

Date of Hearing: April 6, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 1816 (Bryan) – As Introduced February 7, 2022

Policy Committee: Housing and Community Development Vote: 6 - 2

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill, upon appropriation by the Legislature, establishes the Reentry Housing and Workforce Development Program (the Program) within the Department of Housing and Community Development (HCD) to provide stable housing and workforce training for recently incarcerated individuals experiencing or at risk of homelessness. Specifically, this bill:

- 1) Requires HCD, upon appropriation by the Legislature, to establish the Program to provide five-year renewable grants to counties, continuums of care and community-based organizations to fund evidence-based housing and housing-based services and employment interventions to allow people with recent histories of incarceration to exit homelessness and remain stably housed.
- 2) Requires HCD, upon appropriation by the Legislature, to (a) establish a process, in collaboration with CDCR and relevant counties, for referral of participants, (b) establish protocols, in collaboration with CDCR and others, to prevent discharges from prison into homelessness, and (c) issue guidelines for applicants with specified criteria and a notice of funding availability or request for proposals for five-year renewable grants, among other requirements.
- 3) Specifies activities eligible for funding, including long-term rental assistance in permanent housing, operating subsidies in new and existing affordable or supportive housing, landlord incentives including security deposits and holding fees, among others.
- 4) Specifies the services that must be provided to participants identified prior to prison release and for participants upon release or who are living in the community.
- 5) Requires grant recipients to report specified data and information annually to HCD.
- 6) Requires HCD to design an evaluation and hire an independent evaluator to assess outcomes from the program and to submit the analysis to the Legislature by February 1, 2026.

FISCAL EFFECT:

- 1) HCD estimates ongoing General Fund (GF) costs of \$3.27 million annually for 17 staff positions to develop the Program, establish a referral process with CDCR, develop program guidelines and administer contracts. In addition, HCD estimates a one-time consulting cost of \$1 Million (GF) for an independent evaluator to measure and evaluate program outcomes.

2) CDCR estimates:

- a) Unknown one-time GF costs, likely in the low millions of dollars, to collaborate with HCD and others to establish a referral process for participants, design and implement protocols to prevent the discharge from prison into homelessness, and make necessary administrative and systems changes. Actual costs will depend, in part, on the number of program participants and the number of CDCR staff with technical expertise related to parole necessary to implement the bill's provisions.
- b) Ongoing GF costs of approximately \$476,000 annually for four additional staff to implement and support the referral process for participants identified prior to release from prison who must receive a referral from a homeless service provider and the participant's parole agent. CDCR notes this process is unclear and actual costs will depend on how collaboration with service providers impacts CDCR parole agents.
- 3) CDCR notes the Administration has included \$10.6 million (GF) annually over three years (total of \$31.8 million) in the Governor's January budget proposal to continue the Returning Home Well program, a related program that provides transitional housing and services for the state parole population who are housing insecure.

(The proposal in this bill is being considered in the Legislative budget process.)

COMMENTS:

- 1) **Purpose.** This bill seeks to alleviate homelessness and risk of homelessness among recently incarcerated individuals by establishing a program to provide supportive housing and workforce training. According to the author:

Using evidence-based housing and wraparound services, this program will bring comprehensive resources to bear to directly address the critical transition from incarceration back into the community and beyond, helping people find stable housing and jobs by providing permanent housing for this vulnerable population.

- 2) **Background.** Recent studies indicate formerly incarcerated people are 27 times more likely to be unstably housed or homeless than the general public. Data shows one-third to one-half of all people on parole in San Francisco and Los Angeles are experiencing homelessness at any point in time. In addition, about half of the people experiencing homelessness statewide report a history of incarceration. People on parole are seven times more likely to recidivate when homeless than when housed.

- 3) **Cost Savings.** Recent data indicates it costs CDCR nearly \$100,000 per inmate per year to incarcerate someone in a California prison. A chronically homeless person living unsheltered costs tax payers an average of \$36,000 per year. The cost to provide permanent supportive housing, affordable housing coupled with services, costs an average of \$20,000 per person per year and reduces the risk of recidivism sevenfold.

Advocates assert this bill will not only address homelessness, but will also save the state money by supporting the less-costly endeavor of providing permanent supportive housing for released inmates at risk of homelessness.

- 4) **Prior Legislation.** AB 328 (Bryan), of this legislative session, was substantially similar to this bill, but relied on savings for prison closures as its funding source. AB 328 was held on this committee's Suspense File.

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