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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair  
2025 - 2026 Regular Session

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### AB 534 (Schiavo) - Transitional housing placement providers

**Version:** May 23, 2025

**Urgency:** No

**Hearing Date:** August 18, 2025

**Policy Vote:** HUMAN S. 5 - 0

**Mandate:** Yes

**Consultant:** Agnes Lee

**Bill Summary:** AB 534 would impose requirements on the duration of county contracts with transitional housing providers serving current and former foster youth, as specified.

#### Fiscal Impact:

- The California Department of Social Services (CDSS) anticipates no fiscal impact to state operations.
- Unknown potential costs to counties for administration. To the extent the bill increases county costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment, the bill would apply to local agencies only to the extent that the state provides annual funding for the cost increases.

**Background:** The Transitional Housing Program (THP) provides current and former foster youth additional supports they need to successfully transition to independence while reducing the risks of homelessness, unemployment, and instability after foster care. Counties may enter into contracts with THP providers to serve current and former foster youth, subject to requirements in existing laws and CDSS rules/guidance.

Current law defines “transitional housing placement provider” to mean an organization licensed by the CDSS to provide supervised transitional housing services to foster children who are at least 16 years of age. In order to be licensed as a transitional housing placement provider, an applicant must obtain certification from the county specifying whether the facility will serve foster youth at least 16 years of age and not more than 18 years of age, nonminor dependents, or both, as follows:

- A program serving foster children at least 16 years of age and not more than 18 years of age must obtain a certification entitled “Transitional Housing Placement program for minor foster children.”
- A program serving nonminor dependents at least 18 years of age and not more than 21 years of age must obtain a certification entitled a “Transitional Housing Placement program for nonminor dependents.”

Current law defines “Transitional Housing Program-Plus” to mean a provider certified by the county to provide transitional housing services to former foster youth who have exited the foster care system on or after their 18th birthday. Transitional Housing Program-Plus providers are not subject to CDSS licensure, if they are certified to provide transitional housing by the county and have obtained a local fire clearance.

**Proposed Law:** Specific provisions of the bill would:

- Require a contract for a transitional housing placement provider or a Transitional Housing Program-Plus provider to have an initial term of three years; allow, after the initial three-year term, a contract to be renewed twice for an additional year per renewal; and allow, if a contract has been renewed twice, that the contract may be renewed for additional 10-year terms.
- Allow the county to terminate a contract or a portion of the contracted services prior to the end of the contract term by providing at least 90 days' notice to the contractor.

**Related Legislation:** AB 1314 (Ahrens) would require that county contracts with transitional housing providers serving foster youth follow, and not have requirements that are more stringent than, the requirements specified in state regulations. The bill is scheduled to be heard on August 18, 2025 in this committee.

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