

## **INCREASING THE GENERAL RELIEF GRANT AMOUNT TO \$500 PROPOSAL**

### **Introduction**

This proposal presents a recommendation to increase the General Relief (GR) grant from \$221 to \$500 to align with the 1991 Federal Poverty Line (FPL) 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 Time Limits and Voluntary START 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 WIC and L.A. County Code. Due to financial distress, the grant amount is currently calculated per WIC 17000.6, which is 40 percent of the 1991 FPL of \$6,620. This calculation sets the GR grant amount at \$221 for six-months and adds an additional three-months, in a twelve-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 nearly enough to meet basic needs. Individuals often 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 highlighted the Poverty Alleviation Initiative and emphasized that increasing the GR grant would align with the County's efforts.

## Proposed New Policy and Goals

The proposed policy will increase the GR grant for single adults to \$500 per month, which is more than the minimum requirement of WIC 17000.5. The proposed grant amount increase would impact all GR participants, both Employables and Unemployables. Increasing the GR grant would provide an opportunity to explore options regarding the GR's Time Limit policy and participation requirement in the START WtW 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 surpass the minimum requirement of WIC 17000.5, reflect changes in the 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 advocate for an increase in the GR grant, indicating participants favor a GR grant of \$500. This is an indication that increasing the GR grant to \$500 would offer financial relief to individuals.

## 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 by creating stability for individuals, allowing them to afford more essential items such as housing 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 in the long run, such as a potential reduction in homelessness and improving overall community stability. Increasing the GR grant may also promote better mental health and well-being by alleviating the trauma many unhoused individuals experience<sup>1</sup>. Due to their living conditions, unhoused individuals are at a higher risk of developing mental health conditions<sup>2</sup>. Improving an individual's living conditions could lower the chances of developing a mental health condition.

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 increased 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**

The average monthly caseload for GR over the last twelve-month period is 117,274. With the proposed increase of the GR grant amount to \$500 for single adults, the GR expenditure will substantially increase annually by approximately 146.26 percent, from \$289,929,000 to \$714,000,000, based on the 1,428,000 caseload projection for Fiscal Year 2023-24. However, costs may be offset if the proposals for the Time Limits and Voluntary START are approved.

Making START voluntary will decrease the START caseload and allow for the resources to be utilized by those individuals who are truly interested in the services and allow START Case Managers to engage in a more intimate approach with the individuals by helping them overcome barriers to reduce recidivism. Additionally, this will minimize and almost eliminate the non-compliance related to START. This will decrease the number of hearings and case re-establishment at the GR offices.

One of the Time Limits proposals will offer GR benefits for a lifetime of 60 months. This would allow for the GR Program to cap the amount spent on GR benefits for an individual instead of allowing the individual to reapply for GR benefits indefinitely. The second Time Limits proposal will change the Time Limits from nine-

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<sup>1</sup> Homeless and Mental Health Interventions in California by Sakeena Baxamusa

<sup>2</sup> Homelessness in California: Causes and Policy Considerations by Jialu L. Streeter

months in a 12-month period to six- months in a 12-month period. This will reduce the amount of GR benefits issued to individuals and potential savings.

### **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 the approved proposals with the Workgroup(s);
5. Share proposals/recommendations coming out of the Workgroups with County Counsel and Risk Management for their clearance;
6. Draft a Board Letter with recommendations and submit for the Executive team's approval;
7. Upon the Department Head's approval, submit the proposal package to the Board for their approval;
8. Draft the approved policies, train staff on the new policies/programs and develop a communications campaign to inform participants and the community about the policy changes; and
9. 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