Allowing Steady Savings by Eliminating Tests (ASSET) Act of 2026

Senators Chris Coons

Public assistance programs are vital pieces of the federal safety net. The Temporary Assistance for Needy Families (TANF) program, Supplemental Nutrition Assistance Program (SNAP), and Low-Income Home Energy Assistance Program (LIHEAP) help low-income families, particularly those with children, meet basic needs like food and heating. The Supplemental Security Income (SSI) program reduces extreme poverty among the elderly and people with disabilities.

Safety net programs often limit families' eligibility on the basis of both income and assets. A savings account or a car can count against eligibility. Asset limits for savings are outdated and often set as low as $2,000. These asset limits leave low-income families more vulnerable to job losses, medical emergencies, or other unexpected expenses.

Asset limits are counterproductive. Building assets is key to economic mobility, yet asset limits penalize saving for education, emergencies, and retirement.

Some states have eliminated asset limits. Federal law gives states flexibility in administering TANF, SNAP, and LIHEAP. Nine states have eliminated TANF asset limits, 37 states and D.C. have eliminated SNAP asset tests, and only 2 states (Missouri and Montana) have LIHEAP asset tests. SSI is administered by the federal government, and the asset limit has not been updated since 1989.

The *ASSET Act of 2026*:

- **Eliminates asset tests for TANF, SNAP, and LIHEAP.** The bill prohibits states from applying asset or resource limits on these programs. Income limits would remain allowable. A delay in implementation is permitted for states that need to pass legislation to conform.
- **Raises the asset limits on SSI.** The bill raises the current asset limit for SSI from $2,000 to $10,000 for an individual and from $3,000 to $20,000 for a couple, with both limits indexed to inflation.

What Would This Mean

- **Financial security.** Removing asset limits on SNAP alone increases the odds that lower-income adults have at least $500 by 8% and have a bank account by 5%. It also reduces the number of individuals cycling on and off the program by 26%.
- **No new opportunity for abuse.** Research shows that most applicants for public assistance have very limited assets anyway. The bill would not eliminate work requirements or time limits on participation.
- **Consistency.** Research shows that inconsistent policies among these programs and across states result in confusion for eligible recipients and can deter savings.

ENDORSEMENTS: *Prosperity Now, Center for Law and Social Policy (CLASP), Local Initiatives Support Corporation (LISC), Alliance to End Hunger, National Women's Law Center Action Fund, National Association of Disability Representatives (NADR), UnidosUS, The Arc, Grantmakers in the Arts, Americans for the Arts*