



# **Expand the Definition of a Public Assistance Household**

**RIN: 0960-AI81**

**Final Rule**

**Regulatory Impact Analysis (RIA)**

April 11, 2024

## I. EXECUTIVE SUMMARY

We administer the Supplemental Security Income (SSI) program to “provide...income to [certain low-income] individuals who have attained age 65 or are blind or disabled.”<sup>1</sup> SSI is a vital safety net for some of the most vulnerable and marginalized members of our society. SSI recipients have little or no other income and very limited resources;<sup>2</sup> a majority of recipients (approximately 52%) have family income below the poverty threshold (even when including SSI payments).<sup>3</sup>

Because SSI is a program intended to benefit individuals with little or no other income, we must consider an applicant or recipient’s available income to determine their SSI eligibility and, when applicable, payment amount. In evaluating an individual’s income, we consider their *earned income*<sup>4</sup> from sources like wages and self-employment and *unearned income*<sup>5</sup> such as cash gifts and *in-kind support and maintenance* (ISM),<sup>6</sup> including room or utilities that others provide to the individual.

In addition to counting the income and ISM that an applicant or recipient receives, the SSI program deems income of certain individuals (such as ineligible parents and spouses) to the SSI applicant or recipient.<sup>7</sup> “Deeming” is the process of considering a portion of another person’s income to be the income of an SSI applicant or recipient.<sup>8</sup> Our policy excludes from deeming: the amount of any public income-maintenance (PIM) payments which the ineligible parent(s) and spouse receive under the PIM programs listed in our definition of what constitutes a public assistance household (PA Household);<sup>9</sup> any income that those PIM programs counted or excluded in determining the amount of the PIM payments the ineligible parent(s) and spouse received; and any income of the ineligible parent(s) or spouse that is used by a PIM program to determine the amount of that program’s benefit to someone else.<sup>10</sup> There are currently seven

<sup>1</sup> See 42 U.S.C. 1381.

<sup>2</sup> To be eligible for SSI, individuals must demonstrate that they do not exceed established income or resource amounts (for current income/resource limits, see <https://www.ssa.gov/ssi/eligibility>). See <https://www.ssa.gov/ssi/text-resources-ussi.htm>.

<sup>3</sup> Messel and Trenkamp. 2022. “Characteristics of Noninstitutional DI, SSI, and OASI Program Participants 2016 Update.” Research and Statistics Note No. 2022–01. Washington, DC: SSA. Available at: <https://www.ssa.gov/policy/docs/rsnotes/rsn2022-01.html>. We note that the authors of the study indicate that the percent of SSI recipients with family income below 100% of the Federal poverty threshold, as established by the U.S. Census Bureau, is higher for those aged 65 and older (60.1%), but it is lower for those under age 18 (37.4%). The authors also note that the Current Population Survey’s (CPS) Annual Social and Economic Supplement (ASEC), which was used as the basis for the study, consistently understates the retirement income of aged individuals, which one should be aware of when considering the percentage of older SSI recipients in poverty.

<sup>4</sup> See 20 CFR 416.1110.

<sup>5</sup> See 20 CFR 416.1120-1121.

<sup>6</sup> See 20 CFR 416.1130.

<sup>7</sup> See 42 U.S.C. 1382c(f); 20 CFR 416.1160.

<sup>8</sup> See 20 CFR 416.1160.

<sup>9</sup> See 20 CFR 416.1142(a).

<sup>10</sup> See 20 CFR 416.1161(a)(2) and (3).

qualifying PIM payment programs listed in our PA Household definition at 20 CFR 416.1142(a).<sup>11</sup>

With this final rule, we are updating our regulations to expand the definition of a PA Household in two main ways.<sup>12</sup> First, we will change the definition of a PA Household from a household in which every member receives some kind of PIM payment to a household that has both an SSI applicant or recipient, and at least one other household member who receives one or more of the listed PIM payments (the *any other* definition).<sup>13</sup> Second, we are also adding the Supplemental Nutrition Assistance Program (SNAP) administered by the U.S. Department of Agriculture’s Food and Nutrition Services (FNS) to the list of PIM programs in the definition of a PA Household. Consequently, our new regulatory definition will include eight qualifying PIM payment programs.

The revisions to the definition of PA Household included in the notice of proposed rulemaking (NPRM) we published on September 29, 2023<sup>14</sup> are consistent with our Agency Strategic Plan (ASP) for Fiscal Years 2022–2026 goal to optimize the experience of our customers<sup>15</sup> and the feedback we received from advocates to update and streamline SSI’s ISM rules.<sup>16</sup>

Our Office of the Chief Actuary (OCACT) estimates that implementing this final rule would increase Federal SSI payments by \$15.0 billion, in total, over the period of fiscal years (FY) 2024–33. These estimates are based on the assumptions underlying the President’s FY 2025 Budget and assume that the final rule would be effective beginning September 30, 2024.

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<sup>11</sup> The current seven qualifying PIM payment programs are: Title IV A of the Social Security Act (Temporary Assistance for Needy Families); Title XVI of the Social Security Act (SSI, including federally administered State supplements and State administered mandatory supplements); The Refugee Act of 1980 (Those payments based on need); The Disaster Relief and Emergency Assistance Act; General assistance programs of the Bureau of Indian Affairs; State or local government assistance programs based on need (tax credits or refunds are not assistance based on need); and U.S. Department of Veterans Affairs programs (those payments based on need).

<sup>12</sup> We are also finalizing a minor clarification to our PA Household definition. The term “public assistance” may have implications outside our programs. Thus, as we proposed in the NPRM, we are clarifying that our definition of “public assistance household,” which we use as a term of art, applies only for purposes of our programs.

<sup>13</sup> In the NPRM, we referred to this potential change as from *every* to *any other*. In this final rule, we are adopting that proposed change but, for purposes of clarification, have slightly modified the new language defining a PA household in 20 CFR 416.1142(a), such that the *any other* language is no longer used. Because the substance of the new definition is the same as the *any other* proposal, we continue to refer to the new definition as the *any other* definition in the preamble to the final rule, and in this analysis.

<sup>14</sup> *Expand the Definition of a Public Assistance Household*, 88 FR 67148 (Sept. 29, 2023).

<sup>15</sup> Social Security Administration, Agency Strategic Plan: Fiscal Years 2022–2026, available at: <https://www.ssa.gov/agency/asp/>.

<sup>16</sup> Cf. Notice of Proposed Rulemaking, *Omitting Food From In-Kind Support and Maintenance Calculations*, 88 FR 9779 (Feb. 15, 2023); Executive Order 12866 Combined Listening Session Notes (Fall 2022), available at: <https://www.regulations.gov/document/SSA-2021-0014-0003>.

## II. PROBLEM STATEMENT

When an SSI applicant or recipient lives in a PA Household, we do not consider them to be receiving ISM from other individuals within the household (i.e., “inside ISM”).<sup>17</sup> Our longstanding policy has been, if the SSI applicant or recipient lives in a household “where every person is receiving some kind of [PIM] payments, we assume that no one in the household is providing [the applicant or recipient] with [ISM].”<sup>18</sup> The rationale for this policy is based on “the fact that other agencies have determined that [the individuals receiving PIM payments] need all of their income for their own needs”<sup>19</sup>—they are not able to provide inside ISM to the SSI applicant or recipient. Thus, we do not develop information to determine the amount of inside ISM if an SSI applicant or recipient is found to be living in a PA Household.

However, since the creation of the SSI program in 1972 and its inception in 1974, the landscape of means-tested public benefit programs has changed significantly. New public benefit programs were established (e.g., the Low Income Home Energy Assistance Program (LIHEAP) began in 1981), others were expanded (e.g., food stamps began as a pilot program in 1961 and began operating nationwide in 1974),<sup>20</sup> and others became more limited (e.g., Aid to Families with Dependent Children (AFDC), a means-tested entitlement program available to all qualifying individuals, was replaced with Temporary Assistance for Needy Families (TANF) in 1997, a block-grant assistance program that is not an entitlement). In addition to overall changes in the landscape of public benefit programs, there have been notable shifts in participation rates between these programs. Among the list of programs included in our current definition of a PA Household, participation has mostly decreased—in some cases quite significantly. For example, between 1980 and 2022, there was an 82 percent decrease in AFDC/TANF recipients (from 10 million<sup>21</sup> to less than 2 million<sup>22</sup>) and an 81 percent decrease in Department of Veterans Affairs need-based pension recipients (from 922,000<sup>23</sup> to 174,000<sup>24</sup>).<sup>25</sup>

By contrast, over the same period, there was a 50 percent increase in SSI recipients (from less than 4 million to more than 7 million).<sup>26</sup> Relatedly, there have been increases in other means-tested public benefit programs that are now more likely to provide public assistance to low-income individuals and households in the U.S. than our current list of PIM programs. For

<sup>17</sup> By contrast, “outside ISM” is assistance received from other individuals living outside of the household.

<sup>18</sup> See 44 FR 6429, 6435 (Feb. 1, 1979).

<sup>19</sup> See 45 FR 65541, 65542 (Oct. 3, 1980).

<sup>20</sup> See <https://fns-prod.azureedge.us/snap/short-history-snap>.

<sup>21</sup> See <https://www.govinfo.gov/content/pkg/GPO-CPRT-105WPRT37945/html/GPO-CPRT-105WPRT37945-2-7.htm>

<sup>22</sup> See TANF: Total Number of Recipients at [https://www.acf.hhs.gov/sites/default/files/documents/ofa/fy2022\\_tanf\\_caseload.pdf](https://www.acf.hhs.gov/sites/default/files/documents/ofa/fy2022_tanf_caseload.pdf).

<sup>23</sup> Veterans Affairs (VA). 1980. 1980 Annual Report. <https://www.va.gov/vetdata/docs/FY1980.pdf>.

<sup>24</sup> Veteran Benefits Administration. 2022. “Annual Benefits Report: Fiscal Year 2022.” Available at <https://www.benefits.va.gov/REPORTS/abr/docs/2022-abr.pdf>

<sup>25</sup> The decline in veterans’ pensions based on need corresponds in part with the 38 percent decrease in the number of veterans in the United States over this period, from 30,118,000 in 1980 to 18,592,457 in 2022.

<sup>26</sup> See <https://www.ssa.gov/OACT/ssir/SSI23/ssi2023.pdf>

example, over this same period, there was a 100 percent increase in SNAP recipients (from 21 million<sup>27</sup> to 42 million<sup>28</sup>), a 70 percent increase in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) recipients (from 2 million<sup>29</sup> to 6 million<sup>30</sup>), a 75 percent increase in Medicaid recipients (from 22 million<sup>31</sup> to 85 million<sup>32</sup>), and a 65 percent increase in HUD housing assistance recipients (from 2 million<sup>33</sup> to 7 million<sup>34</sup>). The number of households receiving LIHEAP has fluctuated over time in response to energy crises and changes in appropriations; for example, LIHEAP served 7.1 million households at the start of the program in 1981, 3.9 million in 2000, 8.1 million in 2010,<sup>35</sup> and 5.4 million in 2021.<sup>36</sup>

Despite these shifts in program availability and participation among low-income households, we have not updated our definition of a PA Household since it was established in 1980 to better reflect these more widely used public benefit programs.<sup>37</sup>

<sup>27</sup> Congressional Budget Office. 1988. “The Food Stamp Program: Eligibility and Participation.” Available at <https://www.cbo.gov/sites/default/files/100th-congress-1987-1988/reports/88-cbo-0010.pdf>

<sup>28</sup> U.S. Department of Agriculture Food and Nutrition Service (USDA FNS). 2022. Supplemental Nutrition Assistance Program Participation and Costs. <https://fns-prod.azureedge.us/sites/default/files/resource-files/SNAPsummary-5.pdf>

<sup>29</sup> See [https://www.ers.usda.gov/webdocs/publications/46648/15834\\_fanrr27c\\_1\\_.pdf](https://www.ers.usda.gov/webdocs/publications/46648/15834_fanrr27c_1_.pdf).

<sup>30</sup> See <https://www.ers.usda.gov/topics/food-nutrition-assistance/wic-program/#:~:text=WIC%20served%20about%206.3%20million,infants%20in%20the%20United%20States>

<sup>31</sup> See <https://socialwelfare.library.vcu.edu/public-welfare/medicaid-program/#:~:text=Nationally%2C%20for%201980%2C%2021.6%20million,over%2065%20years%20of%20age>.

<sup>32</sup> As of December 2022, available at: <https://data.medicaid.gov/dataset/6165f45b-ca93-5bb5-9d06-db29c692a360/data>

<sup>33</sup> See <https://crsreports.congress.gov/product/pdf/RL/RL34591>

<sup>34</sup> This includes 5.2 million people living in federally subsidized units and 1.6 million people living in public assistance housing in 2022. See <https://www.huduser.gov/portal/datasets/assthsg.html>

<sup>35</sup> See

[https://www.everycrsreport.com/files/20180622\\_RL31865\\_85805bac2287a504f2a4eb05e4637a3cd21eaa2e.pdf](https://www.everycrsreport.com/files/20180622_RL31865_85805bac2287a504f2a4eb05e4637a3cd21eaa2e.pdf).

<sup>36</sup> See [https://liheappm.acf.hhs.gov/datawarehouse/custom\\_reports?years=2021&grantees=AG&reportId=7](https://liheappm.acf.hhs.gov/datawarehouse/custom_reports?years=2021&grantees=AG&reportId=7).

<sup>37</sup> Between the NPRM and final rule, we added need-based Veterans Affairs payments and broadened the listing covering assistance programs provided by State and local governments. In 1980, we also made technical changes clarifying that tax credits and refunds are not assistance provided by a state or local government and updating the list by replacing the Migration and Refugee Assistance Act of 1962 and the Indochina Migration and Refugee Assistance Act of 1975 with the Refugee Assistance Act of 1980. Since 1980, we made two other technical revisions to our PA household policy in 20 CFR 416.1142. In 1992, we changed “Disaster Relief Act of 1974” to the “Disaster Relief and Emergency Assistance Act,” and “Veterans Administration” to the “Department of Veterans Affairs.” See [57 FR 53849](#) (Nov. 13, 1992). In 2005, we made a technical revision by changing “Aid to Families with Dependent Children” to “Temporary Assistance for Needy Families.” See [70 FR 41135](#) (July 18, 2005).

### III. SUMMARY OF NEW POLICY

We are finalizing three changes discussed in the NPRM that we published on September 29, 2023.<sup>38</sup>

- **First**, we are finalizing a minor clarification to our definition of a PA Household at 20 CFR 416.1142(a). The term “public assistance” may have implications outside our programs. We are finalizing, without change from the NPRM, the clarification that our definition of “public assistance household,” which we use as a term of art, applies only for purposes of our programs.
- **Second**, we are finalizing, without change from the NPRM, our proposed revision to the definition of a PA Household in 20 CFR 416.1142(a) of adding SNAP to the existing list of PIM programs.<sup>39</sup>
- **Third**, we are changing our definition of a PA Household from a household in which *every* member receives a PIM payment to a household that has both an SSI applicant or recipient, and at least one other household member who receives one of the listed PIM payments. If determined to be living in a PA Household, inside ISM would no longer need to be developed. We discussed this potential change (from *every* to *any other*) in the NPRM and invited public comment.

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<sup>38</sup> See 88 FR 67148.

<sup>39</sup> For more information on SNAP, visit <https://www.fns.usda.gov/snap/supplemental-nutrition-assistance-program>.

## IV. TRANSFERS

The primary anticipated impact of this rule is an increase in monetary transfers from the government to SSI recipients. Our Office of the Chief Actuary (OCACT) estimates that implementation of this proposed rule would result in a total increase in Federal SSI payments of \$15.0 billion over fiscal years 2024 through 2033. These estimates are based on the assumptions underlying the President's FY 2025 Budget, and assume that the new rule would be effective beginning September 30, 2024. When the effects of implementing this rule are fully realized, this represents an increase of approximately two percent in total Federal SSI payments.

To estimate the impact, OCACT used the Annual and Social Economic Supplement (ASEC) to the Current Population Survey (CPS) and our administrative data. We expect that adding SNAP to the list and the change from *every* to *any other* will increase the number of PA Households for which we do not charge inside ISM, which will increase Federal SSI payments for these recipients. In addition, we expect that no longer deeming income from ineligible spouses and parents who receive SNAP will also increase Federal SSI payments. According to our Office of the Chief Information Officer, Office of Benefit Information Systems, as of January 2023, there were 303,609 SSI recipients living in a PA Household according to the current definition, approximately four percent of our total 7.7 million SSI recipients.<sup>40</sup>

We expect the share of SSI applicants or recipients living in a PA Household, as defined under the final rule, to increase substantially when the rule becomes effective. Specifically, OCACT estimates that once this final rule is implemented and the effects have stabilized, in fiscal year 2033 roughly 277,000 Federal SSI recipients (four percent of all SSI recipients) will have an increase in monthly payments compared to current rules, and an additional 109,000 individuals (one percent increase) will receive Federal SSI payments who would not have been eligible under current rules.

Additionally, as with the PIM payments in our regulations that interact with the SSI program rules, the expansions of our PA Household definition could result in a reduction of SNAP benefits. For example, if an ineligible spouse or parent, living with an SSI applicant or recipient, were receiving SNAP, we would no longer deem their income to an SSI applicant or recipient. Not deeming income for SSI purposes could lead to an increase in the SSI payment, which, in turn, could cause the household to receive a SNAP reduction that is 30 percent of the SSI increase, up to the point of ineligibility.<sup>41</sup> The household's ineligibility for SNAP could mean, in turn, that the SSI recipient is no longer part of a PA Household for SSI purposes.

<sup>40</sup> Annual Statistical Supplement, 2022 - Summary of SSI. Available at: <https://www.ssa.gov/policy/docs/statcomps/supplement/2022/7a.html>.

<sup>41</sup> Because SNAP households are expected to spend about 30 percent of their own resources on food, the maximum monthly allotment is calculated by multiplying a household's net monthly income by 0.3 and subtracting the result from the maximum monthly allotment for the household size. See "How much could I receive in SNAP benefits?" at <https://www.fns.usda.gov/snap/recipient/eligibility>.

Based on our discussions with key advocacy groups, our understanding is that an individual or household generally would prefer cash to SNAP benefits. A critical point is that any increase in SSI could not result in a decrease in SNAP benefits greater than the SSI increase. In other words, any increase in SSI payments that may result from adding SNAP to our definition of a PA Household, on net, will be favorable to individuals and households. However, we recognize that the interplay among various benefit types, as well as the relationships and financial interests of the SSI individual and other household members, can be complicated. We cannot necessarily predict how the addition of SNAP to our list of PIM programs could affect individuals participating in other programs within these households.



## V. COSTS

We anticipate \$83 million in new administrative costs resulting from this rule. This estimate includes costs to update our systems, to send notices to inform current recipients of the policy changes, to address inquiries from the notices, to verify receipt of SNAP benefits, and to perform additional post-eligibility actions to account for changes in living arrangements.

As well, under this final rule, approximately 109,000 more individuals (an increase of 1%) will be newly eligible for SSI benefits than under the prior rule, resulting in additional operational costs to process additional claims, reconsiderations, appeals, redeterminations, and post-eligibility actions. Beyond these costs, our estimate also includes processing time savings, as field office employees will not have to spend time developing for household expenses/contributions or the full income of deomors (ineligible parents and spouses) or go through the inside ISM determination process during initial claims, pre-effectuation reviews, redeterminations, and post-eligibility actions. While our estimate includes savings due to the reduction in processing times for affected cases, we expect that the costs to process new claims, reconsiderations, and appeals for additional newly eligible individuals will outweigh the savings in the first 10 years of implementation.

## VI. BENEFITS

We anticipate qualitative benefits from adding SNAP to the PA Household definition, by ensuring that inside ISM and income deeming do not undermine the economic security of households who receive nutrition assistance.

Under our finalized policy, the list of PIM programs includes SNAP, and the definition of PA Household has changed to refer to a household which has both the SSI applicant or recipient, and at least one other household member who receives a PIM payment. Once we identify that an SSI applicant or recipient lives in a PA Household, they would not have to provide household expenses information.

The SSI applicant or recipient is responsible for answering questions about public assistance received so that we may determine if they reside in a PA Household. Our policy requires documentation on the PIM payments received. This will not change, but we have added SNAP to the list of PIM programs that are considered for PA Households. As we do under our current policy, we will need to verify receipt of SNAP benefits.

Our adoption of the *any other* definition of a PA Household further simplifies the development of living arrangements and ISM, reduces SSA's administrative costs and compliance costs during initial determinations and redeterminations for applicants and recipients living in PA Households, and reduces ISM complexities that lead to payment errors. Removing the requirement that every member be in receipt of a PIM payment will help ensure that we reach all qualified SSI beneficiaries based on their need. In addition, the change to *any other* will save time for individuals, household members, and us since we will no longer have to develop for the entire household once we identify one other person in the household receiving a PIM payment. We acknowledge that, if the individual receiving the PIM payment leaves the household, we would subsequently inquire whether there is another household member also receiving a PIM payment.

It is possible our regulatory change may incentivize current SSI recipients to change living arrangements to co-locate with family or friends who are receiving SNAP. This may increase the need for additional development in these circumstances. This is similar to our current policy that requires SSI applicants and recipients to notify us of changes in their living arrangements. SSI applicants and recipients will need to ask ineligible spouses or parents whether their income was used to determine eligibility for or the amount of the SNAP benefits. If their income was used, and the allegation is verified by SSA during the initial claim, we would exclude the income for deeming purposes in the SSI program.<sup>42</sup>

Finally, as we note in the Costs section above, we anticipate \$83 million in resulting administrative costs associated with this rule. Nevertheless, we have determined that the benefits of the rule justify the costs, and that the rule can have administrative benefits to the agency even while it imposes administrative costs.

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<sup>42</sup> See POMS SI 01320.141.

## VII. BASELINE, ASSUMPTIONS, AND METHODOLOGY

### *Effects on inside ISM to recipients under current PA Household policy*

To estimate the effect of not developing inside ISM for SSI recipients affected by this final rule, we began by estimating the program cost of eliminating all ISM for all SSI recipients. Using 100 percent administrative data, we calculated the increase in SSI payments to all recipients in the dataset if SSA were not to count ISM as unearned income. To that estimate we applied factors to limit the estimate only to recipients receiving inside ISM and living in a PA Household under the expanded definition. To estimate the proportion of recipients receiving inside ISM, we used the results of a study conducted by our Office of Research, Evaluation, and Statistics (ORES) published in the Social Security Bulletin. To estimate the proportion of recipients living in a PA Household, we used the Annual Social and Economic Supplement to the 2022 Current Population Survey (CPS ASEC), conducted by the Census Bureau. From that survey, we identified individuals who responded that they were receiving SSI payments and that at least one other person in the household was receiving a PIM payment. We estimate that once this final rule is implemented and the effects have stabilized, in fiscal year 2033 approximately 181,000 recipients of Federal SSI payments would experience an increase by an average of about \$338 per month as a result of implementing the final rule.

### *Effects on deeming to recipients under current PA Household policy*

To estimate the effect of not developing deeming for recipients with deemors whose income is used to determine eligibility for a PIM payment, we used a 0.1 percent sample of administrative data for SSI recipients with positive deemed income under current rules. Using that data, we estimated how many recipients in the sample would receive a higher SSI payment, and how much their payment would increase. We then scaled these results up to estimate the impact of the final rule on the entire universe of SSI recipients, then applied factors to limit the estimate to those with a deemor who receives a PIM payment. We estimate that once this final rule is implemented and the effects have stabilized, in fiscal year 2033 approximately 95,000 individuals' Federal SSI payment would increase on average by about \$606 per month as a result of implementing this final rule.

### *Effects due to increased numbers of recipients eligible for SSI under the expanded definition*

In addition to the effect on current recipients, we also estimated additional SSI recipients who will be eligible under the final rule who are not eligible nor receive SSI payments under current policy. This includes an estimate for individuals who would apply under the final rule who would not apply under current policy due to either inside ISM or deeming, using data from the 2018 CPS ASEC. We estimate that once this final rule is implemented and the effects have stabilized, in fiscal year 2033 the increase in the number of SSI recipients will be approximately 109,000 individuals in current-payment status.

## VIII. ALTERNATIVES

We considered the following alternative options, which are discussed below:

### **A. We could have chosen not to make any changes to our definition of a PA Household.**

As noted above, our current regulations at 20 CFR 416.1142, define a public assistance household as one in which every member receives at least one of the seven listed PIM payments. We could have decided to maintain our existing regulatory policy. However, as discussed above in the Problem Statement, the landscape of means-tested public benefit programs has changed significantly over the years. Expanding the definition of a PA Household will ensure our policies better represent the current landscape of means-tested programs in the United States and reduce administrative burdens. Maintaining the current regulatory definition of PA Household would not accurately reflect the public assistance programs most widely utilized currently throughout the nation.

Additionally, our determination to revise the definition of PA Households better aligns with our strategic goals announced in our ASP for Fiscal Years 2022–2026 – specifically the stated goal of optimizing the experience of our customers.

### **B. We could have chosen to include additional programs in the list of PIM payments.**

Although we considered adding other programs, SNAP eligibility and receipt have relatively low State variability, while still allowing us to identify most SSI recipients who likely live in low-income households. SNAP is a nationwide program with relatively uniform eligibility standards. This will contribute to a more straightforward operational and systems rollout of the new policy, and greater consistency in recipients' experiences across States.<sup>43</sup>

By contrast, programs with shorter or less predictable benefit periods might require more frequent development of individuals' living arrangements, which could be burdensome for recipients and our staff. Similarly, as we strive for uniformity across the SSI program, we recognize that programs with enrollment caps, waiting lists, or variable eligibility criteria may lead to disparate treatment of similarly situated SSI recipients. We will continue to explore options to add other programs to our definition of PA Households.

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<sup>43</sup> Specifically, while income limits to be eligible for SNAP vary by the size of the household and certain deductions from income are allowed, net monthly income limits are set at 100 percent of the poverty level (net income is gross income minus allowable deductions). SNAP has work requirements, but some groups may not be subject to these requirements, including children, seniors, pregnant women, and people who are exempt for physical or mental health reasons. If eligible, SNAP recipients receive a notice that states how long they will receive SNAP benefits, which is called the “certification period.” Households must reapply for SNAP periodically, typically every 6 to 12 months for most families and every 12 to 24 months for older adults and people with disabilities.

## IX. DISTRIBUTIONAL ANALYSIS

Not available.

## **X. REGULATORY FLEXIBILITY ACT (RFA)/ UNFUNDED MANDATES REFORM ACT (UMRA)/ PAPERWORK REDUCTION ACT (PRA) ANALYSES**

### RFA

The RFA requires that an agency determine, to the extent feasible, the rule's economic impact on small entities, explore regulatory options for reducing any significant economic impact on a substantial number of such entities, and explain their ultimate choice of regulatory approach. This final rule will not have a significant economic impact on a substantial number of small entities because it affects individuals only. Therefore, the RFA, as amended, does not require regulatory flexibility analysis.

### UMRA

The UMRA was enacted to avoid imposing unfunded federal mandates on state, local, and tribal governments, or the private sector. This final rule will not impose unfunded federal mandates on state, local, and tribal governments, or the private sector, nor is trade analysis applicable to this rule.

### PRA

The PRA was enacted to minimize paperwork burden by or for the federal government. The final rule requires minor revisions to our existing information collections to expand our definition of PA Household and include SNAP as an example of a PIM program. In addition, the application of the revisions to these rules causes a burden change to our currently approved information collections under the following information collection requests: 0960-0174, the SSA-8006, Statement of Living Arrangements, In-Kind Support and Maintenance; 0960-0456, the SSA-8011, Statement of Household Expense and Contributions; and 0960-0529, the SSA-5062, Claimant Statement about Loan of Food or Shelter, and the SSA-L5063-F3, Statement about Food or Shelter Provided to Another. We also anticipate a small burden reduction per response for the SSA-8006 (0960-0174) as respondents will not need to develop the responses about their household. In addition, we anticipate a 50% reduction in the number of respondents based on those who indicate they are part of a Public Assistance Household and who may not need to complete the follow-up forms SSA-5062, SSA-L5063, SSA-8006, and SSA-8011. We anticipate this will result in a reduction in the overall burden for these information collections.

We published a notice of proposed rulemaking on September 29, 2023, at 88 FR 67148. In that notice, we solicited comments under the PRA on the burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility, and clarity; and on ways to minimize the burden on respondents, including the use of automated collection techniques or other forms of information technology.

The following chart shows the reduction in time burden information associated with the final rule:

OMB #; Form #;	Number of Respondents	Frequency of Response	Current Average Burden Per Response (minutes)	Current Estimated Total Burden (hours)	Anticipated New Number of Respondents Under Regulation	Anticipated New Burden Per Response Under Regulation (minutes)	Anticipated Estimated Total Burden Under Regulation (hours)	Estimated Burden Savings (hours)
0960-0174 SSA-8006 (Paper Form)	12,160	1	7	1,419	12,160	6	1,216	203
0960-0174 SSA-8006 (SSI Claims System)	109,436	1	7	12,768	109,436	6	10,944	1,824
0960-0456 SSA-8011- F3 (Paper Form)	21,000	1	15	5,250	10,500		2,625	2,625
0960-0456 Personal Interview (SSI Claims System)	398,759	1	15	99,690	199,380		49,845	49,845
0960-0529 SSA-5062 (Paper version)	29,026	1	30	14,513	14,513		7,257	7,256
0960-0529 SSA-5062 (SSI claim system)	29,026	1	20	9,675	14,513		4,838	4,837
0960-0529 SSA-L5063 (Paper version)	29,026	1	30	14,513	14,513		7,257	7,256
0960-0529 SSA-L5063 (SSI claim system)	29,026	1	20	9,675	14,513		4,838	4,837
<b>Totals</b>	<b>657,459</b>			<b>167,503</b>	<b>389,528</b>		<b>88,820</b>	<b>78,693</b>

The following chart shows the reduction in theoretical cost burdens associated with the final rule:

<b>OMB #; Form #;</b>	<b>Anticipated New Number of Respondents</b>	<b>Estimated Anticipated Burden Per Response from Chart Above (minutes)</b>	<b>Anticipated Estimated Total Burden Under Regulation from Chart Above (hours)</b>	<b>Average Theoretical Hourly Cost Amount (dollars)*</b>	<b>Average Combined Wait Time in Field Office and/or Teleservice Centers (minutes)**</b>	<b>Anticipated Annual Opportunity Cost (dollars)***</b>
0960-0174 SSA-8006 (Paper Form)	12,160	6	1,216	\$13.30*	24**	\$80,864***
0960-0174 SSA-8006 (SSI Claims System)	109,436	6	10,944	\$13.30*	24**	\$727,749***
0960-0456 SSA-8011 (Paper Form)	10,500	15	2,625	\$31.48	21**	\$198,324***
0960-0456 Personal Interview (SSI Claims System)	199,380	15	49,845	\$31.48	21**	\$3,765,889***
0960-0529 SSA-5062 (Paper version)	14,513	30	7,257	\$22.39*	24**	\$292,458***
0960-0529 SSA-5062 (SSI claim system)	14,513	20	4,838	\$22.39*	24**	\$238,297***
0960-0529 SSA-L5063 (Paper version)	14,513	30	7,257	\$22.39*	24**	\$292,458***
0960-0529 SSA-L5063 (SSI claim system)	14,513	20	4,838	\$22.39*	24**	\$238,297***
<b>Totals</b>	<b>389,528</b>		<b>88,820</b>			<b>\$5,834,336***</b>



\* We based this figure on the average DI payments based on SSA's current FY 2024 data (<https://www.ssa.gov/legislation/2024FactSheet.pdf>); on the average U.S. citizen's hourly salary, as reported by Bureau of Labor Statistics data ([https://www.bls.gov/oes/current/oes\\_nat.htm](https://www.bls.gov/oes/current/oes_nat.htm)); as well as the combined theoretical wages for both DI Payments and Average U.S. Workers.

\*\* We based this figure on the average FY 2024 wait times for field offices and hearings office, as well as by averaging both the average FY 2024 wait times for field offices and teleservice centers, based on SSA's current management information data.

\*\*\* This figure does not represent actual costs that SSA is imposing on recipients of Social Security payments to complete this application; rather, these are theoretical opportunity costs for the additional time respondents will spend to complete the application. **There is no actual charge to respondents to complete the application.**

SSA submitted a single new Information Collection Request which encompasses revisions to information collections currently under OMB Numbers 0960-0174, 0960-0456, and 0960-0529 to OMB for the approval of the changes due to the final rule. After approval at the final rule stage, we will adjust the figures associated with the current OMB numbers for these forms to reflect the new burden.