

Frequently Asked Questions

USDA DFAP Awards and Supplemental Security Income (SSI)

The information below is for the farmers and ranchers who applied for and received one-time, lump-sum awards from the United States Department of Agriculture (USDA) under the Discrimination Financial Assistance Program (DFAP). DFAP was created to address the consequences of prior discrimination by USDA in USDA farm lending. This general information will help people who receive these USDA DFAP awards understand the potential impact of such money on SSI benefits.

The USDA DFAP award will affect your SSI eligibility. Everyone's situation is different. Be sure to consult an attorney or advocate knowledgeable about SSI for specific advice.

See below for a list of resources.

What is Supplemental Security Income (SSI)?

Supplemental Security Income (SSI) is a monthly cash assistance program run by the Social Security Administration (SSA). SSI provides a monthly check to individuals (adults and children) and some couples who meet very strict financial guidelines and are blind/disabled under SSA's rules or are over 65. SSI is for people who have not worked enough to get Social Security on their own account or who only get a very small Social Security check.



What other benefits do the Social Security Administration (SSA) provide?

Social Security Retirement and Social Security Disability Insurance (SSDI) both come from SSA and are different from SSI. Both Social Security Retirement and SSDI require a person to have worked and paid into the Social Security system for a minimum number of quarters. The amount a person receives for Social Security Retirement and SSDI are based on how much they paid into Social Security. SSA also provides Social Security Survivor/Dependent benefits. Survivor/Dependent benefits are paid to eligible family members of people who worked and paid Social Security taxes before they died, retired or became disabled. Social Security Retirement, SSDI and Survivor/Dependent benefits are NOT affected by your USDA DFAP award.

How do I know whether the benefits I get from the Social Security Administration (SSA) are SSI or something else?

Many people do not know whether they are getting SSI or Social Security Disability/Retirement. There are a few ways to figure this out.

- Look at letters you get from the Social Security Administration. If a letter says “Supplemental Security Income” at its top, then the letter is about SSI.
- Look at the amount of money you get from SSA. The “full” federal SSI check is \$943 per month for an individual and \$1,415 for a couple where both people get SSI. If your check is much larger than this, you are likely getting other Social Security benefits and not SSI.
- Look at the date you get paid by SSA. If your money comes on the 1st of the month, you are likely getting SSI. If you get paid on the 3rd of the month or later, you are likely getting other Social Security benefits.
- Call the Social Security Administration and ask if you get SSI.

How will my USDA DFAP award affect my SSI eligibility?

Under SSI rules, the USDA DFAP award is counted as **income** when you get it. If any is left after the end of the month, it counts as a **resource**. Both your increased income and resources are likely to affect eligibility for SSI benefits.

How will my increased income from my USDA DFAP award affect my SSI benefits?

When you get your USDA DFAP award, it counts as INCOME for SSI purposes in the month that you get the money. In general, the more income you get, the less your SSI payment will be. If you get too much income in a month, you may not be able to get SSI benefits for that month. You will likely have an OVERPAYMENT for SSI for the same month. A one-month overpayment is not a big problem. You do not need to worry too much about this if you avoid a resource problem. See below.

How will my USDA DFAP award change the amount of SSI I receive?

If the USDA DFAP award increases your countable income to more than your SSI benefit plus \$20, you will not be eligible for SSI that month. If the DFAP award increases your countable income but your total countable income remains less than your SSI benefit plus \$20, the countable income will be deducted from your SSI payment in two months.

For example:

If you receive \$943 in SSI each month, then you receive \$3,500 from the USDA in August, you are not eligible for your August SSI payment. SSA will request that you repay the \$943 you received. (But remember, there are ways to deal with the overpayment, and you may not have to pay this money back.)

What can I do if SSA sends me a notice saying I owe an overpayment?

There are several ways to deal with the overpayment. You may not have to pay any of the money back. You might be eligible for a WAIVER of any overpayment. If you get a notice from the SSA that you have been overpaid, read the notice carefully. Ask for a waiver so you do not have to pay back the money. Be sure you respond by the deadline. If possible, get legal help. See below for possible resources. The absolute worst that will happen if you have an overpayment but are still collecting SSI is that SSA will take 10% of the full check out of your SSI benefit (\$93.40) each month until the overpayment is paid back.

How will my increased resources from my USDA DFAP award affect my SSI benefits?

Resources or assets are things you own, including money in the bank. The amount of your USDA DFAP award left in the bank on the first day of the month after you get the award is counted as a resource. SSI has a limit on the total value of resources you can own and still get SSI. If you have more than \$2,000 (individual) or \$3,000 (couple) in countable resources in any month, you cannot get SSI benefits in that month. You might be able to get SSI in the next month if the value of your resources falls below the limit. See below.

WARNING: If the USDA DFAP award increases your resources above the limit and you do not spend down to the allowable resource limit or otherwise put the money in a place where it does not count for SSI purposes, you will become ineligible for SSI benefits. You will also likely lose your SSI for a period of time if you give the DFAP award away. If you are ineligible for more than 12 months, you will have to reapply to get back on SSI.

What can I do to avoid or minimize the impact of the USDA DFAP award on my SSI?

There are several ways to avoid having your USDA DFAP award count as a resource the month after you get it. Depending on the amount you get, consider seeking legal help to figure out the best options for your personal circumstances. Do not give the money away. Keep documentation of how you spend the money because SSA will likely make you prove that you do not still have it. You can spend the money on things you want or need. For example:

- Buy a home, a car, household goods, or personal effects.
- Pay bills or other debts.
- Set aside money in special accounts that do not count against you for SSI purposes, such as:

Plan to Achieve Self Support (PASS)

A PASS is a written plan of action for getting a particular kind of job or starting a business. For more information about PASS, see

<https://www.ssa.gov/ssi/spotlights/spot-plans-self-support.htm>

Achieving A Better Life Experience (ABLE) account

An ABLE account is a savings account to which contributions can be made to pay for qualified disability expense of the account owner. The rules related to ABLE accounts are complicated and you should try to get legal help if you want to create one. To learn more about ABLE account, visit www.ablenrc.org and <https://www.ssa.gov/ssi/spotlights/spot-able.html?tl=0>

Special Needs or Pooled Trusts

These accounts also allow you to set aside money for a person with a disability. The rules for both are complicated and you should get legal help if you want to create one.

Do I need to report the USDA DFAP award to SSA?

Yes. You must report to SSA the amount of the award you receive as soon as you get the money, and no later than the 10th day of the month after you receive it. You should also keep documentation of how you spend the money to provide to SSA. If you do not report the award to SSA, it will be more difficult to get a Waiver so that you do not have to pay back any SSI benefits that you should not have received.

What if I do not get SSI but someone in my household receives SSI?

If the person in your household who receives SSI is an adult but NOT your spouse, the USDA DFAP award you receive will not affect their SSI.

If the person who receives SSI is your spouse, it is possible that the award will affect your spouse's SSI payment. The rules about how a spouse's income and resources affect SSI payment are complicated. If you get a DFAP award and your spouse who lives with you gets SSI, you should seek legal help to figure out how the DFAP award will affect your spouse's SSI payment.

If the person who receives SSI is your child or step-child, the award will likely affect the child's SSI payment. The rules about how a parent's or step-parent's income and resources affect the child's SSI are complicated. If you get a DFAP award and your child

or step-child who lives with you gets SSI, you should seek legal help to figure out how the DFAP award affects the child's SSI payment.

How do I get information from SSA about my benefits?

Create and access your online account at <https://www.ssa.gov/myaccount/>. See more information at <https://faq.ssa.gov/en-US/Topic/article/KA-01687>.

Call 1-800-772-1213 between 8:00 a.m. – 7:00 p.m., Monday through Friday. If you are deaf or hard of hearing and use TTY equipment, you can call 1-800-325-0778. You may also be able to call your local office directly. To see if they have a local toll-free phone number that you can use, go to the SSA office locator at <https://www.ssa.gov/locator/>

Go to your local SSA office and ask them for help.

For more information about contacting SSA, visit <https://www.ssa.gov/agency/contact/>.

Where can I find more resources related to the impact of the USDA DFAP award on my benefits?

Many USDA DFAP award recipients can request brief legal advice through the ABA Free Legal Answers platform at <https://abafreelegalanswers.org/>. You will need to select the state where you live and provide income and asset information to determine eligibility for free legal advice, which is generally available to people with household income below 250% of the federal poverty guidelines. When answering questions about your assets, do not include your DFAP award. Once you are approved, you can create an account to ask a question and get advice from a volunteer attorney.

You can also contact the legal aid office that serves your community. Not all legal aid programs can assist with these kinds of questions, and they only serve people who meet financial and other eligibility requirements. You can look up your local legal aid at <https://www.lsc.gov/about-lsc/what-legal-aid/i-need-legal-help>.

Additional resources and information will be available soon at <https://www.nlada.org/USDA-DFAP/award-recipients>.

For general questions about your USDA DFAP award, contact the DFAP Call Center at 1-800-721-0970.