



Blind Americans Return to Work Act

Issue—Current Social Security law contains a policy that has the unintended consequence of discouraging blind Americans from maximizing their earnings potential.

The Social Security Disability Insurance (SSDI) program has a built in “earnings cliff.” Title II of the Social Security Act provides that disability benefits paid to blind beneficiaries are eliminated if the beneficiary exceeds a monthly earnings limit.¹ This earnings limit, often called the “earnings cliff,” is in effect a penalty imposed on blind Americans when they work. For example, the earnings limit in 2023 for a blind person is \$2,460 per month. If a blind individual earns more than that threshold, even by just one dollar, they are engaged in substantial gainful activity (SGA). Under the current law, any individual engaged in SGA is not entitled to any SSDI benefits. This means that if a blind person earns just one dollar over the earnings limit, all benefits are lost.

The earnings cliff has the unintended consequence of creating an incentive for blind people to remain unemployed or underemployed, despite their desire to work. In a 2018 survey, National Industries for the Blind (NIB) found that 21 percent of respondents from thirty-four of their non-profit associations had turned down a raise or promotion to retain their SSDI benefits.² The survey also found that 37 percent of respondents had turned down additional hours or even asked to reduce their hours in order to retain their SSDI benefits.³ Blind Americans who are willing and capable to work are intentionally limiting themselves in order to keep from suddenly losing all of their SSDI benefits.

The current work incentive in the form of the trial work period is needlessly complicated and counterintuitive. Under the current SSDI program, if a blind worker wants to try and earn more money they will likely trigger a nine-month trial work period. These nine months do not have to be consecutive, but instead are any nine months during a rolling sixty month period in which the worker earned more than a certain amount (for 2023 this amount is \$1,050 per month). When all of those nine months are exhausted, the worker is once again subject to the earnings cliff if they cross the SGA threshold. This is supposed to act as an incentive for blind recipients to determine if they are ready to work, but the complexity of the rules makes it easier to just ignore the process altogether. Additionally, 80 percent of respondents to NIB’s 2018 survey said they did not have access to coaching or guidance on federal benefits.⁴

Solution—Blind Americans Return to Work Act will:

Eliminate the earnings cliff by instituting a two-for-one phase-out of earnings over the SGA limit. For every two dollars a blind worker earns above the SGA threshold, their benefits amount will be reduced by one dollar.

Create a true work incentive for SSDI recipients. With a phase-out model, blind workers will always be better off striving to earn as much as possible, which will facilitate the transition of those workers from the SSDI system as benefits are gradually reduced. With this model, blind Americans will never lose by working. As an added benefit, fewer workers earning SSDI benefits and instead paying into the Social Security Trust Fund means a more balanced Trust Fund in time.

Simplify the SSDI system by eliminating the trial work period and grace period, making the rules more compatible with the Supplemental Security Income (SSI) program. Under the proposed system, the SSDI program will become less complicated. With both programs using similar rules, there will be less confusion, and the incentive for blind people to return to work will be consistent and clear.

GOAL—ELIMINATE THE SSDI EARNINGS CLIFF AND CREATE A TRUE WORK INCENTIVE FOR BLIND AMERICANS.

Sponsor the Blind Americans Return to Work Act.

For more information, contact:

Justin Young, Government Affairs Specialist, National Federation of the Blind
Phone: 410-659-9314, extension 2210, Email: jyoung@nfb.org or visit www.nfb.org

¹ 42 U.S.C. Sec. 423.

² *Commitment to Serve*, A presentation given at the 2018 NIB/NAEPB Training Conference and Expo.

³ *Ibid.*

⁴ *Ibid.*