

GENERAL RELIEF PROGRAM GRANT PROPOSAL

Introduction

This proposal will present a recommendation to increase the General Relief (GR) grant from \$221 to \$342 to align with the 1991 federal poverty line mandated by Welfare and Institutions Code (WIC) 17000.5. Although this proposal is not interdependent on any other proposals, the acceptance of this proposal would allow the changes in the proposals pertaining to GR's time-limits and making Skills and Training to Achieve Readiness for Tomorrow (START) voluntary. The Voluntary START and Time Limits proposals will further explain the reasoning and goals of these recommendations.

Current Policy

The GR Program in Los Angeles (L.A.) County is a safety net program that provides financial assistance to indigent adults who are not eligible for state or federal benefits. This program is governed by the California WIC and L.A. County Code. Due to financial distress, the grant amount is currently calculated per WIC 17000.6, which is 40% of the 1991 Federal Poverty Line (FPL) of \$6,620. This calculation sets the GR grant amount at \$221 for six-months and adds an additional three-months, in a 12-month period, for employable individuals participating in a Welfare-to-Work (WtW) Program. This amount has remained stagnant since 1996. The GR grant amount of \$221 per month for a single individual is inadequate and does not account for inflation.

WIC 17000.5

The board of supervisors in any county may adopt a general assistance standard of aid that is 62 percent of a guideline that is equal to the 1991 federal official poverty line and may annually adjust that guideline in an amount equal to any adjustment provided under Chapter 2 for establishing a maximum aid level in the county.

WIC 17000.6

(a) The board of supervisors of any county may adopt a standard of aid below the level established in Section 17000.5 if the Commission on States Mandates makes a finding that meeting the standards in Section 17000.5 would result in a significant financial distress to the county. When the commission makes a finding of significant financial distress concerning a county, the board of supervisors may establish a level of aid which is not less than 40 percent of the 1991 federal official poverty level, which may be further reduced pursuant to Section 17001.5 for shared housing.

Challenges

The current GR grant amount of \$221 has been stagnant for nearly 30 years. The amount is not enough to meet basic needs. Individuals resort to recycling, borrowing money if they can, or asking for money in public spaces. The GR Program held Listening Sessions with Community-Based Organizations (CBOs) and Legal Advocates who referenced the buying power changes due to inflation from 1996 to 2023, \$221 in 1996 has the same buying power as \$443 in 2023.

Proposed New Policy and Goals

The proposed policy will increase the GR grant for single individuals to meet WIC 17000.5, establishing the grant at \$342 per month which is 62% of the 1991 FPL ($\$6,620 \times 0.62 = \$4,104.40 / 12 \text{ months} = \342). Increasing the GR grant would provide an opportunity to explore other options regarding GR time limit policy and participation requirement in the START Program, as set by WIC 17001.5 (a)(4).

WIC 17001.5 (a)(4)

(a) Notwithstanding by any other provision of law, including, but not limited to, Section 17000.5, the board of supervisors of each county, or the agency authorized by the county charter, may do any of the following:

(4) Prohibit an employable individual from receiving aid under this part for more than three months in any 12-month period, whether or not the months are consecutive. This paragraph shall apply to aid received on or after the effective date of this paragraph. This paragraph shall apply only to those individuals who have been offered an opportunity to attend job skills or job training sessions.

The goal of the new grant amount is to align with WIC 17000.5, reflect changes in cost of living, and be more comparable with other counties. L.A. County has the lowest GR grant amount amongst California counties. CBOs and Legal Advocates strongly advocated for an increase in the GR grant. By increasing the GR grant, this would allow for GR individuals to have more buying power.

Impact/Benefits

A higher GR grant will provide immediate financial support to all GR individuals by helping to cover basic needs such as utilities, food, and clothing. Raising the GR grant amount will not only promote economic mobility, but also serve as a crucial step towards improving the overall well-being and achieving self-sufficiency aligning with the program's purpose.

Despite raising the budget, a higher GR grant could yield several benefits for the county such as a potential reduction in homelessness and improving overall community stability. It could also promote better health and well-being, leading to reduced costs in emergency services and healthcare costs. Homeless individuals are more vulnerable to illnesses due to their living conditions, and without stable access to preventative primary care, they often resort to seeking medical attention in the emergency rooms for things that could have been at

Moreover, the GR grant amount would no longer be mandated under WIC 17000.6, instead it would follow the provisions under WIC 17000.5 and L.A. County would no longer be obligated to maintain a nine-month time limit. This can potentially offset the increase cost associated with the higher grant amount by exploring potential options in reducing time limits, ensuring the sustainability of the GR Program, and reducing the financial strain on the county's resources.

Cost

Increasing the GR grant amount to \$342 will increase the GR expenditures annually by 60% from \$289,929,000 to \$462,715,000 per Financial Management Division with the current time limits and caseload. However, there might be potential offsets as a result of approval of a voluntary START Program and Time Limits proposals.

Recommended Next Steps

Upon approval, we will:

1. Share the proposal with County Counsel for review;
2. Draft the full proposals which will also include the fiscal analysis;
3. Share the full proposal with the Chief Executive Office and the Board Deputies for their review and approval;
4. Share approved proposals with the Workgroup(s);
5. Share proposals/recommendations coming out of the Workgroups with County Counsel again and Risk Management for their clearance;
6. Draft Board Letter with recommendations and submit for Executive staff's approval;
7. Upon the Department Head's approval, submit the proposal package to the Board for their approval; and

8. Draft approved policies, train staff on new policies/programs and develop a communications campaign to inform participants and the community about the policy change. Requests to change CalSAWS logic and revisions to Notices of Action will also need to be completed.

Decision: Approve Do Not Approve Let's Discuss