
Introduced by Senator Maldonado

February 22, 2005

An act to amend Section 11453 of the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

SB 716, as introduced, Maldonado. CalWORKs.

Existing law, with certain exceptions, requires an annual cost-of-living adjustment to be made in maximum aid payments provided to needy families under the CalWORKs program.

This bill would make technical, nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 11453 of the Welfare and Institutions
2 Code is amended to read:
3 11453. (a) Except as provided in subdivision (c), the amounts
4 set forth in Section 11452 and subdivision (a) of Section 11450
5 shall be adjusted annually by the department to reflect any
6 increases or decreases in the cost of living. These adjustments
7 shall become effective *on* July 1 of each year, unless otherwise
8 specified by the Legislature. For the 2000–01 fiscal year to the
9 2003–04 fiscal year, inclusive, these adjustments shall become
10 effective *on* October 1 of each year. The cost-of-living
11 adjustment shall be calculated by the Department of Finance
12 based on the changes in the California Necessities Index, which
13 as used in this section means the weighted average changes for

1 food, clothing, fuel, utilities, rent, and transportation for
2 low-income consumers. The computation of annual adjustments
3 in the California Necessities Index shall be made in accordance
4 with the following steps:

5 (1) The base period expenditure amounts for each expenditure
6 category within the California Necessities Index used to compute
7 the annual grant adjustment are:

8		
9	Food.....	\$ 3,027
10	Clothing (apparel and upkeep).....	406
11	Fuel and other utilities.....	529
12	Rent, residential.....	4,883
13	Transportation.....	1,757
14		<hr/>
15	Total.....	\$10,602
16		

17 (2) Based on the appropriate components of the Consumer
18 Price Index for All Urban Consumers, as published by the United
19 States Department of Labor, Bureau of Labor Statistics, the
20 percentage change shall be determined for the 12-month period
21 ending with the December preceding the year for which the
22 cost-of-living adjustment will take effect, for each expenditure
23 category specified in subdivision (a) within the following
24 geographical areas: Los Angeles-Long Beach-Anaheim, San
25 Francisco-Oakland, San Diego, and, to the extent statistically
26 valid information is available from the Bureau of Labor
27 Statistics, additional geographical areas within the state which
28 include not less than 80 percent of recipients of aid under this
29 chapter.

30 (3) Calculate a weighted percentage change for each of the
31 expenditure categories specified in subdivision (a) using the
32 applicable weighting factors for each area used by the State
33 Department of Industrial Relations to calculate the California
34 Consumer Price Index (CCPI).

35 (4) Calculate a category adjustment factor for each
36 expenditure category in subdivision (a) by (1) adding 100 to the
37 applicable weighted percentage change as determined in
38 paragraph (2) and (2) dividing the sum by 100.

39 (5) Determine the expenditure amounts for the current year by
40 multiplying each expenditure amount determined for the prior

1 year by the applicable category adjustment factor determined in
2 paragraph (4).

3 (6) Determine the overall adjustment factor by dividing (1) the
4 sum of the expenditure amounts as determined in paragraph (4)
5 for the current year by (2) the sum of the expenditure amounts as
6 determined in subdivision (d) for the prior year.

7 (b) The overall adjustment factor determined by the preceding
8 computation steps shall be multiplied by the schedules
9 established pursuant to Section 11452 and subdivision (a) of
10 Section 11450 as are in effect during the month of June
11 preceding the fiscal year in which the adjustments are to occur
12 and the product rounded to the nearest dollar. The resultant
13 amounts shall constitute the new schedules which shall be filed
14 with the Secretary of State.

15 (c) (1) No adjustment to the maximum aid payment set forth
16 in subdivision (a) of Section 11450 shall be made under this
17 section for the purpose of increasing the benefits under this
18 chapter for the 1990–91, 1991–92, 1992–93, 1993–94, 1994–95,
19 1995–96, 1996–97, and 1997–98 fiscal years, and through
20 October 31, 1998, to reflect any change in the cost of living. For
21 the 1998–99 fiscal year, the cost-of-living adjustment that would
22 have been provided on July 1, 1998, pursuant to subdivision (a)
23 shall be made on November 1, 1998. Elimination of the
24 cost-of-living adjustment pursuant to this paragraph shall satisfy
25 the requirements of Section 11453.05, and no further reduction
26 shall be made pursuant to that section.

27 (2) No adjustment to the minimum basic standard of adequate
28 care set forth in Section 11452 shall be made under this section
29 for the purpose of increasing the benefits under this chapter for
30 the 1990–91 and 1991–92 fiscal years to reflect any change in the
31 cost of living.

32 (3) In any fiscal year commencing with the 2000–01 fiscal
33 year to the 2003–04 fiscal year, inclusive, when there is any
34 increase in tax relief pursuant to the applicable paragraph of
35 subdivision (a) of Section 10754 of the Revenue and Taxation
36 Code, then the increase pursuant to subdivision (a) of this section
37 shall occur. In any fiscal year commencing with the 2000–01
38 fiscal year to the 2003–04 fiscal year, inclusive, when there is no
39 increase in tax relief pursuant to the applicable paragraph of
40 subdivision (a) of Section 10754 of the Revenue and Taxation

1 Code, then any increase pursuant to subdivision (a) of this
2 section shall be suspended.

3 (4) Notwithstanding paragraph (3), an adjustment to the
4 maximum aid payments set forth in subdivision (a) of Section
5 11450 shall be made under this section for the 2002–03 fiscal
6 year, but the adjustment shall become effective June 1, 2003.

7 (d) For the 2004–05 fiscal year, the adjustment to the
8 maximum aid payment set forth in subdivision (a) shall be
9 suspended for three months commencing on the first day of the
10 first month following the effective date of the act adding this
11 subdivision.

12 (e) Adjustments for subsequent fiscal years pursuant to this
13 section shall not include any adjustments for any fiscal year in
14 which the cost of living was suspended pursuant to subdivision
15 (c).