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Eliminating Asset Limits: Creating Savings for Families and State Governments

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Introduction

Cash assistance under the Temporary Assistance for Needy Families (TANF) program, Supplemental Security Insurance (SSI), and food assistance under the Supplemental Nutrition Assistance Program (SNAP) are important federal anti-poverty programs that help struggling families and disabled people meet their needs. TANF, SSI, and SNAP are all means-tested programs, meaning that applicants and recipients must have income below a certain level to qualify for assistance. Historically, most means-tested programs also had asset limits, which deny eligibility to applicants and recipients with more than "modest" amounts of resources including cash, vehicles, or other property. For determining eligibility, assets or resources include both liquid and non-liquid assets such as money in bank accounts, certificates of deposit, stocks, and bonds.

Lawmakers created asset limits to restrict access to critically needed programs. Asset limits can exclude people who deeply need financial assistance despite having some limited resources available. They also make it harder for people to transition out of poverty. People need savings and assets to weather temporary setbacks such as a short-term job loss, an unusually high utility bill, or car problems. Asset limits punish people for saving for emergencies by taking away the assistance they rely on and, ultimately, run counter to the goals of TANF, SNAP, and SSI to help recipients meet their needs and achieve economic security.

States have significant power to set asset limits or eliminate them entirely under both TANF and SNAP, and there is great variation in the states' policies (see Table 1). Twenty-six states and the District of Columbia have asset limits for TANF applicants at or below $3,000, while eight states have kept the default SNAP limit of $2,750 ($4,250 for households with an elderly or disabled member). Just nine states have eliminated non-vehicle asset limits for TANF. As of July 2020, 32 states strictly limit how much TANF participants' vehicles can be worth through vehicle asset limit policies, even though many people require a reliable car to get to work, school, and medical appointments.[1] The federal government sets the asset limit for SSI, which has remained frozen at $2,000 for individuals and $3,000 for married couples since 1989.

States should use the flexibility they have to eliminate asset limits in their SNAP and TANF programs, which would allow recipients to build savings and get on a firmer path to economic stability. The federal government should eliminate the asset limits and the marriage penalties in the SSI program. At the very least, lawmakers should substantially increase the program asset limits and tie them to inflation, so they do not remain stagnant over multiple decades.

Federal and State Asset Limits Restrict Access, but Severity Can Vary by State

Supplemental Security Income

Unlike SNAP and TANF, the asset limit for SSI is set by federal law and is $2,000 for individual recipients and $3,000 for married couples.[2] This limit has not been adjusted for inflation or accounted for the increased prevalence of retirement savings accounts compared to defined benefit plans.[3] (SSI exempts pensions from counting toward the program asset limit, but not employment and individual retirement accounts.) The SSI asset limit also creates a marriage penalty for recipients—an individual can have less in assets per person when married than when single under the current rules.

As a result of the limit remaining frozen over the past three decades, it has become increasingly harder for SSI recipients to maintain a healthy pool of savings, forcing recipients into poverty to maintain access to their benefits.[4] This is especially detrimental given that disabled people, who SSI is meant to support, are likelier to live in poverty.[5] Two thousand dollars is not enough for emergency costs like a security deposit, a medical emergency, a car repair, or other unexpected costs that individuals encounter.

Home ownership can be excluded from counting toward the asset limit for SSI recipients. But if recipients tried to save funds for a few months' worth of rent, their savings would count toward the asset limit.[6] This policy disproportionately benefits white people who have greater access to generational wealth and home ownership opportunities. Communities of color have faced generations of systemic racism that have reduced their opportunities to purchase a home due to racist practices such as redlining, discriminatory lending policies, forced segregation of neighborhoods, and the racial wealth gap.[7]

Supplemental Nutrition Assistance Program

As of fiscal year 2023, the standard SNAP federal asset limit is $2,750, rising to $4,250 for households with an elderly or disabled member.[8] However, states can change the asset limit for households through a policy known as "broad-based categorical eligibility" (BBCE), which allows states to align the asset test and the gross income eligibility limit for SNAP with the eligibility rules used in programs financed by the state's TANF block grant.[9] Through this avenue, states may bypass the regular SNAP asset limits to eliminate duplicative verifications of eligibility, simplify administration of benefits, and expand SNAP eligibility to certain families in need. Thirty-seven states and the District of Columbia have eliminated their SNAP asset limits for most recipients through BBCE.[10] Another four states have used BBCE to raise their asset limits: Idaho, Indiana, and Texas have raised their SNAP asset limit to $5,000, and Nebraska has raised its asset limit to $25,000 in liquid assets.

Temporary Assistance for Needy Families

States also have significant control over the asset limits for TANF, but they have not made as much progress eliminating them. Under 1996's Personal Responsibility and Work Opportunity Act (PRWORA), states were given discretion to determine their own financial eligibility criteria. This has led to wide variation in TANF asset limits, ranging from $1,000 in states including Texas and New Hampshire to $15,000 in Michigan. Nine states have eliminated their TANF asset limit for applicants and recipients: Alabama, Colorado, Hawaii, Illinois, Louisiana, Maryland, Massachusetts, Ohio, and Virginia.[11] All nine of these states have also eliminated their SNAP asset limit.

Additionally, there is some variation in TANF asset limits for applicants versus recipients. Five states have higher limits for recipients than applicants. Some states, such as Indiana, have little variation between the two, with a $1,000 applicant asset limit and $1,500 recipient asset limit.[12] Because the asset limits are so low, this slight increase still does not enable recipients to build savings. However, a few states have large differences in their applicant and recipient asset limits. For example, Oregon has a $2,500 asset limit for applicants and a $10,000 asset limit for recipients.[13] These differences are designed to limit TANF assistance to the applicants with the lowest incomes, while still allowing recipients to build up savings while receiving assistance. But such policies treat similar families differently depending on their history of TANF receipt. Even when the asset limit is raised significantly for recipients, implementing a lower asset limit for applicants can have unintended consequences for people who experience a financial emergency or have inconsistent income streams. For example, a short-term job might allow a family to temporarily leave assistance, but they then must spend down savings to requalify when the job ends.

States can also choose whether to consider lump-sum payments as counting toward the program asset limit. Depending on the state, receipt of one-time payments such as inheritances, insurance settlements or benefits, or severance pay could jeopardize a recipient's eligibility for TANF benefits.[14] During the COVID-19 pandemic, states also had the option to temporarily change or suspend their TANF asset limit policies. New Mexico suspended their asset limit for applicants and recipients during the pandemic, and Oregon temporarily increased their asset limit from $2,500 to $10,000 for applicants.[15]

Twenty-nine states and the District of Columbia have eliminated their SNAP asset limit but not their TANF asset limit. TANF's block grant structure allows states to determine their own financial eligibility criteria and states can easily raise or eliminate their asset limit, although few states have done so.

Vehicle Asset Limits

When performing asset tests to verify eligibility for TANF, some states account for the value of the applicant's first vehicle, with significant variety across states. Only eighteen states and the District of Columbia exclude all vehicles for the TANF asset limit. For SSI, the first vehicle does not count toward the asset limit, but a second vehicle does. Under federal SNAP rules, states must disregard up to $4,650 of the value of a single car per household, but the federal standard exemption value has not been adjusted for inflation since 1977. If it had, the vehicle exemption would be at least $22,347.[16] According to the most recent data that's available for SNAP, all states exclude at least one vehicle from the SNAP asset limit. The approximately twenty states that only exclude a household's primary vehicle typically disregard additional cars if they meet certain criteria set by the federal government (e.g., it's necessary for long distance travel or is worth less than $1,500). Unfortunately, the Food and Nutrition Service stopped tracking state vehicle caps or asset limits in 2016, limiting our ability to provide timely data.

By counting vehicles toward asset limits, states are interfering with people's ability to keep their vehicles when they are facing financial difficulties, making them more susceptible to prolonged poverty. A vehicle is an important step to getting and keeping a job, attending medical appointments, getting a child to and from child care and school, and obtaining essentials like groceries. Often, families that live in areas without reliable public transportation or have long commutes to work must own multiple vehicles. Having a vehicle increases the likelihood that someone will work and that current and recent public benefit recipients will have higher wages, obtain employment, and transition off assistance.[17]

Significantly more states exclude all vehicles for SNAP compared to TANF. Additionally, all states either exclude at least one vehicle or exclude all vehicles for the SNAP asset test.

Benefits of Eliminating Asset Limits

STATES SHOULD ELIMINATE ASSET LIMITS TO:

- Encourage saving to weather emergencies and financially prepare for the future
- Enhance access to education, training, and jobs
- Lower administrative costs and streamline processes

Encourage saving to weather emergencies and financially prepare for the future

Eliminating asset limits would enable people who receive assistance through TANF, SNAP, and SSI to plan for their financial futures. Current asset limits force families to deplete savings and sometimes sell their belongings to qualify for assistance. Eliminating asset limits for TANF, SNAP, and SSI would promote long-term savings and economic independence. Accumulating even a small amount of savings and assets may reduce the length of time families need public assistance.[18] Currently, only 68 percent of U.S. adults report being able to cover a $400 emergency cost.[19] Savings provide families with a buffer for unexpected healthcare or moving costs, allow them to plan for college so their children can have a brighter future, and prepare them to deal with unexpected job- and home-related problems.

Savings are especially critical for disabled people that receive SSI. Having a disability or chronic illness is expensive and requires individuals to spend more money to simply meet their basic needs. For example, people with disabilities must buy adaptive equipment and technology, adaptive clothing and shoes, catheters, specialty or pre-cut food for dietary needs, and more, all of which add up. These increased expenses are sometimes referred to by members of the disability community as a "crip tax."[20] According to the Century Foundation, households that include a disabled adult will require 28 percent more income on average to obtain the same quality of life as a comparable household that doesn't include a disabled person.[21] This totals an additional $17,690 in income per year that is required just to meet the same standard of living as a comparable household.[22] Low asset limits don't account for these large expenses that are required to meet activities of daily living for disabled people.

Eliminating asset limits can lead to greater participation in opening and maintaining bank accounts at credible financial institutions. Families who cannot do this may be forced to rely on alternative financial services providers, many of which lack consumer protections and can be costly for those struggling to make ends meet. An Urban Institute study found that eliminating asset tests leads to an increase in lower-income households with a bank account by three percentage points or 5 percent, and an increase in recipients with a bank account with at least $500 by two percentage points or 8 percent.[23] Reducing barriers to banking is especially important for communities who have historically been denied access to financial institutions. Even today, Black individuals face more barriers to opening bank accounts, including but not limited to living in "bank deserts," facing higher fees for opening accounts, and experiencing racial bias from bank tellers.[24] In states that have more lenient SNAP asset limits through implementing BBCE, recipients are more likely to have bank accounts and to have money in those accounts.[25] Having a bank account helps families conduct basic financial transactions, save for emergencies, build credit history, and access fair, affordable credit and housing.[26]

Eliminating the SSI asset limit would also end the program's marriage penalty. To maintain their benefits, SSI recipients who are married must hold less than $3,000 in assets, compared to $2,000 per person for couples who remain unmarried. There are also marriage penalties from the SSI benefit and income limits. This reduced asset limit combined with the penalties prevents recipients from being able to marry the person they love without risking losing the benefits they need. This is unfair and stigmatizing for recipients. Removing the marriage penalties in the program, including but not limited to the asset limit, would allow recipients to marry without financial penalty.[27]

Enhance access to education, training, and jobs

Raising or eliminating asset limits provides families better access to education, training, and jobs.[28] Vehicle limits for both SNAP and TANF constrain recipients' ability to get to needed services such as community college classes, training courses, and employment opportunities. Vehicles are also essential for accessing groceries, household supplies, child care and child education opportunities, and medical appointments, all of which are critical needs for maintaining education and employment. Having access to transportation increases workers' retention rates, improves participants' chances of transitioning off public assistance, and improves access to full employment.[29] Research using Census Bureau survey data has found that removing asset limits through broad-based categorical eligibility increased liquid assets and increased the probability of owning a vehicle. The study found no overall effects from states having higher vehicle limits on participants' liquid assets.[30] Allowing recipients to own cars and assets is essential to recipients maintaining jobs and meeting other critical needs for their household.

Lower administrative costs and streamline processes

Finally, eliminating asset limits is fiscally responsible for the government by lowering administrative costs through streamlining processes. Asset limits can have extremely complicated rules governing the exclusion of some resources (e.g., certain dedicated retirement accounts) and some sources of funds (e.g., Earned Income Tax Credit refunds).

Since applicants and recipients typically have minimal assets, the reality is that increasing or eliminating the asset limit does not lead to significantly increased participation in assistance programs. Increasing or removing asset tests for state TANF programs has little effect on the number of applicants, application acceptance rates, and overall caseloads.[31] According to administrative data from the Administrations for Children and Families in the U.S. Department of Health and Human Services, in 2020, only 11.5 percent of TANF families had cash resources (including cash on hand, bank accounts, and certificates of deposit). Of those families, the average cash amount was just $329.[32] Similarly, among states that have not eliminated the asset test, the average SNAP household in 2020 (pre-pandemic) had only $384 in resources.[33]

Ohio was the first state to eliminate its TANF asset limit, which it did in 1997. Since then, the state has not seen an increase in the number of families receiving assistance. Removing the asset limit does not lead to fraud or abuse of the system: only 0.2 percent of Alabama TANF applications were denied because of excess assets in FY2021[34] and only four cases in Louisiana were closed due to excess resources in FY2007-

2008.[35] The highly burdensome work requirements for TANF applicants and recipients combined with the low benefit levels create a disincentive for many people with significant resources to apply for TANF. In other words, all asset limits do is exclude people with unique experiences of poverty and restrict the economic mobility of recipients.

States that have eliminated asset limits have found that the resulting administrative cost savings significantly outweigh any increase in the number of families receiving benefits. Virginia was an early adopter of TANF asset limit elimination. The state has spent approximately $127,200 more on benefits for 40 families and had an estimated cost savings of approximately $323,050 in administrative staff time, resulting in a net savings of $195,850.[36] The Urban Institute also found that the likelihood that households "churned" or cycled on and off SNAP fell by 26 percent in states that relaxed the asset limit.[37] Churning is costly for recipients but also for states, as new applications are more time-consuming than renewals. Similarly, raising or eliminating the vehicle cap is fiscally responsible for state governments. States that adopted moderate asset limits and exempted at least one vehicle had 2 percent lower administrative expenditures than states not exempting a vehicle.[38] Eliminating the asset test also saves time; Colorado projected that doing so would save caseworkers up to 90 minutes per case.[39]

Removing the asset test also benefits applicants by reducing the administrative burden. It decreases time spent filling out TANF, SSI, or SNAP applications and leads to faster assistance delivery. For example, eliminating the asset limit in SSI could remove entire categories of questions and required documentation from the SSI application, saving time for both recipient and administrator.[40] Administering SSI requires 35 percent of the Social Security Administration's (SSA) budget, despite SSI benefits only representing 5 percent of SSA total payments. (In comparison, Social Security Disability Insurance only requires 20 percent of the SSA budget and has about 2 million more recipients than SSI.[41]) Social Security benefits reach 8 times more people than the SSI program, but even though it has a comparatively smaller recipient pool, SSI costs 80 percent of the total cost of administering Social Security benefits.[42] Removing the asset limit saves time for governments and administrators, as well as for families who need extra support to achieve economic stability.

Actions that federal and state governments can take to eliminate asset limits

Through BBCE, states can eliminate their SNAP asset limit for little to no cost to state governments since SNAP benefits are paid by the federal government. Because the federal government provides a block grant to states to operate their own programs, states have the flexibility to tailor TANF provisions to meet state needs, including eliminating the asset limits.

Federal policy can also play a role. The federal government should eliminate the SSI asset limits and remove the marriage penalty that SSI recipients currently face. If lawmakers choose not to eliminate the asset limit, they should at the very least raise it to a minimum of $10,000 per person and tie it to inflation. The federal government should eliminate the SNAP asset limit; but, if lawmakers choose not to, they should still raise the SNAP federal standard from $2,750 to at least $10,000 and increase the vehicle exemption for those states that have not opted to take advantage of BBCE. Both the SSI asset limit and the SNAP federal standard should be tied to and increase with inflation.

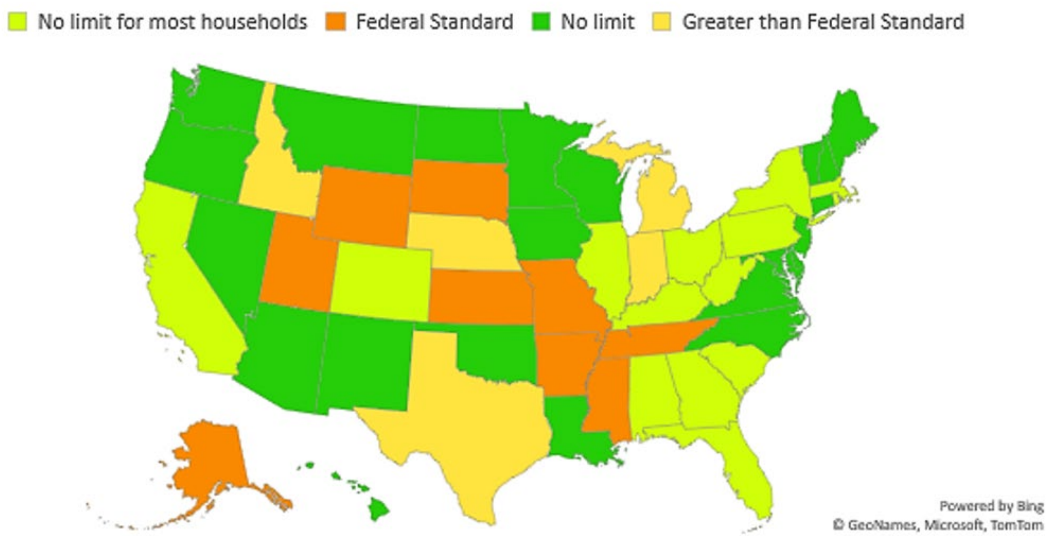
In recent years, Congress has introduced various bills to increase or remove program asset limits, including 2021's Allowing Steady Savings by Eliminating Tests, or ASSET Act. This bill would have eliminated the asset limits in the TANF program and SNAP and increased the SSI asset limit to $10,000 per individual and

$20,000 per married couple.[43] The bill ultimately did not pass. The SSI Restoration Act was introduced in 2021 with various reforms to the SSI program, including raising the program asset limits, and ultimately did not pass into law.[44] In addition, Senators Brown (D-OH) and Cassidy (R-LA) introduced the SSI Savings Penalty Elimination Act with bipartisan and bicameral support in 2023.[45] This bill would increase the SSI asset limit to $10,000 for individuals and $20,000 for married couples.

Eliminating asset limits is useful for families and governments. Individuals and families can save for unexpected events and build a stronger, independent financial future while also gaining better access to education, training, and jobs. Governments reap the rewards alongside families by lowering administrative costs and saving staff time. Taking steps to eliminate the asset limit for SNAP, SSI, and TANF is a win for all.

Jessica Gehr was the author of the previous version of this report.

SNAP Asset Limit for Applicants & Recipients



TANF Asset Limit for Recipients

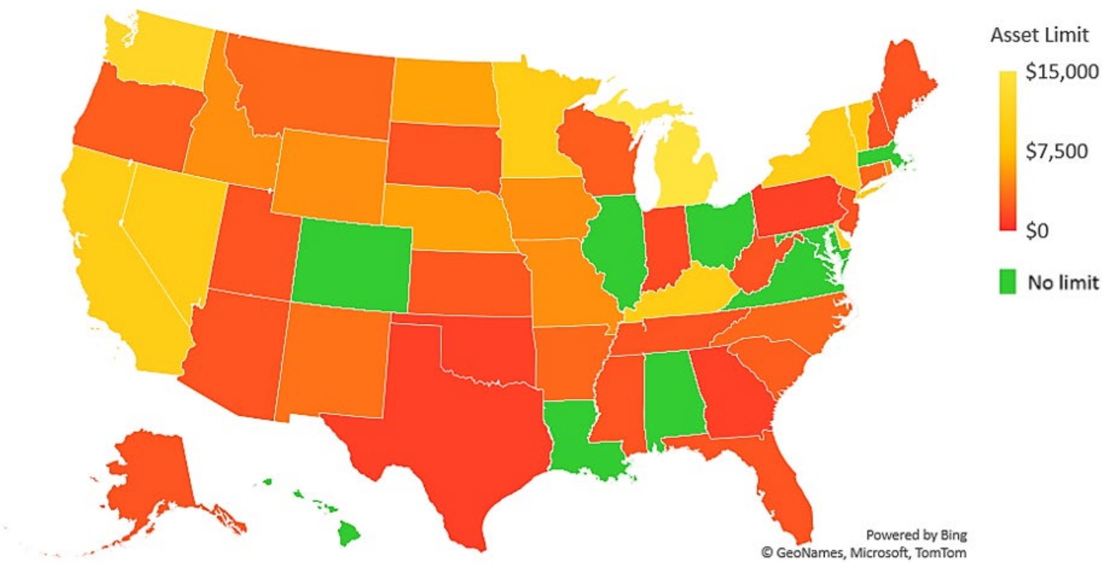


Table 1:

TANF and SNAP Asset Limits by State					
State	TANF Asset Limit for Recipients[1]	TANF Vehicle Limit	SNAP Asset Limit for Applicants & Recipients [2]	Gross Income Limit as % of FPL	SNAP Vehicle Limit [3]
Alabama	No limit	NA	No limit (BBCE) [4]	130%	All vehicles excluded
Alaska [5]	$2,000 / $3,000 [6]	All vehicles owned by assistance unit [7]	$2,750 to $4,250 [8]		At least one vehicle excluded
Arizona	$2,000	All vehicles owned by assistance unit	No limit (BBCE)	185%	All vehicles excluded
Arkansas	$3,000	One vehicle per assistance unit [9]	$2,750 to $4,250		At least one vehicle excluded
California	$10,211 / $15,317 [10]	$25,483 of each vehicle owned [11]	No limit (BBCE) [4]	200%	All vehicles excluded
Colorado	No limit	NA	No limit (BBCE) [4]	200%	All vehicles excluded
Connecticut	$3,000	$9,500 of one vehicle per assistance unit [12]	No limit (BBCE)	200%	All vehicles excluded
Delaware	$10,000	All vehicles owned by assistance unit	No limit (BBCE)	200%	At least one vehicle excluded
District of Columbia	$2,250 / $3,500 [13]	All vehicles owned by assistance unit	No limit (BBCE)	200%	All vehicles excluded
Florida	$2,000	$8,500 of one vehicle per assistance unit	No limit (BBCE) [4]	200%	All vehicles excluded
Georgia	$1,000	$4,650 of one vehicle per assistance unit [14]	No limit (BBCE) [4]	130%	All vehicles excluded
Hawaii	No limit	NA	No limit (BBCE)	200%	All vehicles excluded
Idaho	$5,000	One vehicle per adult [9]	$5,000	130%	At least one vehicle excluded
Illinois	No limit	NA	No limit (BBCE) [4]	165%	All vehicles excluded
Indiana	$1,500 [15]	$10,000 of one vehicle per assistance unit	$5,000	130%	At least one vehicle excluded
Iowa	$5,000 [16]	First vehicle 100% / additional vehicles of working unit members up to $5,993 [17]	No limit (BBCE)	160%	At least one vehicle excluded
Kansas	$2,250	One vehicle per adult [18]	$2,750 to $4,250		At least one vehicle excluded
Kentucky	$10,000 [19]	All vehicles owned by assistance unit	No limit (BBCE) [4]	200%	At least one vehicle excluded
Louisiana	No limit	NA	No limit (BBCE)	130%	All vehicles excluded
Maine	$2,000	One vehicle per assistance unit	No limit (BBCE)	200%	All vehicles excluded
Maryland	No limit	NA	No limit (BBCE)	200%	All vehicles excluded
Massachusetts	No limit	One vehicle per assistance unit [20]	No limit (BBCE) [4]	200%	All vehicles excluded
Michigan	$15,000	All vehicles owned by assistance unit	No limit (BBCE)	200%	All vehicles excluded
Minnesota	$10,000	One vehicle per licensed driver in unit [9]	No limit (BBCE)	200%	All vehicles excluded
Mississippi	$2,000 [21]	All vehicles owned by assistance unit [22]	$2,750 to $4,250		All vehicles excluded
Missouri	$5,000 [15]	First vehicle 100% / Second vehicle $1,500	$2,750 to $4,250		All vehicles excluded
Montana	$3,000	One vehicle per assistance unit [23]	No limit (BBCE)	200%	All vehicles excluded
Nebraska	$4,000 / $6,000 [24]	One vehicle per assistance unit [25]	$25,000 for liquid assets	165%	At least one vehicle excluded
Nevada	$10,000	Two vehicles per assistance unit [20]	No limit (BBCE)	200%	At least one vehicle excluded
New Hampshire	$2,000 [15]	One vehicle per licensed driver [26]	No limit (BBCE)	200%	At least one vehicle excluded
New Jersey	$2,000	All vehicles owned by assistance unit [27]	No limit (BBCE)	185%	All vehicles excluded
New Mexico	$3,500 [28]	All vehicles owned by assistance unit [29]	No limit (BBCE)	165%	All vehicles excluded
New York	$10,000 [30]	$12,000 of one vehicle per assistance unit [31]	No limit (BBCE) [4]	200% / 150%	All vehicles excluded
North Carolina	$3,000 [32]	All vehicles owned by assistance unit [33]	No limit (BBCE)	200%	All vehicles excluded
North Dakota	$3,000 / $6,000 / $6,000+$25 [34]	One vehicle per assistance unit	No limit (BBCE)	200%	At least one vehicle excluded
Ohio	No limit	NA	No limit (BBCE) [4]	130%	All vehicles excluded
Oklahoma	$2,250	$5,000 of total value of all vehicles owned	No limit (BBCE)	130%	All vehicles excluded
Oregon	$10,000	$10,000 of total value of all vehicles owned	No limit (BBCE)	200%	At least one vehicle excluded
Pennsylvania	$1,000	$39,999 of one vehicle per assistance unit [35]	No limit (BBCE) [4]	200%	At least one vehicle excluded
Rhode Island	$5,000 [36]	One vehicle per adult [37]	No limit (BBCE) [4]	185%	At least one vehicle excluded
South Carolina	$2,500	One vehicle per licensed driver [38]	No limit (BBCE) [4]	130%	At least one vehicle excluded
South Dakota	$2,000	One vehicle per assistance unit [39]	$2,750 to $4,250		At least one vehicle excluded
Tennessee	$2,000	$4,600 of one vehicle per assistance unit	$2,750 to $4,250		All vehicles excluded
Texas	$1,000	$22,500 for the first vehicle / $8,700 of each additional vehicle owned [40]	$5,000	165%	At least one vehicle excluded
Utah	$2,000	All vehicles owned by assistance unit	$2,750 to $4,250		All vehicles excluded
Vermont	$9,000	One vehicle per licensed unit member	No limit (BBCE)	185%	At least one vehicle excluded
Virginia [41]	No limit	NA	No limit (BBCE)	200%	All vehicles excluded
Washington	$12,000 [42]	One vehicle per assistance unit [43]	No limit (BBCE)	200%	At least one vehicle excluded
West Virginia	$2,000	One vehicle per adult [44]	No limit (BBCE) [4]	200%	All vehicles excluded
Wisconsin	$2,500	$10,000 of total value of all vehicles owned	No limit (BBCE)	200%	All vehicles excluded
Wyoming	$5,000	Two vehicles per assistance unit [20]	$2,750 to $4,250		All vehicles excluded

[1] Data used in column 2 and 3 derives from Urban Institute's Welfare Rules Databook (Oct. 2023). For TANF, we have included asset limits for recipients. Some states have separate asset limits for applicants, which will be mentioned in the table's footnotes and can be found in table I.C.1 of the Welfare Rules Databook.
[2] Data used in column 4 derives from USDA Food and Nutrition Service's Broad Based Categorical Eligibility Report (Oct. 2022) and state legislative memos from the Center on Budget and Policy Priorities (2019-22).
[3] The data on SNAP vehicle limits is from FNS's 2016 SNAP report. After this year, FNS stopped collecting the data.
[4] In these states, households with seniors or people with disabilities *and* gross income under the limit described in column 4 do not face an asset limit. Those over the gross income limit are not categorically eligible and do face a $3,750 asset limit.
[5] This state has no assets test and therefore no limit on assets; the Individual Development Accounts (IDAs) shown here are considered excluded income, not assets.
[6] Units including an elderly person may exempt $3,000; all other units exempt $2,000.
[7] Vehicles are exempt if used for one of the following: (1) to meet the family's basic needs, such as getting food and medical care or other essentials; (2) to go to and from work, school, training, or work activity (such as job search or community service); (3) as the family's house; (4) to produce self-employment income; or (5) to transport a disabled family member, whether or not he or she is a part of the assistance unit. If the vehicle does not meet one of these requirements, the equity value of the vehicle is counted in the determination of resources.
[8] The federal asset limit for SNAP was increased to $2,750 for all households in October 2022; the limit for households that include an elderly (60+) or disabled person was increased to $4,250. While many of the state sites might not report these changes yet, we are assuming that all states who set their asset limits at the previous federal minimum will adopt the new one.
[9] The fair market value of any additional non-exempt vehicles counts toward the asset limit.
[10] Units including an elderly or disabled person may exempt $15,317; all other units exempt $10,211.
[11] Each vehicle must be evaluated for its equity value. Before this calculation, a vehicle is excluded if it: (1) is used primarily for income-producing purposes; (2) is necessary for long-distance travel that is essential for employment; (3) is used as the family's home; (4) is necessary to transport a physically disabled household member; (5) would be exempt under previously stated exemptions but the vehicle is not in use because of temporary unemployment; (6) is used to carry fuel or water to the home and is the primary method of obtaining fuel or water; and (7) is a gift, donation, or family transfer. For each remaining vehicle not excluded, the equity value that exceeds $25,483 counts against the family's asset limit.
[12] The unit may exempt up to $9,500 of the vehicle's equity value or the entire value of one vehicle used to transport a disabled person. The exemption is applied to the registered vehicle with the highest fair-market value.
[13] Units including an elderly person may exempt $3,500; all other units exempt $2,250.
[14] A single-parent unit may exempt $4,650 of the vehicle's equity value if it is used for job search or to travel to work or education and training. Otherwise, $1,500 of the equity value may be excluded. A two-parent unit may exempt $4,650 of the equity value of two vehicles. The vehicle is completely excluded if it is used more than 50 percent of the time to produce income or as a dwelling.
[15] The asset limit for applicants is $1,000.
[16] The asset limit for applicants is $2,000 unless at least one member of the household was a program recipient in the month before the month of application, in which case the asset limit is $5,000.
[17] Five thousand, nine hundred and thirty-three dollars of the equity value of an additional vehicle is exempt for each adult and working teenager whose resources must be considered in determining eligibility.
[18] One licensed vehicle per adult household member is exempt. Additional vehicles may be exempt if they are used by a minor for employment, training, education, or seeking employment, used primarily for producing income, essential to employment, used as the household's home, necessary to transport a household member with a physical disability, used to carry the primary source of fuel and water for the home, or valued at $1,500 or less.
[19] Kentucky took administrative action to increase the asset limit from $2,000 to $10,000. The new asset limit will take effect in 2024. Only liquid resources are considered for eligibility determinations. Liquid resources include cash, checking and savings accounts, CDs, stocks and bonds, and money market accounts.
[20] The equity value of any additional non-exempt vehicles counts toward the asset limit.
[21] If the unit is considered broad-based categorically eligible, it is not subject to asset limits. Households that include a member convicted of a drug felony or a member currently disqualified for an intentional program violation are not considered broad-based categorically eligible. When a TANF recipient marries while receiving assistance, the liquid resources of the new spouse are excluded for six months beginning the month after the date of the marriage.
[22] Recreational vehicles are not exempt. If a vehicle is non-exempt, its equity value counts toward the asset limit. Additionally, industrial vehicles—heavy haulers, pulpwood trucks, etc.—are exempt if they are used for income-producing purposes over 50 percent of the time, or if they annually produce income consistent with their fair-market value. Determination of whether to count non-recreational vehicles is made on a case-by-case basis.
[23] All vehicles primarily used to produce income or as a home are also exempt.
[24] The asset limit is based on unit size: the limit is $4,000 for one person and $6,000 for two or more people.
[25] The entire vehicle is exempt only if used for employment, training, medical transportation, or as a home. If a unit has more than one vehicle that meets the exemption criteria, only the vehicle with the greatest equity value will be exempt.
[26] The equity value of any additional non-exempt, non-junk vehicles counts toward the asset limit.
[27] Recreational vehicles are not exempt and are evaluated for fair market value.
[28] The asset limit was removed due to the COVID-19 pandemic. Under New Mexico's standard asset limits policy, only $1,500 of the $3,500 limit can consist of liquid resources. The remaining $2,000 must consist of non-liquid resources.

[29] The asset limit was removed due to the COVID-19 pandemic. Under New Mexico's standard asset limits policy, the vehicle is only exempt if it is equipped for those with physical impairments or used for transportation to work, work activities, or daily living requirements. If the vehicle is not used for these purposes, the entire equity value of the vehicle is subject to the asset test.
[30] The asset limit for recipients was increased to $10,000 in October 2022 per **a state administrative directive memo**. Applicant households that include a person aged 60 and over or with a disability have an asset limit of $3,750; all other applicant households have a limit of $2,500.
[31] Local districts may adopt a higher vehicle exemption. When the fair market value of the first vehicle exceeds the specified maximum exemption, the equity value must be determined and then applied against the resource limit.
[32] Only liquid resources count toward the limit. Liquid resources are those that can be converted into cash within five working days but exclude the amount held to pay the family's monthly living expenses.
[33] Boats are included in the definition of motor vehicles. The exclusion does not apply to mobile homes other than the primary physical residence.
[34] The asset limit is based on unit size: the limit is $3,000 for one person, $6,000 for two people, and another $25 is allowed for each additional person thereafter.
[35] Vehicles with the equity value of at least $40,000 and any additional non-exempt vehicles count toward the asset limit.
[36] Per t**he Rhode Island Department of Human Services' website**, the asset limit for both applicants and recipients is $5,000.
[37] Exemptions for adult drivers cannot exceed two vehicles per household. However, the household may also exempt the entire value of a vehicle that is used primarily to transport a disabled family member, to produce income, or as the family's home.
[38] Vehicles owned by or used to transport disabled individuals, vehicles essential to self-employment, income-producing vehicles, and vehicles used as a home are also exempt. The equity value of any additional non-exempt vehicles counts toward the asset limit.
[39] In addition to one primary vehicle, an assistance unit may totally exclude a vehicle used to transport water or fuel to the home when it is not piped in, a vehicle used to transport a disabled member or SSI recipient in the household, or a vehicle used in producing income or as a home. An assistance unit may also exclude $4,650 of the fair-market value of a vehicle used to transport members of the unit, obtain or continue employment, or attend school or training.
[40] This state increased its limit for the first vehicle from $15,000 to $22,500 in June 2023.
[41] This state has no assets test and therefore no limit on assets.
[42] Washington State recently passed **a law** that will increase the asset limit from $6,000 to $12,000. This new asset limit should take effect in 2024.
[43] Washington State recently passed **a law** waiving the entire value of one vehicle. This new vehicle limit should take effect in 2024. Currently, up to $10,000 of one vehicle is exempt for TANF recipients.
[44] A person must be work-eligible to qualify for the vehicle exemption.

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