

ASSEMBLY BILL

No. 1584

**Introduced by Assembly Member Brown
(Principal coauthor: Assembly Member Thurmond)**

January 6, 2016

An act to amend Section 12201 of, and to add Section 12200.16 to, the Welfare and Institutions Code, relating to public social services, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1584, as introduced, Brown. Public social services: SSI/SSP.

Existing law provides for the State Supplementary Program for the Aged, Blind and Disabled (SSP), which requires the State Department of Social Services to contract with the United States Secretary of Health and Human Services to make payments to SSP recipients to supplement Supplemental Security Income (SSI) payments made available pursuant to the federal Social Security Act.

Under existing law, benefit payments under SSP are calculated by establishing the maximum level of nonexempt income and federal SSI and state SSP benefits for each category of eligible recipient. The state SSP payment is the amount required, when added to the nonexempt income and SSI benefits available to the recipient, to provide the maximum benefit payment. Existing law prohibits, for each calendar year, commencing with the 2011 calendar year, any cost-of-living adjustment from being made to the maximum benefit payment unless otherwise specified by statute, except for the pass along of any cost-of-living increase in the federal SSI benefits. Existing law continuously appropriates funds for the implementation of SSP.

This bill would reinstate the cost-of-living adjustment beginning July 1 of the 2017 calendar year. The bill would successively increase aid grants for specified applicants and recipients by the amount of \$21 on January 1 in 2017, 2018, 2019, and 2020.

By reinstating the cost-of-living adjustment and by increasing the amount of benefits paid under the SSP, this bill would make an appropriation.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Section 12200.16 is added to the Welfare and
2 Institutions Code, to read:

3 12200.16. Notwithstanding any other law, on the following
4 dates the maximum aid payments in accordance with subdivision
5 (c) of Section 12200 for an applicant or recipient who is not entitled
6 to an allowance pursuant to subdivision (e) of Section 12200 shall
7 be increased by twenty-one dollars (\$21) per month:

- 8 (a) January 1, 2017.
- 9 (b) January 1, 2018.
- 10 (c) January 1, 2019.
- 11 (d) January 1, 2020.

12 SEC. 2. Section 12201 of the Welfare and Institutions Code is
13 amended to read:

14 12201. (a) Except as provided in subdivision ~~(d)~~, (d) or (g),
15 the payment schedules set forth in Section 12200 shall be adjusted
16 annually to reflect any increases or decreases in the cost of living.
17 Except as provided in subdivision (e), (f), ~~or (g)~~, (g), or (h) these
18 adjustments shall become effective January 1 of each year. The
19 cost-of-living adjustment shall be based on the changes in the
20 California Necessities Index, which as used in this section shall
21 be the weighted average of changes for food, clothing, fuel,
22 utilities, rent, and transportation for low-income consumers. The
23 computation of annual adjustments in the California Necessities
24 Index shall be made in accordance with the following steps:

- 25 (1) The base period expenditure amounts for each expenditure
26 category within the California Necessities Index used to compute
27 the annual grant adjustment are:

1	Food.....	\$ 3,027
2	Clothing (apparel and upkeep).....	406
3	Fuel and other utilities.....	529
4	Rent, residential.....	4,883
5	Transportation.....	1,757
6		<hr/>
7	Total.....	\$10,602

8
9 (2) Based on the appropriate components of the Consumer Price
10 Index for All Urban Consumers, as published by the United States
11 Department of Labor, Bureau of Labor Statistics, the percentage
12 change shall be determined for the 12-month period which ends
13 12 months prior to the January in which the cost-of-living
14 adjustment will take effect, for each expenditure category specified
15 in paragraph (1) within the following geographical areas: Los
16 Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego,
17 and, to the extent statistically valid information is available from
18 the Bureau of Labor Statistics, additional geographical areas within
19 the state which include not less than 80 percent of recipients of
20 aid under this chapter.

21 (3) Calculate a weighted percentage change for each of the
22 expenditure categories specified in paragraph (1) using the
23 applicable weighting factors for each area used by the Department
24 of Industrial Relations to calculate the California Consumer Price
25 Index (CCPI).

26 (4) Calculate a category adjustment factor for each expenditure
27 category in paragraph (1) by (1) adding 100 to the applicable
28 weighted percentage change as determined in paragraph (2) and
29 (2) dividing the sum by 100.

30 (5) Determine the expenditure amounts for the current year by
31 multiplying each expenditure amount determined for the prior year
32 by the applicable category adjustment factor determined in
33 paragraph (4).

34 (6) Determine the overall adjustment factor by dividing (1) the
35 sum of the expenditure amounts as determined in paragraph (4)
36 for the current year by (2) the sum of the expenditure amounts as
37 determined in paragraph (4) for the prior year.

38 (b) The overall adjustment factor determined by the preceding
39 computational steps shall be multiplied by the payment schedules
40 established pursuant to Section 12200 as are in effect during the

1 month of December preceding the calendar year in which the
2 adjustments are to occur, and the product rounded to the nearest
3 dollar. The resultant amounts shall constitute the new schedules
4 for the categories given under subdivisions (a), (b), (c), (d), (e),
5 (f), and (g) of Section 12200, and shall be filed with the Secretary
6 of State. The amount as set forth in subdivision (h) of Section
7 12200 shall be adjusted annually pursuant to this section in the
8 event that the secretary agrees to administer payment under that
9 subdivision. The payment schedule for subdivision (i) of Section
10 12200 shall be computed as specified, based on the new payment
11 schedules for subdivisions (a), (b), (c), and (d) of Section 12200.

12 (c) The department shall adjust any amounts of aid under this
13 chapter to ensure that the minimum level required by the Social
14 Security Act in order to maintain eligibility for funds under Title
15 XIX of that act is met.

16 (d) (1) No adjustment shall be made under this section for the
17 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 2004, 2006,
18 2007, 2008, 2009, and 2010 calendar years to reflect any change
19 in the cost of living. Elimination of the cost-of-living adjustment
20 pursuant to this paragraph shall satisfy the requirements of Section
21 12201.05, and no further reduction shall be made pursuant to that
22 section.

23 (2) Any cost-of-living adjustment granted under this section for
24 any calendar year shall not include adjustments for any calendar
25 year in which the cost-of-living adjustment was suspended pursuant
26 to paragraph (1).

27 (e) For the 2003 calendar year, the adjustment required by this
28 section shall become effective June 1, 2003.

29 (f) For the 2005 calendar year, the adjustment required by this
30 section shall become effective April 1, 2005.

31 (g) (1) ~~For the 2011 calendar year and each calendar year~~
32 ~~thereafter, to the 2016 calendar year, inclusive,~~ no adjustment
33 shall be made under this section unless otherwise specified by
34 statute.

35 (2) Notwithstanding paragraph (1), the pass along of federal
36 benefits provided for in Section 12201.05 shall be effective on
37 January 1 of each calendar year.

1 *(h) For the 2017 calendar year, the adjustment required by this*
2 *section shall become effective July 1, 2017.*

O