

April 21, 2016

The Honorable Mark Leno
Chair, Senate Budget and Fiscal Review Committee
California State Capitol
Sacramento, California 95814

The Honorable Phillip Ting
Chair, Assembly Budget Committee
California State Capitol
Sacramento, California 95814

Re: SSI/SSP in the 2015-16 Budget

Dear Senator Leno and Assemblymember Ting,

The Senior Services Coalition represents over 40 organizations that provide health and supportive services to over 57,000 seniors in Alameda County. We are writing to express our deep concern regarding SSI/SSP issues in the Governor's 2015-16 budget proposal.

Over 52,800 very vulnerable Alameda County residents rely on Supplemental Security Income/ State Supplementary Program income for their survival. SSI/SSP provides a monthly cash benefit to seniors, the blind and people with disabilities who have little or no other income or assets.

As you know, Supplemental Security Income (SSI) is a Federal program designed to help aged, blind, and disabled people who have little or no income meet their basic needs. The state funded portion of this program is called the State Supplemental Payment (SSP). The Governor's budget is unfortunately silent on the plight of SSI recipients. We are asking the Senate and the Assembly to prioritize funding for SSI/SSP in the 2015-16 budget.

How SSI/SSP Grant Cuts Pushed 1 Million Californians into Poverty. In January 2009 the SSI/SSP grant of \$907 a month was worth 100.5 percent of the federal poverty level for a single individual. Since then SSP grants were repeatedly cut and no cost of living adjustments (COLA) were provided. Individual SSI/SSP grants are now worth just 90.7 percent of the federal poverty level, but if these cuts had not occurred, would be worth 106.7 percent of the federal poverty level, according to the California Budget Project. These cuts have pushed more than 1 million blind, aged and disabled Californians below the federal poverty level. This is a significant reason why we have seen our poverty rate skyrocket to the highest in the nation according to the Census Bureau's Supplemental Poverty Measure.

Senior Services Coalition of Alameda County

These cuts are being felt statewide. In our county, nonprofit community-based organizations and emergency public services that serve seniors and the poor are swamped with SSI/SSP recipients needing food, shelter, and health needs. Among SSI/SSP recipients in Alameda County, the SSI/SSP benefit is known as “homeless wages” because recipients find it impossible to cover basic costs for food and shelter.

Who Is Impacted by Low SSI/SSP Grants? Nearly 1.3 million blind, aged and disabled Californians rely on the federal/state SSI/SSP program. Nearly two thirds of the caseload is composed of blind and disabled individuals, with about one-third of recipients eligible due to age. More than half the caseload is composed of women.

The Magnitude of Cuts to SSI/SSP For decades California periodically provided an annual COLA on the total SSI/SSP amount until the SSP COLA was repealed in 2009. Moreover, monthly state contributions to the SSI/SSP grant for individuals have been cut from \$233 to the federal minimum of \$156, a \$77 monthly reduction per person. The state contribution to SSI/SSP grants for couples in January 2009 was \$568 a month but has been reduced to \$396.20, a \$171.80 monthly cut.

In Fiscal Year 2007-8 the state spent \$3.9 billion on the state portion of the SSI grant, after adjusting for inflation according to the CBP. In contrast, the Governor proposes to spend only \$2.5 billion. That is a cut of \$1.4 billion - all absorbed by persons forced to make difficult tradeoffs between food, housing and medicine. In other words, the proposed budget is based on more than \$1 billion in so-called savings that in fact come at a high price by diminishing an essential source of income for more than 1 million Californians.

Restore the SSI/SSP Grant Cuts and the COLA. It is time to reverse these cuts. No person on SSI should be living in poverty or even at the Supplemental Poverty Level. The Senior Services Coalition is joining the statewide CA4SSI coalition to request that the Legislature restore both the SSP grant cuts and the cost of living adjustment.

Sincerely,

Wendy Peterson
Director, Senior Services Coalition of Alameda County

CC: Assemblymember Tony Thurmond, Assemblymember Rob Bonta, Senator Loni Hancock, barry.steinhardt@sen.ca.gov; marcus.mckinner@asm.ca.gov; Jennifer.troia@sen.ca.gov; Gail.Gronert@asm.ca.gov; nancy.strohl@sen.ca.gov; Tyrone.McGraw@asm.ca.gov; bethany.westfall@sen.ca.gov; chris.norden@sen.ca.gov; an-chi.tsou@asm.ca.gov; Yong.Salas@asm.ca.gov; Lindsey.Dietz@asm.ca.gov; jennifer.bell@asm.ca.gov