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## RECENT CUTS TO SSI/SSP HAVE SIGNIFICANTLY AFFECTED SENIORS, PEOPLE WITH DISABILITIES, AND LOCAL COMMUNITIES

In response to sizeable budget shortfalls, lawmakers have repeatedly cut state spending in recent years. The Legislature reduced General Fund spending from \$103.0 billion in 2007-08 to \$87.3 billion in 2009-10 – a drop of 15.3 percent – as policymakers responded to the dramatic decline in revenues caused by the most severe economic downturn since the 1930s. In 2010-11, General Fund spending is estimated to be lower as a share of the state's economy than in 33 of the prior 40 years, and expenditures will fall further under the spending plan approved by the Legislature in March. Recent cuts have reversed longstanding policies and have left public systems and programs ill-equipped to cope with the ongoing impact of the Great Recession and the challenges of a growing and aging population and an ever-more-competitive global economy. This fact sheet examines the impact of recent cuts to the Supplemental Security Income/State Supplementary Payment (SSI/SSP) Program at the county level, documenting the number of California seniors and people with disabilities affected by recent policy changes and the dollars lost by local communities as a result of budget cuts.

SSI/SSP provides modest cash assistance to help low-income California seniors and people with disabilities meet basic living expenses. Since 2008-09, lawmakers have reduced SSI/SSP grants multiple times and suspended three cost-of-living adjustments (COLAs).<sup>1</sup> A CBP analysis of state data shows that the cumulative impact of these cuts amounts to \$4.6 billion between 2008-09 and 2011-12. This \$4.6 billion reduction is equivalent to a loss of roughly \$3,600 for each of the nearly 1.3 million Californians who are projected to receive SSI/SSP cash assistance in 2010-11. As a result of the deep cuts enacted in recent years:

- The maximum monthly SSI/SSP grant for individuals will drop to the federal minimum of \$830 in July 2011, a reduction of \$77 per month (8.5 percent) compared to the maximum grant of \$907 in January 2009.<sup>2</sup>
- SSI/SSP grants will provide individuals with an annual income of up to just \$9,960 starting in July – \$930 below the federal poverty line of \$10,890.

Cuts to SSI/SSP have compromised the ability of nearly 1.3 million low-income California seniors and people with disabilities to afford necessities, such as housing and groceries. For example, the federal government estimates that an elderly woman living alone has to spend approximately \$180 per month on food in order to maintain a minimally adequate diet. By this standard, the \$77-per-month cut represents nearly two weeks of groceries. SSI/SSP recipients are not eligible for food assistance through the CalFresh Program, formerly known as food stamps. Therefore, recipients will continue to face difficult choices about how to manage their reduced income, such as eating less and/or relying on food banks or other charities.

<sup>1</sup> Lawmakers also eliminated the statutory requirement to provide a state COLA for SSI/SSP grants effective in 2010-11.

<sup>2</sup> The January 2009 grant reflects the 2009 federal SSI COLA, which increased the maximum monthly SSI/SSP grant for individuals by \$37 from the 2008 level of \$870. Lawmakers also reduced the maximum monthly SSI/SSP grant for couples to the federal minimum in 2009. California cannot further reduce SSI/SSP grants without triggering the elimination of all federal funding for the Medi-Cal Program.

Estimated County Loss of Funds Due to Cuts to the SSI/SSP Program, 2008-09 Through 2011-12					
County	Number of Individuals Receiving a Grant	Total Cumulative Loss of Funds Since 2008-09	County	Number of Individuals Receiving a Grant	Total Cumulative Loss of Funds Since 2008-09
Alameda	53,060	\$192,001,000	Orange	70,750	\$256,007,000
Alpine	40	\$132,000	Placer	5,250	\$18,996,000
Amador	650	\$2,353,000	Plumas	730	\$2,625,000
Butte	11,270	\$40,776,000	Riverside	55,950	\$202,454,000
Calaveras	1,070	\$3,859,000	Sacramento	62,980	\$227,865,000
Colusa	600	\$2,163,000	San Benito	910	\$3,297,000
Contra Costa	25,180	\$91,105,000	San Bernardino	67,940	\$245,829,000
Del Norte	2,110	\$7,626,000	San Diego	82,660	\$299,095,000
El Dorado	3,030	\$10,952,000	San Francisco	46,590	\$168,570,000
Fresno	41,550	\$150,355,000	San Joaquin	28,750	\$104,014,000
Glenn	1,200	\$4,340,000	San Luis Obispo	5,130	\$18,545,000
Humboldt	7,130	\$25,789,000	San Mateo	13,240	\$47,895,000
Imperial	10,390	\$37,578,000	Santa Barbara	9,680	\$35,022,000
Inyo	450	\$1,623,000	Santa Clara	47,940	\$173,475,000
Kern	32,800	\$118,678,000	Santa Cruz	5,930	\$21,453,000
Kings	4,690	\$16,962,000	Shasta	9,780	\$35,375,000
Lake	3,740	\$13,518,000	Sierra	100	\$371,000
Lassen	1,020	\$3,679,000	Siskiyou	2,610	\$9,428,000
Los Angeles	414,130	\$1,498,440,000	Solano	12,070	\$43,658,000
Madera	4,790	\$17,318,000	Sonoma	9,790	\$35,423,000
Marin	3,810	\$13,801,000	Stanislaus	21,130	\$76,441,000
Mariposa	560	\$2,030,000	Sutter	3,760	\$13,599,000
Mendocino	3,870	\$14,007,000	Tehama	3,410	\$12,325,000
Merced	10,910	\$39,491,000	Trinity	760	\$2,765,000
Modoc	450	\$1,637,000	Tulare	18,960	\$68,613,000
Mono	100	\$374,000	Tuolumne	1,690	\$6,131,000
Monterey	9,290	\$33,627,000	Ventura	16,570	\$59,948,000
Napa	2,360	\$8,533,000	Yolo	5,500	\$19,918,000
Nevada	1,930	\$6,987,000	Yuba	4,040	\$14,624,000
<b>Total</b>			<b>1,266,780</b>	<b>\$4,583,521,000</b>	

Note: The number of individuals receiving an SSI/SSP grant in each county is based on the forecast 2010-11 state caseload, adjusted to reflect each county's share of the SSI/SSP caseload in December 2009. Total loss of funds is based on a CBP analysis of the cumulative impact of SSI/SSP reductions enacted in 2008-09 and 2009-10 as well as reductions enacted in March 2011 that will be implemented in 2011-12. Estimated state savings associated with the suspension of state cost-of-living adjustments (COLAs) for SSI/SSP grants in June 2008, June 2009, and June 2010; withholding of the 2009 federal COLA beginning May 2009; and grant cuts that took effect in July 2009 and November 2009 were adjusted to reflect both (1) the actual SSI/SSP caseload during the initial year of implementation and (2) actual and forecast caseload changes in subsequent fiscal years relative to the actual caseload during the initial year of implementation. The impact of the Legislature's decision to eliminate the statutory state COLA beginning in 2010-11 is excluded from the analysis because the state does not estimate the annual savings associated with that policy change. County loss of funds estimates are based on each county's share of the total number of SSI/SSP recipients. Numbers of recipients are rounded to the nearest 10, and loss of funds estimates are to rounded the nearest \$1,000. County figures may not sum to totals due to rounding.

Source: CBP analysis of Budget Conference Committee, Department of Social Services, Legislative Analyst's Office, and US Social Security Administration data