

AMENDED IN SENATE JUNE 30, 2016

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 *provided to an individual or a married couple* that does not equal or exceed 96% of the 2016 federal poverty-level ~~based on family size, level, or 100% of the 2017 federal poverty-level based on family size, level, as specified,~~ to be increased to an amount that equals 96% or 100% of the federal poverty level, respectively.

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 12200.7 is added to the Welfare and
- 2 Institutions Code, to read:
- 3 12200.7. (a) Commencing January 1, 2017, any maximum aid
- 4 payment *provided to an individual* pursuant to Section 12200 and
- 5 adjusted pursuant to Section 12201 that does not equal or exceed
- 6 96 percent of the 2016 federal poverty level ~~based on family size~~
- 7 *for a household of one* shall be increased to an amount that equals
- 8 96 percent of the 2016 federal poverty level ~~based on family size.~~
- 9 *for a household of one.*
- 10 (b) *Commencing January 1, 2017, any maximum aid payment*
- 11 *provided to a married couple pursuant to Section 12200 and*
- 12 *adjusted pursuant to Section 12201 that does not equal or exceed*
- 13 *96 percent of the 2016 federal poverty level for a household of two*
- 14 *shall be increased to an amount that equals 96 percent of the 2016*
- 15 *federal poverty level for a household of two.*
- 16 ~~(b)~~
- 17 (c) *Commencing January 1, 2018, any maximum aid payment*
- 18 *provided to an individual pursuant to Section 12200 and adjusted*
- 19 *pursuant to Section 12201 that does not equal or exceed 100*
- 20 *percent of the 2017 federal poverty level ~~based on family size for~~*
- 21 *a household of one shall be increased to an amount that equals 100*

1 percent of the 2017 federal poverty level ~~based on family size~~; for
2 a household of one.

3 (d) Commencing January 1, 2018, any maximum aid payment
4 provided to a married couple pursuant to Section 12200 and
5 adjusted pursuant to Section 12201 that does not equal or exceed
6 100 percent of the 2017 federal poverty level for a household of
7 two shall be increased to an amount that equals 100 percent of
8 the 2017 federal poverty level for a household of two.

9 (e)
10 (e) This section is not intended to result in the reduction of any
11 payment provided to an individual that exceeds 96 percent of the
12 2016 federal poverty level ~~based on family size~~ for a household
13 of one during the 2017 calendar year, or that exceeds 100 percent
14 of the 2017 federal poverty level ~~based on family size~~ for a
15 household of one during the 2018 calendar year.

16 (f) This section is not intended to result in the reduction of any
17 payment provided to a married couple that exceeds 96 percent of
18 the 2016 federal poverty level for a household of two during the
19 2017 calendar year, or that exceeds 100 percent of the 2017 federal
20 poverty level for a household of two during the 2018 calendar
21 year.

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

24 12201. (a) Except as provided in subdivision (d), the payment
25 schedules set forth in Section 12200 shall be adjusted annually to
26 reflect any increases or decreases in the cost of living. Except as
27 provided in subdivision (e) or (f), these adjustments shall become
28 effective January 1 of each year. The cost-of-living adjustment
29 shall be based on the changes in the California Necessities Index,
30 which as used in this section shall be the weighted average of
31 changes for food, clothing, fuel, utilities, rent, and transportation
32 for low-income consumers. The computation of annual adjustments
33 in the California Necessities Index shall be made in accordance
34 with the following steps:

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

38		
39	Food.....	\$ 3,027
40	Clothing (apparel and upkeep).....	406

1	Fuel and other utilities.....	529
2	Rent, residential.....	4,883
3	Transportation.....	1,757
4		<hr/>
5	Total.....	\$10,602

6
7 (2) Based on the appropriate components of the Consumer Price
8 Index for All Urban Consumers, as published by the United States
9 Department of Labor, Bureau of Labor Statistics, the percentage
10 change shall be determined for the 12-month period that ends 12
11 months prior to the January in which the cost-of-living adjustment
12 will take effect, for each expenditure category specified in
13 paragraph (1) within the following geographical areas: Los
14 Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego,
15 and, to the extent statistically valid information is available from
16 the Bureau of Labor Statistics, additional geographical areas within
17 the state that include not less than 80 percent of recipients of aid
18 under this chapter.

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

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

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

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

36 (b) The overall adjustment factor determined by the preceding
37 computational steps shall be multiplied by the payment schedules
38 established pursuant to Section 12200 as are in effect during the
39 month of December preceding the calendar year in which the
40 adjustments are to occur, and the product rounded to the nearest

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

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

14 (d) (1) No adjustment shall be made under this section for the
15 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 2004, 2006,
16 2007, 2008, 2009, and 2010 calendar years to reflect any change
17 in the cost of living. Elimination of the cost-of-living adjustment
18 pursuant to this paragraph shall satisfy the requirements of Section
19 12201.05, and no further reduction shall be made pursuant to that
20 section.

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

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

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