity-and-disability/>