

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
February 23, 2010
2:00 PM

To: Board of Supervisors

From: Department of Human Assistance

Subject: General Assistance, Elimination of Special Benefits

Supervisory District: All

Contact: Patri Lawson, Acting Deputy Director 875-1712

Overview

The California Welfare and Institutions Code, section 17000, requires counties to provide basic assistance to all indigent residents of California and Sacramento County whose needs are not otherwise met. Sacramento County meets this mandate through the General Assistance (GA) program. Over time, the Board of Supervisors has authorized additional benefit consideration to applicants and recipients in some instances above what is mandated by state law. DHA is seeking to amend the General Assistance policy by eliminating all additional benefits beyond the basic GA grant.

Recommendations

Approve the attached resolution to amend Sacramento County General Assistance policies as follows:

1. Section 18 - Eliminate Aid-to-Payday which currently permits applicants who have accepted employment to receive general assistance benefits until their first payday. Instead, aid would end on the first day an applicant/recipient actually begins employment.
2. Section 40 - Eliminate the \$200 earned-income-disregard that allows a GA recipient to deduct the first \$200 of earned income , so the GA benefit will decrease dollar for dollar until the amount of earnings reaches the threshold that will render the recipient ineligible for GA.
3. Section 48 - Eliminate the special needs allowance that provides cash payments for eyeglasses, eye exams and eyeglass repair.
4. General Assistance Manual (GAM) - eliminate Transitional Assistance that allows a GA recipient who secures employment and reports in a timely manner to receive an additional full month of GA benefits.
5. Section 47 - Eliminate special benefit consideration for recipients living in a licensed, certified or Department of Health and Human Services approved Alcohol and Other Drug (AOD) facility. Instead, the AOD GA client would receive the lower GA grant based on the shared housing rules.

6. Section 47 - Eliminate special benefit consideration for Board and Care residents who currently receive a grant at the SSI benefit level, plus \$11 personal allowance. Instead, the Board and Care resident will receive a lower GA grant level based on the shared housing rules.
7. Section 47 - Eliminate special benefit consideration for Transitional Living Community Support (TLCS) residents who currently receive GA benefits above the basic grant level, plus an \$11 special needs allowance and a \$25 bus pass. Instead, provide the lower GA grant based on the shared housing rules without a special needs allowance.
8. Direct the Department of Human Assistance to eliminate re-employment funds and interview clothing funds.

Measures/Evaluation

Should the recommendations be approved, General Assistance, through ad hoc reports, will monitor the projected benefit reduction results.

Fiscal Impact

It is estimated that the total benefit savings to General Funds will be \$327,120 annually.

BACKGROUND

Previous Board actions adopted monetary incentives to motivate General Assistance applicants/recipients to seek and keep employment and/or off-set reductions in other program areas. In addition, under certain living situations, the Board approved special grant amounts and allowances beyond the basic GA grant. While the provisions of the special benefits recommended for elimination support the efforts of GA recipients to achieve self sufficiency and a more stable living situation, DHA recommends eliminating these discretionary additional payments to meet mid-year budget reduction targets, ..

DISCUSSION

Benefit Savings

Section 18, Employable Persons – Conditions of Eligibility. Aid-to-Payday permits applicants who have accepted employment to receive General Assistance benefits until their first payday. Instead, it is recommended that ineligibility begin the first day an applicant/recipient starts employment. The Department estimates that the annual savings may be \$287.

Section 40. Exempt Income. The \$200 earned income disregard allows a GA recipient to deduct the first \$200 of earned income before reducing the amount of the recipient's grant. The Board of Supervisors adopted this as an incentive to seek and maintain employment. In 1995, the Board increased the disregard from \$150 to \$200. The Department estimates that elimination of this special disregard may reduce benefit payments by \$39,589 annually.

Section 48. Special Needs. The special needs allowance for eye examinations, eyeglasses, and eyeglass repair assists GA clients in their effort to obtain and maintain employment.. The Department estimates that eliminating this special needs allowance may reduce benefit payments by \$68,871 annually.

General Assistance Manual {Policy#?} 403. Transitional Assistance. Transitional Assistance allows a GA recipient who secures employment and reports timely to receive an additional full month of GA benefits. By eliminating Transitional Assistance this may reduce benefit payments by \$1,917 annually.

Section 47, Individuals Living in Approved Programs.

- Prior to 1996, individuals living in Alcohol and Other Drug (AOD) residential facilities that receive State or Federal funds were discontinued from GA because as a resident of an institution their needs were being met. The Board of Supervisors amended this policy in 1996 to allow residents of State funded licensed or certified AOD facilities to remain on GA. Currently the higher level benefit is issued to recipients living in an AOD licensed, certified or DHHS approved facility that does not receive funding from Sacramento County. However, recipients residing in an unlicensed or non-certified facility receive a prorata share of the GA grant based on the number of other adults living in the housing unit. It is anticipated that applying the prorata grant rules to Licensed/Certified facilities may reduce GA benefit payments annually by \$28,812 .
- Currently additional discretionary benefits are given to Board and Care residents. These individuals receive a GA grant equal to what they would receive if approved for Social Security Income benefits, plus an \$11 personal needs allowance. Providing a prorata share of the GA grant based on the number of other adults living in the housing unit is estimated to reduce benefit payments annually by \$5,452.
- Currently, DHA and TLCS agree on a special housing fee for GA clients who reside in a TLCS facility. These residents also receive a \$11 special needs allowance and a \$25 bus pass. Providing a prorata share of the GA grant based on the number of other adults living in the housing unit is estimated to reduce benefit payments by \$143,443 annually.

Re-employment funds are currently paid to a recipient who has accepted employment contingent on the recipient providing a need item, such as work boots or a uniform. The Interview Clothing allowance is provided to recipients who have completed four DHA employment workshops or have a verified employment interview. Elimination of re-employment funds and the interview clothing allowance is estimated to reduce benefit payments by \$17,000 and \$21,749 respectively for a total benefit savings of \$38,749 annually.

Corresponding Policy Language Changes

Section 18.a. 1., Employable Person – Conditions of Eligibility. Amend subsection a.1. by deleting aid-to-payday exemption language for an employable individual and aid granted to the first payday so that a recipient becomes ineligible the first day employment begins to be written as follows:

- a. In order to be eligible for general assistance, an employable person shall:
 1. Be unemployed.

Section 40,9.and 11., Exempt Income. Amend to delete language related to the two hundred (\$200) earned income disregard and compensation received by an applicant or recipient for personal injury or loss or damage to property.

9. Deleted

11. Deleted

Section 47, 1.,2.,3., Individuals Living in Approved Programs. Amend to delete language that allows for special benefit treatment for residents of AOD, Board and Care and Transitional Living and Community Support (TLCS) facilities.

1. Deleted

2. Deleted

3. Deleted

Section 48, d.e.g. Special Needs. Amend to delete language related to the allowance in subsection d. for eye glasses; Subsection e. the personal \$11 allowance for residents of Board and Care facilities. Under subsection g., delete language related to the Security Deposit Guarantee Program which has not been in operation since 2003.

d. Deleted.

e. Deleted

g. Deleted

The above recommendations are proposed in response to the current fiscal crisis. While the provisions of the special benefit recommended for elimination supports the efforts of GA recipients to achieve self sufficiency and a more stable living situation, they are no longer feasible within existing budget parameters. These special provisions can be eliminated without violating the County's mandate under Welfare and Institutions Code section 17000.

MEASURES/EVALUATION

General Assistance, through ad hoc reports, will monitor the expected benefit reduction results.

FINANCIAL ANALYSIS

The General Assistance program is supported by County General Funds. The Department estimates a total of \$327,120 in annual savings from these amendments - \$62,062 for the final quarter of Fiscal Year 200-10.

Respectfully submitted,

PAUL G. LAKE, Acting Director
Department of Human Assistance

APPROVED:
STEVEN C. SZALAY
Interim County Executive

By: _____
BRUCE WAGSTAFF, Interim Administrator
Countywide Services Agency

Attachment: Resolution

RESOLUTION NO. _____**RESOLUTION AUTHORIZING THE ELIMINATION OF SPECIAL BENEFITS IN THE GENERAL ASSISTANCE PROGRAM**

WHEREAS, Sacramento County's General Assistance (GA) program, as mandated by Welfare and Institutions Code section 17000 and authorized by Board Policy, has been amended over the course of its history; and

WHEREAS, in addition to providing the mandated assistance under Welfare and Institutions Code section, over time, the Board has approved special benefit consideration to applicants and recipients in order to provide incentive and rewards to employable individuals to seek and retain employment, to provide a stable living situation to the indigent fragile, to promote and support sobriety; and to off-set other past budget cuts;

WHEREAS, the County faces severe budget restraints and in an effort to comply with mandated budget reductions, the reversal of said special benefit considerations for the General Assistance program which is funded 100% by County General Funds is recommended;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that effective immediately, or as soon as possible, the Board of Supervisors adopt the recommendation to eliminate the following special benefits provided in the General Assistance policy and language to update corresponding policy language:

1. Eliminate Aid-to-Payday which currently permits applicants who have accepted employment to receive general assistance benefits until their first payday. Instead, aid would end on the first day an applicant/recipient begins employment.
2. Eliminate the \$200 earned-income-disregard that allows a GA recipient to deduct the first \$200 of income when employment is secured, so the GA benefit will be reduced dollar for dollar until the amount of earnings reaches the threshold that will render the recipient ineligible for GA. .
3. Eliminate special needs allowance for eyeglasses / exam / repair.
4. Eliminate Transitional Assistance which allows a GA recipient who secures employment and reports timely to receive an additional full month of GA benefits.
5. Eliminate special benefit consideration for recipients living in a licensed, certified or DHHS approved AOD facility which currently allows the recipient to receive a GA grant

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at the unshared, highest level. Instead, the AOD GA client would receive the GA grant based on shared housing grant rules.

6. Eliminate special benefit consideration for Board and Care residents who currently receive a grant at the SSI benefit level, plus \$11 personal allowance. Instead, the Board and Care resident will receive a GA grant level based on the shared housing grant rules.
7. Eliminate special benefit consideration for TLCS residents who currently receive GA benefits above the basic grant level, plus an \$11 special needs allowance and a \$25 bus pass. Instead, provide the lower GA grant based on the shared housing rules without a special needs allowance.
8. The department will also eliminate re-employment funds and interview clothing funds. These ancillary payments were left to the discretion of the department by Policy language.

In addition, the Board is asked to approve the following corresponding policy language updates:

Section 18.a. 1., Employable Person – Conditions of Eligibility. Amend subsection a.1. by deleting aid-to-payday exemption language for an employable individual and aid granted to the first payday so that a recipient becomes ineligible the first day employment begins to be written as follows:

- a. In order to be eligible for general assistance, an employable person shall:
 1. Be unemployed.

Section 40.9.and 11., Exempt Income. Amend to delete language related to the two hundred (\$200) earned income disregard and compensation received by an applicant or recipient for personal injury or loss or damage to property if approved by the Board.

9. Deleted
11. Deleted

Section 47, 1.,2.,3., Individuals Living in Approved Programs, amend to delete language that allows for special benefit treatment for residents of AOD, Board and Care and Transitional Living and Community Support (TLCS) facilities if approved by the Board.

1. Deleted
2. Deleted

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3. Deleted

Section 48, d.e.g. Special Needs. Amend to delete language related to the allowance in subsection d. for eye glasses; Subsection e. the personal \$11 allowance for residents of Board and Care facilities if the Board approves. Under subsection g., delete language related to the Security Deposit Guarantee Program which has not been in operation since 2003.

d. Deleted.

e. Deleted

g. Deleted

On a motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento this _____ day of _____, 2010, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

Chair of the Board of Supervisors
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk, Board of Supervisors