

The Effect of California’s Budget Cuts on Lesbian, Gay, Bisexual, and Transgender People and Their Children

California faces a \$26.3 million budget shortfall for the approaching fiscal year. In an effort to balance the budget, cuts are likely to some of California’s most vital services and programs including Medi-Cal, the State’s healthcare option for low-income children, families, elderly, and disabled. The poor, elderly, and disabled will undoubtedly bear a significant share of these cuts. This research note uses the 2007 California Health Interview Survey¹ (CHIS) to explore the potential consequence of the severe downsizing or elimination of some of California’s public benefits programs on the often overlooked low-income lesbian, gay, bisexual, and transgender (LGBT) population. Since that survey predates the current deep recession, the current numbers of LGBT recipients is likely to be even higher than the figures presented here.

Table 1: Public Benefits Participation

Lesbian, Gay, and Bisexual		
	Percentage	Population Estimate
Asked of all adults 18-70		
Medi-Cal	11.8%	88,000
Asked of adults 18-70 whose household income was less or equal to 300% below the Federal Poverty Level		
Food Stamps	9.1%	26,000
TANF or CalWORKS	6.1%	17,000
Public Housing Subsidies	7.4%	19,000

Recent scholarship has underscored the economic diversity of the LGB community. According to the CHIS, 13.4% of lesbian/bisexual women and 7.2% of gay/bisexual men live in poverty. The children of LGB people are twice as likely to live in poverty as the children of different-sex couples.² Data from the CHIS suggest that tens of thousands of LGB people and their families would be vulnerable if public benefits were cut.

Any reduction in Medi-Cal spending could affect approximately 88,000 LGB adults. The CHIS shows that that 12% of California’s LGB population receive Medi-Cal benefits. Of these Medi-Cal recipients, 27% report having at least one child. As a result, we estimate over 25,000 children will also be impacted.

CHIS data presented in Table 1 suggest that thousands of LGB adults receive Food Stamps, CalWORKS (TANF) benefits, and housing subsidies. For some of these programs, such as CalWORKS, the majority of recipients have children. While the data does not allow for precise estimates, tens of thousands of children of LGB recipients will also be impacted by cuts to these programs. The net effect on these programs is still unknown since they also rely on federal resources. Nonetheless, it is clear that thousands of LGB people and their families will be negatively affected were these programs’ funding to be cut.

The most recent revised budget also includes more than \$80 million in cuts to HIV/AIDS programs such as the AIDS Drugs Assistance Program (ADAP). Although publicly available CHIS data do not identify those receiving ADAP, many LGB people will also be impacted by any cuts to ADAP since over half of California’s 130,000-175,000 people living with HIV/AIDS are men who have sex with men.³

While CHIS does not ask respondents about their gender identity, other studies indicate that transgender individuals have high rates of poverty. It is likely, therefore, that these budget cuts will severely impact transgender Californians.

It is clear that California’s budget crisis will greatly limit the resources available to those currently participating in public benefits programs. CHIS data show that LGB adults and their children are in fact participating in these programs and significant cuts could affect tens of thousands of low-income LGB people and their children.

¹ Data was obtained from AskCHIS, a web-based application of the California Health Interview Survey. We used the CHIS 2007 categorical delineation of sexual orientation (heterosexual/straight, gay/lesbian/homosexual, bisexual, and not sexual/celebrate/none/other) but collapsed the categories of gay/lesbian/homosexual with bisexual to increase the sample size.

² Albeda, Randy, M.V. Lee Badgett, Alyssa Schneebaum, and Gary J. Gates. 2009. “Poverty in the Lesbian, Gay, and Bisexual Community.” *The Williams Institute*. Los Angeles.

³ See Estimated Persons Living with HIV (not AIDS) and Persons living with AIDS in California, 2006-2020, <http://www.cdph.ca.gov/programs/aids/Documents/News2006-2020CAHIVPrevRoughEstTable.pdf>