Key Facts About SSI/SSP Grants

- Supplemental Security Income/State Supplementary Payment (SSI/SSP) grants help **1.3 million low-income seniors and people with disabilities** in California pay for food, housing, and other basic living expenses.

- SSI/SSP cash assistance is provided to individuals and couples. The maximum grant is based on a number of factors, including whether recipients live independently.

- Grants are funded with both federal (SSI) and state (SSP) dollars. In 2014-15, **federal** support will total **$7.2 billion** and **state** support will total **$2.5 billion**.
State Policymakers Have Reduced SSI/SSP Grants

Over a number of years, state policymakers reduced SSI/SSP grants in order to decrease the state’s costs for the program. State policymakers:

- **Suspended** the annual state cost-of-living adjustment (COLA) for SSI/SSP grants several times prior to 2010-11.

- **Eliminated** the state COLA starting in 2010-11.

- **Cut** the state (SSP) portion of the grants, reducing it to the minimum allowed by federal law for both individuals and couples.
SSI/SSP Grants Remain Below the January 2009 Level
SSI/SSP Grants for Individuals Remain Below the January 2009 Level, Even Without Adjusting for Inflation
State Policymakers Cut the SSP Portion of the Grant From $233 in 2009 to $156 by 2012

- Reflects a projected 0.5 percent federal cost-of-living adjustment (COLA) to the SSI portion of the grant effective January 1, 2015. The annual state COLA for SSI/SSP grants was eliminated starting in 2010-11.

Source: Department of Social Services
SSI/SSP Grants for Couples Remain Below the January 2009 Level, Even Without Adjusting for Inflation

State Policymakers Cut the SSP Portion of the Grant From $568 in 2009 to $396 in 2010

* Reflects a projected 0.5 percent federal cost-of-living adjustment (COLA) to the SSI portion of the grant effective January 1, 2015. The annual state COLA for SSI/SSP grants was eliminated starting in 2010-11.

Source: Department of Social Services
SSI/SSP Grants Have Declined as a Share of the Federal Poverty Line
Maximum Monthly SSI/SSP Grant for Individuals Who Are Elderly or Have Disabilities as a Percentage of the Federal Poverty Line

January 2007: 100.6%
January 2008: 100.4%
January 2009: 100.5%
January 2010: 93.6%
January 2011: 93.1%
January 2012: 91.8%
January 2013: 90.5%
January 2014: 90.2%

Source: Department of Social Services and US Department of Health and Human Services
Maximum Monthly SSI/SSP Grant for Couples Who Are Elderly or Have Disabilities as a Percentage of the Federal Poverty Line

Source: Department of Social Services and US Department of Health and Human Services
SSI/SSP Grants Have Lost About One-Third of Their Purchasing Power During the Past 25 Years
Without Adjusting for Inflation, SSI/SSP Grants for Individuals Are About $250 Per Month Higher Than in 1989-90

Maximum Monthly SSI/SSP Grant for Individuals Who Are Elderly or Have Disabilities

* Reflects a projected 0.5 percent federal cost-of-living adjustment (COLA) to the SSI portion of the grant effective January 1, 2015. The annual state COLA for SSI/SSP grants was eliminated starting in 2010-11.

Source: Department of Social Services
After Adjusting for Inflation, SSI/SSP Grants for Individuals
Are About One-Third Lower Than in 1989-90, a Loss of More Than $400 Per Month

* Reflects a projected 0.5 percent federal cost-of-living adjustment (COLA) to the SSI portion of the grant effective January 1, 2015. The annual state COLA for SSI/SSP grants was eliminated starting in 2010-11.

Source: CBP analysis of Department of Finance and Department of Social Services data
Housing Costs Are a Significant Concern for SSI/SSP Recipients, Even in Counties That Are Considered to Be More Affordable
Studio Apartment Rent Exceeds One-Half of the SSI/SSP Grant in All 58 Counties and Is Higher Than the Entire Grant in 13 Counties

Source: Department of Social Services and US Department of Housing and Urban Development
Boosting SSI/SSP Grants Would Require Changing the State’s Budget Priorities
As part of the 2014-15 state budget process, the Assembly proposed to restore the state COLA for SSI/SSP grants starting on April 1, 2015. This proposal would have:

- Boosted the SSP portion of the grant from $156 to $160 for individuals and from $396 to $405 for couples.
- Increased state General Fund costs by between $70 million and $80 million in 2015-16, according to the Legislative Analyst’s Office (LAO).

This change was not included in the 2014-15 budget.
The Assembly Proposal Was Modest Compared to the Size of the Cuts the State Has Made to SSI/SSP Grants

- The Assembly’s proposal would have increased the SSP portion of the grant for an individual by $4 per month starting in April 2015.

- However, the SSP portion of this grant would have to increase by nearly $100 per month in order to bring the total SSI/SSP grant up to the federal poverty line in 2014.
The State’s Share of the SSI/SSP Grant Would Have to Increase by Nearly $100 Per Month to Bring the Total Grant Up to the 2014 Federal Poverty Line

The Federal poverty line for an individual in 2014 is $973.

Maximum Monthly SSI/SSP Grant for an Individual in 2014:
- Federal Portion (SSI Grant): $877
- State Portion (SSP Grant): $156

SSI/SSP Grant if State Portion Were Increased to Bring the Total Grant Up to the 2014 Federal Poverty Line:
- Federal Portion (SSI Grant): $973
- State Portion (SSP Grant): $252

Source: Department of Social Services and US Department of Health and Human Services
The Cost of the Assembly Proposal Was Modest Compared to the Cost of the State’s Film Tax Credit

- Restoring the annual state COLA for SSI/SSP grants would increase state General Fund spending by up to **$80 million** in 2015-16, according to the LAO.

- In contrast, the state’s tax credit for film and television productions, which was recently expanded by AB 1839, will cost the state **$330 million** in foregone revenues each year from 2015-16 through 2019-20.
  - Research suggests that this type of business tax incentive does little to create jobs and simply provides a windfall for employers.
The Measure of a Good Budget

A good budget should take a balanced approach that strives for:

– **Improving outcomes** for individuals, families, and communities.

– **Investing** in long-term economic growth and broadly shared prosperity.

– **Paying down debt** and **saving** for a rainy day.
For More Information

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