

AMENDED IN ASSEMBLY APRIL 6, 2016
AMENDED IN ASSEMBLY MARCH 18, 2016
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

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 12200.7 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 January 1 of the 2017 calendar year. The bill would also require a maximum aid payment that falls below *does not equal or exceed* 96% of the 2016 federal poverty line as of December 31, 2016, level based on family size, or 100% of the 2017 federal poverty line as of December 31, 2017, level based on family size, to be increased to an amount that equals 96% or 100% of the federal poverty line, level, 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: 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 12200.7 is added to the Welfare and
2 Institutions Code, to read:

3 12200.7. (a) ~~Notwithstanding any other law, a Commencing~~
4 *January 1, 2017, any maximum aid payment provided pursuant*
5 *to Section 12200 and adjusted pursuant to Section 12201 that falls*
6 ~~below~~ *does not equal or exceed* 96 percent of the 2016 federal
7 poverty level as of December 31, 2016, based on family size shall
8 be increased to an amount that equals 96 percent of the 2016 federal
9 poverty level. *level based on family size.*

10 (b) ~~Notwithstanding any other law, commencing~~ *Commencing*
11 *January 1, 2018, a any maximum aid payment that falls below*
12 *does not equal or exceed* 100 percent of the 2017 federal poverty
13 level as of December 31, 2017, based on family size shall be
14 increased to an amount that equals 100 percent of the 2017 federal
15 poverty level. *level based on family size.*

16 (c) This section is not intended to result in the reduction of any
17 payment that exceeds 96 percent of the 2016 federal poverty level
18 ~~on December 31, 2016, based on family size during the 2017~~
19 *calendar year, or that exceeds* 100 percent of the 2017 federal
20 poverty line ~~on December 31, 2017. level based on family size~~
21 *during the 2018 calendar year.*

1 ~~(d) The increases required by this section shall be provided in~~
2 ~~addition to the cost-of-living adjustments required by Section~~
3 ~~12201.~~

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

6 12201. (a) Except as provided in subdivision ~~(d) or (g)~~, (d),
7 the payment schedules set forth in Section 12200 shall be adjusted
8 annually to reflect any increases or decreases in the cost of living.
9 Except as provided in subdivision ~~(e), (f), or (g)~~, (e) or (f), these
10 adjustments shall become effective January 1 of each year. The
11 cost-of-living adjustment shall be based on the changes in the
12 California Necessities Index, which as used in this section shall
13 be the weighted average of changes for food, clothing, fuel,
14 utilities, rent, and transportation for low-income consumers. The
15 computation of annual adjustments in the California Necessities
16 Index shall be made in accordance with the following steps:

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

20		
21	Food.....	\$ 3,027
22	Clothing (apparel and upkeep).....	406
23	Fuel and other utilities.....	529
24	Rent, residential.....	4,883
25	Transportation.....	1,757
26		<hr/>
27	Total.....	\$10,602
28		

29 (2) Based on the appropriate components of the Consumer Price
30 Index for All Urban Consumers, as published by the United States
31 Department of Labor, Bureau of Labor Statistics, the percentage
32 change shall be determined for the 12-month period ~~which~~ *that*
33 ends 12 months prior to the January in which the cost-of-living
34 adjustment will take effect, for each expenditure category specified
35 in paragraph (1) within the following geographical areas: Los
36 Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego,
37 and, to the extent statistically valid information is available from
38 the Bureau of Labor Statistics, additional geographical areas within
39 the state ~~which~~ *that* include not less than 80 percent of recipients
40 of aid under this chapter.

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

6 (4) Calculate a category adjustment factor for each expenditure
7 category in paragraph (1) by (1) adding 100 to the applicable
8 weighted percentage change as determined in paragraph (2) and
9 (2) dividing the sum by 100.

10 (5) Determine the expenditure amounts for the current year by
11 multiplying each expenditure amount determined for the prior year
12 by the applicable category adjustment factor determined in
13 paragraph (4).

14 (6) Determine the overall adjustment factor by dividing (1) the
15 sum of the expenditure amounts as determined in paragraph (4)
16 for the current year by (2) the sum of the expenditure amounts as
17 determined in paragraph (4) for the prior year.

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

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

36 (d) (1) No adjustment shall be made under this section for the
37 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 2004, 2006,
38 2007, 2008, 2009, and 2010 calendar years to reflect any change
39 in the cost of living. Elimination of the cost-of-living adjustment
40 pursuant to this paragraph shall satisfy the requirements of Section

1 12201.05, and no further reduction shall be made pursuant to that
2 section.

3 (2) Any cost-of-living adjustment granted under this section for
4 any calendar year shall not include adjustments for any calendar
5 year in which the cost-of-living adjustment was suspended pursuant
6 to paragraph (1).

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

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

11 ~~(g) (1) For the 2011 to the 2016 calendar year, inclusive, no~~
12 ~~adjustment shall be made under this section unless otherwise~~
13 ~~specified by statute.~~

14 ~~(2) Notwithstanding paragraph (1), the pass along of federal~~
15 ~~benefits provided for in Section 12201.05 shall be effective on~~
16 ~~January 1 of each calendar year.~~