

Assemblymember Rudy Salas, 32nd District

AB 1941 – STATE SUPPLEMENTARY PAYMENT PROGRAM

FACT SHEET

BACKGROUND

California's State Supplementary Payment (SSP) program is an income supplement program funded by general tax revenues that helps elderly, blind, and disabled people who have little or no income. The supplement, which adds on to an individual's social security payment, provides cash to meet basic needs for food, clothing, shelter, and medicine.

The SSP provided benefits to approximately 1.2 million recipients in 2020-21, and was appropriated \$2.73 billion in revenues from the state's General Fund. The estimated 2021-22 maximum supplement payment for an individual is \$971, and the maximum payment for a couple is \$1,624. On average, seniors receive a \$530 supplement, and blind and disabled individuals receive average payments of almost \$700.

The federal Supplemental Security Income (SSI) and SSP target the most vulnerable among the elderly, disabled, and blind. California partners with the federal Social Security Administration to disburse the federal and state supplemental payments together, so those in the program receive all their benefits in one Social Security check.

ISSUE

Seniors and blind and disabled individuals are faced with a multitude of economic obstacles, especially those on fixed incomes. In 2021, 18 percent of adults aged 65 and older in California were in poverty. Also last year, 15.8 percent of older adults experienced episodic poverty, constantly moving in and out of poverty every few months. One in thirteen American seniors are economically insecure, and are just one check away from falling into poverty.

The COVID-19 pandemic has severely increased the financial hardships of vulnerable populations. The National Council on Aging <u>reported</u> that the pandemic will push 1.4 to 2.1 million more older Americans into poverty, and older adults with the least wealth will be the hardest hit. A 2021 Commonwealth Fund <u>survey</u> also found that 19 percent of seniors in the United States reported using up all or most of their saving because of the pandemic.

Meanwhile, the SSI/SSP program has not been increased enough to help those facing economic ruin. Even if a senior receives the maximum SSI/SSP benefit, the grant level is still below the federal poverty line (FPL). According to the <u>Legislative</u> <u>Analyst's Office</u>, the last time the SSI/SSP grant level was above the FPL was in 2009. Additionally, almost half of singled seniors depend on Social Security for 90 percent or more of their total income.

EXISTING LAW

Existing law 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 payments made available pursuant to the federal Social Security Act.

THIS BILL

AB 1941 provides every California SSP recipient with an additional \$600 in benefit payments in any year that the state has a budget surplus. This bill would almost double the average SSP payment. AB 1941 bill helps seniors and blind and disabled individuals who are struggling to choose between putting food on the table and receiving lifesaving medications. California must use its significant budget surpluses to uplift its most vulnerable populations.

FOR MORE INFORMATION

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