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THIRD READING

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Bill No: SB 234  
Author: Wiener (D)  
Amended: 4/26/21  
Vote: 21

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SENATE HUMAN SERVICES COMMITTEE: 4-0, 3/9/21  
AYES: Hurtado, Jones, Cortese, Pan

SENATE HOUSING COMMITTEE: 9-0, 4/15/21  
AYES: Wiener, Bates, Caballero, Cortese, McGuire, Ochoa Bogh, Skinner,  
Umberg, Wieckowski

SENATE APPROPRIATIONS COMMITTEE: 7-0, 5/20/21  
AYES: Portantino, Bates, Bradford, Jones, Kamlager, Laird, Wieckowski

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**SUBJECT:** Transition Aged Youth Housing Program

**SOURCE:** Alliance for Children's Rights  
California Coalition for Youth  
Children Now  
Grace Institute – End Child Poverty in California

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**DIGEST:** This bill creates the Transition Aged Youth (TAY) Housing Program under the Homelessness Financing and Coordinating Council (HCFC) to provide grants for the development of housing for TAY in the form of forgivable loans, as specified, and allocated \$100 million from the General Fund to the program.

**ANALYSIS:**

Existing law:

- 1) Establishes a system of juvenile dependency for children for specified reasons, including but not limited to children who are, or are at risk of, being physically, sexually, or emotionally abused, being neglected or being exploited, to ensure their safety, protection, and physical and emotional well-

- being, as specified and designates that a child who meets certain criteria is within the jurisdiction of the juvenile court, as specified. (*WIC 300 et seq.*)
- 2) Provides for extended foster care funding for youth until age 21, provided certain participation requirements are met as provided. (*WIC 241.1; 303; 366.3; 388; 391; 450; 11400; 11402; 11403*)
  - 3) Defines “nonminor dependent” (NMD) as a current or former foster youth who is between 18 and 21 years old, in foster care under the responsibility of the county welfare department, county probation department, or Indian Tribe, and participating in a transitional independent living plan, as specified. (*WIC 1400(v)*)
  - 4) Defines different categories of housing for NMDS, including Transitional Housing Program for Nonminor Dependents (THP-NMD), supervised independent living placements (SILP), and a supervised independent living setting, as provided. (*WIC 16522.1(a)(2); 11400(w) and (x)*)
  - 5) Requires the California Department of Social Services (CDSS), in consultation with stakeholders, to define how certain supervised independent living settings meet health and safety standards suitable for nonminors. (*WIC 11403(i)*)
  - 6) Requires county placement agencies to, on a regular basis, conduct an evaluation of the county’s placement resources and programs in relation to the needs of children placed in out-of-home care, as specified. (*WIC 16001(a)*)
  - 7) Establishes the HCFC and requires it to set and measure progress toward goals to prevent and end homelessness among youth in California by setting specific, measurable goals aimed at preventing and ending homelessness among youth in the state and defining outcome measures and gathering data related to the goals. (*WIC 8255 et seq.*)
  - 8) Requires the HCFC to set and measure progress towards goals to prevent and end homelessness among youth in California, as provided. As well as coordinate a spectrum of funding, policy, and practice efforts related to young people experiencing homelessness, as provided. (*WIC 8261*)
  - 9) Defines, under federal law, homeless children and youth as individuals who lack a fixed, regular, and adequate nighttime residence, and includes those who are sharing the housing of other person, who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings, among others. (*42 USC 11301 et seq.*)

- 10) Establishes a state advisory group, as specified, in order to identify existing programs dealing with runaway and homeless youth, develop a directory of service providers, and compile statistics on runaway and homeless youth, among other duties and responsibilities. (*WIC 1785-1786*)
- 11) Establishes homeless youth emergency pilot projects in Counties of Los Angeles, San Francisco, San Diego, and Santa Clara to examine the conditions of, and create a profile of, homeless youth in order to provide for their emergency survival needs and to assist them in reunification with their parents or in finding a suitable home. (*WIC 13700-13701*)
- 12) Establishes a licensure category for runaway and homeless youth shelters to provide 24-hour nonmedical care and services to youth aged 12 to 17 who voluntarily enter the shelter up to a maximum of 21 days, under specified conditions. (*HSC 1502.35*)

This bill:

- 1) Creates the TAY Housing Program under the HCFC to create housing for youth under 26 years of age who have been removed from their homes, are experiencing homelessness unaccompanied by a parent or legal guardian, or are under the jurisdiction of a dependency court.
- 2) Creates the TAY Housing Fund, to be continuously appropriated to the HCFC, and appropriates \$100 million from the General Fund to the Fund.
- 3) Requires the HCFC to award grants to eligible organizations for the development of housing for TAY in the form of forgivable deferred loans, as specified. Defines “eligible organization” as a local government agency or a nonprofit corporation that provides, or contracts with community organizations to provide, emergency shelter or transitional housing or both.
- 4) Requires the HCFC to distribute up to \$100 million as expeditiously as possible, as follows: at least 47.5% of funds to eligible organizations for projects to house current foster youth between 18-21 years of age. If the HCFC is unable to meet this requirement, it may spend the remaining funds as follows: no more than 5% for program administration, including state operations and technical assistance, and the remaining funds available to eligible organizations for eligible activities pursuant to this bill.
- 5) Defines “eligible activities” as including but not limited to: funding capital development programs such as acquisition, leasing, construction, and rehabilitation of sites for emergency shelter, transitional housing, and

permanent supportive housing for TAY; and/or capital development loans for the conversion of emergency shelter or transitional housing to permanent supportive housing for TAY.

- 6) Requires the HCFC to develop criteria for evaluating applications in a notice of funding availability (NOFA). The HCFC shall give preference to applications from organizations that have experience working with or developing housing projects for TAY.
- 7) Requires the HCFC to terminate a grant award and reallocate the funds if a project has not begun construction within 12 months of the award. Authorizes the HCFC to extend the 12-month period by an additional period of no more than 12 months.
- 8) Requires the HCFC to maintain and make available on its website, records of all of the following: the number of applications received; the number of applications denied; the name of each recipient of program funds, as well as any sub-recipients; and, the number of new and converted units created for TAY, by year.

### **Comments**

According to the author, “California is simultaneously facing a pandemic, an economic crisis, and a housing crisis, and transition aged youth are struggling with the effects of all three. SB 234 rightfully prioritizes the issue of chronic youth homelessness and will give kids the footing they need to transition into an independent and successful adult life. Specifically, SB 234 allocates \$100 million for a forgivable loan program to build affordable housing prioritizing our most marginalized youth: those exiting homelessness, exiting foster care, or existing the criminal justice system.”

*Child Welfare Services System.* California’s child welfare services (CWS) system is an essential component of the state’s safety net. In 2019, the state’s child welfare agencies received 477,614 reports of abuse or neglect. Of these, 69,652 reports contained allegations that were substantiated and 28,646 children were removed from their homes and placed into foster care via the CWS system. As of October 1, 2020, there were 60,045 children in California’s CWS system. Abused and neglected children who have been removed from their homes fall under the jurisdiction of the county’s juvenile dependency court. The dependency court holds legal jurisdiction over the child, while the child is served by a CWS system social worker. This system seeks to ensure the safety and protection of these children, and

where possible, preserve and strengthen families through visitation and family reunification.

*Extended Foster Care.* The intent of extended foster care is to bridge the gap between the intensive supervision of foster care and unsupervised adulthood by maintaining a safety net of support while providing the youth independence and additional educational or work opportunities. It was prompted by the recognition that many youth were unable to successfully transition from foster care or group care to adulthood without additional guidance and assistance.

The federal Fostering Connections to Success and Increasing Adoptions Act of 2008 (*P.L. 110-351*) enabled states to expand the definition of a foster “child,” by creating extended care for youth up to age 21. The federal law allows foster youth to remain in care past age 18 if they meet participation criteria, as provided. In 2010, California enacted AB 12 (Beall, Chapter 559, Statutes of 2010), which permitted foster youth to remain in extended foster care until age 21, under the same criteria as the federal statute. Additionally, existing law allows qualifying nonminors who are former foster youth under the age of 21 to petition the court for re-entry into foster care to participate in extended foster care, as provided.

Youth participation in the program has exceeded initial expectations. Between July 2010 and July 2014, the number of youth age 18-20 in extended foster care in California increased by 211 percent, from 2,908 to 9,032, according to data compiled by UC Berkeley. As of January 1, 2020, there were an estimated 7,396 youth participating in extended foster care in California.

*The HCFC.* The HCFC was created in 2017 (SB 1380, Mitchell, Chapter 847, Statutes of 2016) to oversee the implementation of “Housing First” policies, guidelines, and regulations to reduce the prevalence and duration of homelessness in California. Housing First is an evidence-based model that focuses on the idea that homeless individuals should be provided shelter and stability before underlying issues can be successfully addressed. Housing First utilizes a tenant screening process that promotes accepting applicants regardless of their sobriety, use of substances or participation in services. This approach contrasts to the “housing readiness” model where people are required to address predetermined goals before obtaining housing. The federal government has shifted its focus to Housing First over the last decade, and housing programs under HUD utilize core components of this strategy. Since the implementation of the Housing First model, chronic homelessness in the U.S. experienced a 27% decrease between 2010 and 2016. Housing First was embraced by California in 2015 through SB 1380, which requires all state housing programs to adopt this model.

## *Youth Homelessness*

In 2020, California reported the largest numbers of unaccompanied youth experiencing homelessness in the United State Department of Housing and Urban Development (HUD) 2020 Point in Time (PIT) count. HUD reports that over one third (36 percent) of all unaccompanied youth experiencing homelessness are in California, or 12,172 individuals.<sup>1</sup> This is an increase of 179 individuals from the 2019 HUD PIT count. Additionally, California accounted for 9,510 unsheltered unaccompanied youth experiencing homelessness, or 56 percent of the nationwide total. The City and County of Los Angeles reported the highest number of unaccompanied homeless youth in the country, with a reported 3,098 unaccompanied youth counted during the 2020 PIT count.

A PIT count has not been performed since the pandemic began impacting California's communities, so we do not know to what extent these numbers have changed in the past two years. Furthermore, the PIT count is just a snapshot of the state's homelessness during a single night in 2020, and is thought to likely underestimate the scope of the crisis because it only measure the homeless population on one day of the year and it does not capture everyone experiencing homelessness, as some do not wish to be counted or cannot be counted because their location is unknown to the counters. This is particularly true for youth experiencing homelessness, who may be couch surfing or sheltering in other areas unknown to and unseen by the counters. Thus, it is commonly thought that the numbers from the PIT count are an undercount.

*State funding for homeless youth.* For each of the last three years, the state budget has provided significant one-time funding to address youth homelessness through set-asides in larger pots of funding. HEAP, established in 2018, included a minimum 5% set-aside (\$25 million) to address youth homelessness. In 2019 and 2020, HHAP required a minimum 8% (\$24 million and \$52 million, respectively) set-aside for homeless youth. Many jurisdictions across the state have responded by investing even more than the required minimum in homeless youth; a March 2021 study notes that as of September 30, 2020, unaccompanied youth account for 9.2% of the people served by HEAP, and in the first round of HHAP funding, a total 10% of funds were invested in addressing youth homelessness. The Homekey program, however, which does not include a specific set-aside for youth, has thus far awarded less than 1% of its funding to projects explicitly serving youth.<sup>2</sup>

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<sup>1</sup> <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>

<sup>2</sup> Simone Tureck Lee, *A Tale of Two Programs: The Status of Youth During the Rollout of HHAP and Homekey During the Pandemic*. (John Burton Advocates for Youth, March 2021) <https://www.jbaforyouth.org/wp-content/uploads/2021/03/A-Tale-of-Two-Programs-March-2021.pdf>

*Why call out youth homelessness?* Funding targeted to youth experiencing homelessness, as well as the availability of youth-specific services, is critically important to ending youth homelessness. TAY are unlikely to utilize adult services, for a variety of reasons; for example, according to service providers, youth tend to choose to stay in unsheltered locations or with friends because they are often victimized in adult shelters. Additionally, in a May 2020 report, the University of California, Berkley School of Public Health reported the risk of COVID-19 infection for youth experiencing homelessness “is increased by their tendency to have to frequently change where they are sleeping, to be intermittently unsheltered, and to change with whom they are sheltering.”<sup>3</sup> Unfortunately, youth experiencing homelessness are also at an unusually high risk for several life-threatening conditions including “not having their basic food and shelter needs met, untreated mental health disorders, substance use, sexually transmitted diseases and HIV infection, sexual trafficking, physical and sexual abuse, and suicide” which may also increase their risk for COVID-19 infection.<sup>3</sup>

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- Up to \$100 million in General Fund cost pressures to provide funding for the new program.
- HCFC estimates ongoing costs of \$470,000 in the first year funding is made available and \$446,000 ongoing for 3 PY of staff to develop program guidelines and application criteria, advertise and award funding, track allocations, update and post annual data, and conduct ongoing oversight and monitoring activities over the term of the forgivable loans. (Transition Aged Youth Housing Program Fund / General Fund)

**SUPPORT:** (Verified 5/20/21)

Alliance for Children’s Rights (co-source)  
California Coalition for Youth (co-source)  
Children Now (co-source)  
Grace Institute – End Child Poverty in California (co-source)  
American Academy of Pediatrics, California  
American Civil Liberties Union of California  
Aspiranet

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<sup>3</sup> *On the COVID-19 Front Line and Hurting: Addressing the Needs of Providers for Youth Experiencing Homelessness in Berkeley and Alameda County*, UC Berkeley Public Health, (May 2020).

California Alternative Payment Program Association  
California Association of Food Banks  
California Association of Student Councils  
California Court Appointed Special Advocate Association  
California Housing Partnership Corporation  
California Narcotic Officers' Association  
California School Employees Association  
California Youth Connection  
Casa of Los Angeles  
Catholic Charities East Bay  
Catholic Charities of Santa Clara County  
Children's Institute  
Coachella Valley Coalition on Youth Homelessness  
County Behavioral Health Directors Association of California  
Daughters of Charity of St. Vincent De Paul Province of the West  
Daughters of Charity, Province of St. Elizabeth Ann Seton  
Florence Crittenton Services of Orange County, INC.  
Generation Up  
Hathaway-Sycamores  
Home Start, INC  
John Burton Advocates for Youth  
Larkin Street Youth Services  
Los Angeles Community College District  
Martin Luther King Jr Freedom Center  
National Center for Youth Law  
Public Counsel  
Resolute  
Sacramento LGBT Community Center  
San Diego Youth Services  
San Francisco Youth Commission  
South Bay Community Services  
The Children's Movement of Fresno  
The San Diego LGBT Community Center  
Transgender Health and Wellness Center  
YMCA of San Diego County, Youth and Family Services  
Youth Emerging Stronger



**OPPOSITION:** (Verified 5/20/21)

None received

Prepared by: Marisa Shea / HUMAN S. / (916) 651-1524  
5/22/21 9:58:14

**\*\*\*\* END \*\*\*\***