

AMENDED IN ASSEMBLY MARCH 18, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1584**

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

January 6, 2016

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An act to amend Section 12201 of, and to add Section ~~12200.16~~ 12200.7 to, the Welfare and Institutions Code, relating to public social services, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1584, as amended, 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~~ *January* 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; also require a maximum aid payment that falls below 96% of the federal poverty line as of December 31, 2016, or 100% of the federal poverty line as of December 31, 2017, to be increased to an amount that equals 96% or 100% of the federal poverty line, respectively. The bill would require the increases to be provided in addition to the required cost-of-living adjustments.~~

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:  $\frac{2}{3}$ . 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     ~~(e) 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    ~~SECTION 1. Section 12200.7 is added to the Welfare and~~  
 13    ~~Institutions Code, to read:~~

14    ~~12200.7. (a) Notwithstanding any other law, a maximum aid~~  
 15    ~~payment that falls below 96 percent of the federal poverty level as~~  
 16    ~~of December 31, 2016, shall be increased to an amount that equals~~  
 17    ~~96 percent of the federal poverty level.~~

18    ~~(b) Notwithstanding any other law, commencing January 1,~~  
 19    ~~2018, a maximum aid payment that falls below 100 percent of the~~  
 20    ~~federal poverty level as of December 31, 2017, shall be increased~~  
 21    ~~to an amount that equals 100 percent of the federal poverty level.~~

1 (c) This section is not intended to result in the reduction of any  
2 payment that exceeds 96 percent of the federal poverty level on  
3 December 31, 2016, or 100 percent of the federal poverty line on  
4 December 31, 2017.

5 (d) The increases required by this section shall be provided in  
6 addition to the cost-of-living adjustments required by Section  
7 12201.

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

10 12201. (a) Except as provided in subdivision (d) or (g), the  
11 payment schedules set forth in Section 12200 shall be adjusted  
12 annually to reflect any increases or decreases in the cost of living.  
13 Except as provided in subdivision (e), (f), or (g), ~~or (h)~~ these  
14 adjustments shall become effective January 1 of each year. The  
15 cost-of-living adjustment shall be based on the changes in the  
16 California Necessities Index, which as used in this section shall  
17 be the weighted average of changes for food, clothing, fuel,  
18 utilities, rent, and transportation for low-income consumers. The  
19 computation of annual adjustments in the California Necessities  
20 Index shall be made in accordance with the following steps:

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

24		
25	Food.....	\$ 3,027
26	Clothing (apparel and upkeep).....	406
27	Fuel and other utilities.....	529
28	Rent, residential.....	4,883
29	Transportation.....	1,757
30		<hr/>
31	Total.....	\$10,602
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33 (2) Based on the appropriate components of the Consumer Price  
34 Index for All Urban Consumers, as published by the United States  
35 Department of Labor, Bureau of Labor Statistics, the percentage  
36 change shall be determined for the 12-month period which ends  
37 12 months prior to the January in which the cost-of-living  
38 adjustment will take effect, for each expenditure category specified  
39 in paragraph (1) within the following geographical areas: Los  
40 Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego,

1 and, to the extent statistically valid information is available from  
2 the Bureau of Labor Statistics, additional geographical areas within  
3 the state which include not less than 80 percent of recipients of  
4 aid under this chapter.

5 (3) Calculate a weighted percentage change for each of the  
6 expenditure categories specified in paragraph (1) using the  
7 applicable weighting factors for each area used by the Department  
8 of Industrial Relations to calculate the California Consumer Price  
9 Index (CCPI).

10 (4) Calculate a category adjustment factor for each expenditure  
11 category in paragraph (1) by (1) adding 100 to the applicable  
12 weighted percentage change as determined in paragraph (2) and  
13 (2) dividing the sum by 100.

14 (5) Determine the expenditure amounts for the current year by  
15 multiplying each expenditure amount determined for the prior year  
16 by the applicable category adjustment factor determined in  
17 paragraph (4).

18 (6) Determine the overall adjustment factor by dividing (1) the  
19 sum of the expenditure amounts as determined in paragraph (4)  
20 for the current year by (2) the sum of the expenditure amounts as  
21 determined in paragraph (4) for the prior year.

22 (b) The overall adjustment factor determined by the preceding  
23 computational steps shall be multiplied by the payment schedules  
24 established pursuant to Section 12200 as are in effect during the  
25 month of December preceding the calendar year in which the  
26 adjustments are to occur, and the product rounded to the nearest  
27 dollar. The resultant amounts shall constitute the new schedules  
28 for the categories given under subdivisions (a), (b), (c), (d), (e),  
29 (f), and (g) of Section 12200, and shall be filed with the Secretary  
30 of State. The amount as set forth in subdivision (h) of Section  
31 12200 shall be adjusted annually pursuant to this section in the  
32 event that the secretary agrees to administer payment under that  
33 subdivision. The payment schedule for subdivision (i) of Section  
34 12200 shall be computed as specified, based on the new payment  
35 schedules for subdivisions (a), (b), (c), and (d) of Section 12200.

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

1 (d) (1) No adjustment shall be made under this section for the  
2 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 2004, 2006,  
3 2007, 2008, 2009, and 2010 calendar years to reflect any change  
4 in the cost of living. Elimination of the cost-of-living adjustment  
5 pursuant to this paragraph shall satisfy the requirements of Section  
6 12201.05, and no further reduction shall be made pursuant to that  
7 section.

8 (2) Any cost-of-living adjustment granted under this section for  
9 any calendar year shall not include adjustments for any calendar  
10 year in which the cost-of-living adjustment was suspended pursuant  
11 to paragraph (1).

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

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

16 (g) (1) For the 2011 to the 2016 calendar year, inclusive, no  
17 adjustment shall be made under this section unless otherwise  
18 specified by statute.

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

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