

Date of Hearing: April 5, 2022

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Lisa Calderon, Chair

AB 2230 (Gipson) – As Introduced February 15, 2022

SUBJECT: CalWORKs: temporary shelter and permanent housing benefits

SUMMARY: Makes several changes to the California Work Opportunity and Responsibility to Kids (CalWORKs) Homeless Assistance Program including distributing a family’s 16-day benefit in a one-time payment and allows families to be eligible for homeless assistance for each incident of homelessness. Specifically, **this bill:**

- 1) Deletes provisions in statute that provide that the homeless assistance benefit initially be provided to a family for up to three-workings days, and after homelessness has been verified, at one-week increments up to 16 total calendar days.
- 2) Deletes provisions in statute that authorize a county to waive the three-day limit and the one-week increment restriction for a family that becomes homeless as a direct and primary result of a state or federally declared disaster.
- 3) Provides that, if the special needs benefit is granted, the family shall receive the temporary shelter benefits for 16 calendar days in a one-time payment.
- 4) Deletes provisions in statute that limit eligibility to temporary shelter assistance and permanent housing assistance to once every 12 months.
- 5) Provides that a family is eligible for one payment of temporary shelter assistance and one payment of permanent housing assistance for each incident of homelessness.
- 6) Provides that an “incident of homelessness” begins when the family becomes homeless and is determined to be eligible for homeless assistance and ends when the family receives permanent housing assistance. Further, a new incident of homelessness begins if the family becomes homeless again and is again determined to be eligible for homeless assistance.
- 7) Provides that, for a CalWORKs applicant who is fleeing domestic abuse and receives temporary shelter assistance, documentation of a search for permanent housing shall be required upon issuance of an immediate need payment or the issuance of benefits for the month of application. Further requires the search for permanent housing to be documented on a housing search form.
- 8) States that these provisions become operative on July 1, 2023 or when the Statewide Automated Welfare System has been updated to perform the necessary automation, as specified.
- 9) Deletes obsolete provisions.

EXISTING LAW:

- 1) Establishes in federal law the “Temporary Assistance for Needy Families” (TANF) program, which provides block grants to states to develop and implement their own state welfare-to-

work (WTW) programs designed to provide cash assistance and other supports and services to low-income families. (42 United States Code Section 601 et seq.)

- 2) Establishes the state's TANF program, the CalWORKs program. CalWORKs provides cash assistance and other supports and services to low-income families and is administered by the counties. (Welfare and Institutions Code Section [WIC] 11200 et seq.)
- 3) Provides there is allowance for nonrecurring special needs benefit for homeless assistance available to a homeless family seeking shelter, when the family is eligible. (WIC 11450(f)(3)(i))
- 4) Provides that, for the purposes of temporary and permanent homeless assistance, a family is considered homeless when the family lacks a fixed and regular nighttime residence, the family has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations, or the family is residing in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. Further provides that a family is considered homeless if the family has received a notice to pay rent or quit. (WIC 11450(f)(3)(B))
- 5) Requires temporary shelter assistance to homeless CalWORKs families at a rate of \$85 per day for families of up to four members, and an additional \$15 for each additional family member, not to exceed \$145, as specified. (WIC 11450(f)(4)(A)(i))
- 6) Requires the special needs benefit to be granted or denied the same day as upon the family's application for homeless assistance, and benefits to be available for up to three working days, as specified. Further requires the family to provide a sworn statement that the family is homeless. If the family meets the criteria of questionable homelessness, as specified, the county human services agency shall refer the family to its early fraud detection unit, as specified. (WIC 11450(f)(4)(A)(ii))
- 7) Requires, after homelessness has been verified, the three-day limit to be extended for up to a total of 16 calendar days. Further requires this extension of benefits to be done in increments of one week and be based upon searching for permanent housing which shall be documented on a housing search form, good cause, or other circumstances defined by the California Department of Social Services (CDSS). (WIC 11450(f)(4)(A)(iii))
- 8) Permits the county to waive the three-day limit and provide benefits in increments of more than one week for a family that becomes homeless as a direct and primary result of a state or federally declared natural disaster. (WIC 11450(f)(4)(A)(iv))
- 9) Requires a nonrecurring special needs benefit for permanent housing assistance to be available to pay for last month's rent and security deposits if these payments are reasonable conditions of securing a residence, as specified; or to pay for up to two months of rent arrearages, if these payments are a reasonable condition of preventing eviction, as specified; or to cover the standard costs of deposits for utilities that are necessary for the health and safety of the family. (WIC 11450(f)(4)(B) and (C))
- 10) Limits eligibility for temporary shelter assistance and the permanent housing assistance to 16 cumulative calendar days of temporary assistance and one payment of permanent assistance

every 12 months, except in specified circumstances, and requires that a person who applies for these benefits to be informed of this time limit. (WIC 11450(f)(4)(E))

FISCAL EFFECT: Unknown

COMMENTS:

California Work Opportunity and Responsibility to Kids: The CalWORKs program, which implements the federal TANF program, provides eligible low-income families with cash grants and supportive services aimed at helping them to secure education, training, and employment. CDSS is charged with program supervision at the state level, and counties administer the caseloads at the local level. CalWORKs is funded largely through the federal TANF block grant and state maintenance-of-effort contributions. Families participating in CalWORKs have access to a range of services that can include childcare and services aimed at addressing mental health needs, substance use disorders, experiences of domestic violence, and learning disabilities, among other issues. Unless deemed exempt or otherwise not required to participate per CalWORKs rules, parents are required to develop and participate in a WTW plan. CalWORKs-approved WTW activities can include public or private sector subsidized or unsubsidized employment; on-the-job training; community service; secondary school, adult basic education and vocational education and training when the education is needed for the recipient to become employed; specific mental health, substance abuse, or domestic violence services if they are necessary to obtain or retain employment; and a number of other activities necessary to assist a recipient in obtaining unsubsidized employment.

In 2021-22, the maximum monthly grant for a family of three on CalWORKs (one parent and two children), if the family has no other income and lives in a high cost-of-living county, is \$925. The same family living in a lower cost-of-living county would be eligible for up to \$878 per month. However, the average monthly cash grant for the family is estimated to be \$717. Many families earn some income, or live in a lower cost-of-living county, and do not qualify for the maximum grant amount. About 398,400 families are projected to receive CalWORKs benefits in Fiscal Year 2022-23.

CalWORKs Homeless Assistance Program: During one night in 2019 there were over 8,000 homeless families and over 13,000 homeless children in California. The short- and long-term effects of homelessness on children are well-documented. Studies have shown that housing instability and experiencing homelessness can contribute to physical, cognitive, and developmental issues; higher rates of mental, emotional, and behavioral impairments; lowered academic achievement; increases in stress and depression; and, overall poor mental health. For families, homelessness is a pervasive, multifaceted problem that can be a barrier to self-sufficiency and affect health and economic opportunities.

There is no statewide data available on homeless CalWORKs families; however, in fiscal year 2019-20, 52,258 families received temporary homeless assistance and 5,961 families received permanent homeless assistance, for a total of 58,219 families served through CalWORKs Homeless Assistance. The Homeless Assistance Programs was established to help CalWORKs families meet the reasonable costs of securing housing. The program serves eligible CalWORKs recipients or apparently eligible CalWORKs applicants, who are homeless or at risk of homelessness. A CalWORKs family is considered homeless for purposes of receiving homeless assistance if the family:

- 1) Lacks a fixed and regular nighttime residence;
- 2) Has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations;
- 3) Is residing in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings; or,
- 4) Has received a notice to pay rent or quit.

The CalWORKs Homeless Assistance Program offers two types of assistance: temporary shelter assistance and permanent housing assistance. Both temporary and permanent homeless assistance payments are limited to once every 12 months with the exceptions of homelessness due to domestic violence, uninhabitability of the former residence caused by sudden or unusual circumstances, or a medically verified physical or mental illness.

Temporary shelter assistance helps families pay the costs of temporary shelter and is available to families for up to 16 calendar days within a 12-month period. Temporary shelter assistance for a family of up to four people is set at \$85 per day, plus \$15 a day for each additional family member. The maximum amount of temporary shelter assistance any family can receive is \$145 per day. Temporary homeless benefits are granted or denied the same day as a family's application for homeless assistance and, if granted, the benefits are made available for up to three working days. After homelessness has been verified, the three-day limit can be extended, in one-week increments, up to a total of 16 calendar days of assistance. The extension(s) are based on documentation of a housing search.

Permanent housing assistance helps families secure or maintain permanent housing and helps families avoid eviction. Permanent housing assistance can be received once every 12 months and can be used to pay security deposits and last month's rent or 2 months arrearages to prevent eviction.

A family is eligible for temporary and permanent homeless assistance if the homelessness is a direct result of domestic violence by a spouse, partner, or roommate. The homelessness assistance payments based on these circumstances are limited to two periods of up to 16 cumulative calendar days of temporary assistance and two payments of permanent assistance. A CalWORKS applicant who is fleeing their abuser is deemed to be homeless and eligible for temporary homeless assistance; benefits granted under these circumstances are made available in increments of 16 days.

Need for this bill: Increasing cost of living and the need to streamline administrative processes for the homeless assistance program have prompted changes to the Homeless Assistance Program in recent years. This bill modifies several requirements for obtaining and extending homeless assistance in order to make program assistance more attainable to low-income families facing homelessness. This bill eliminates the initial three-day temporary assistance payment, which is followed by additional payments, and instead allows the county to make the 16-day payment in one transaction. These changes are intended to remove barriers to homeless assistance and alleviate mandatory check-ins that can be particularly cumbersome when a family is trying to locate permanent housing.

Though the homeless assistance can help families find and get into permanent housing, maintaining that housing and avoiding recurring homelessness requires ongoing income at a level sufficient to exceed the cost-of-living. Families may find themselves facing homelessness again, even after securing housing. This bill also permits a family to receive one payment for temporary shelter assistance and one payment of permanent housing assistance for each incident of homelessness, even if the family experiences more than one incident in a 12-month period.

According to the author, “The CalWORKs Homeless Assistance (HA) Program has helped countless families through tough situations. But, with still a rising homeless population, the state is in need of strengthened solutions. The issue is that this assistance is fragmented and lacks the true consistency that will best benefit families needing any element of immediate stability. How it works: temporary assistance is issued for 3 days, then another 7 days and finally 6 days (a 16 day total). That is multiple times which a homeless family with children has to go down to the county welfare office, often wait for hours, before they are issued their next 3/7/6 days worth of temporary assistance. This split and tedious approach has created immense barriers for families experiencing homelessness, thus continuing the pervasive struggles that local governments have faced in helping those experiencing homelessness transition into a path toward stable housing. Current law also limits aiding a homeless family to only one incident of homelessness to a year. Thus, if a family secures permanent housing in February, and then six months later the family becomes homeless, that family has to wait until February of the next year before they can find assistance to get off the streets. A reduction in barriers toward benefits provided by these programs will better serve the needs of families currently receiving benefits, and for those who still need or may need them in the future.”

Staff Comments: This bill defines an “incident of homelessness” as beginning when a family becomes homeless and ending when the family receives permanent housing assistance. The defining end of homelessness, according to this bill, may inadvertently leave out families who otherwise would be facing a new incident of homelessness. For instance, if a family who was eligible for and received temporary housing assistance secured permanent housing but did not receive permanent housing assistance their initial incident of homelessness—according to this bill’s definition—would not have ended. If that family became homeless again, they would not be eligible for additional temporary assistance under a new incident of homelessness.

Additionally, because the provision for a family to be eligible to receive temporary or permanent housing assistance once per 12-month period was removed in this bill, a family who never secures permanent housing, and never receives permanent housing assistance, will at no future time be eligible for additional housing assistance. While this bill attempts to extend housing assistance and make it more accessible for families to secure housing and end their homelessness, it may inadvertently restrict some families from receiving additional benefits when they are in need.

Recommended Committee Amendment: To clarify the defined end of an incident of homelessness, committee staff recommends the following amendment:

Beginning on line 6 on page 33 of the bill, after “assistance” insert “or secures permanent housing”

RELATED AND PRIOR LEGISLATION:

SB 1083 (Skinner) of 2022, would, amongst other things, make homeless assistance available to

a family that is in danger of becoming homeless and would increase the maximum days of benefits in a 12-month period to 40 cumulative calendar days. SB 1083 is set to be heard by the Senate Human Services Committee on April 5, 2022.

SB 1065 (Hertzberg), Chapter 152, Statutes of 2020, made several changes to the Homeless Assistance Program including, but not limited to, requiring the temporary shelter assistance to be granted or denied the same day as the family's application and removes the eligibility requirement for families to have less than \$100 cash on hand.

SB 80 (Committee on Budget and Fiscal Review), Chapter 27, Statutes of 2019, allowed the use of temporary housing assistance for up to 16 cumulative days, instead of consecutive days, and one payment of permanent housing assistance, in a 12-month period.

AB 1811 (Committee on Budget), Chapter 35, Statutes of 2018, increased, as of January 1, 2019, the daily rate for CalWORKs temporary homeless assistance from \$65 a day to \$85 a day for a family with up to four members, and increased the daily maximum from \$125 to \$145.

AB 557 (Rubio), Chapter 691, Statutes of 2017, authorized, as of July 1, 2018, applicants for and recipients of CalWORKs benefits who have experienced domestic violence to be eligible for CalWORKs homeless assistance and good-cause exemptions from school participation and immunization requirements under specified circumstances.

AB 1603 (Committee on Budget), Chapter 25, Statutes of 2016, permitted CalWORKs families receiving a temporary or permanent benefit under the homeless assistance program to, as of January 1, 2017, receive this benefit once every 12 months, versus once in a lifetime.

AB 2631 (Santiago) of 2016, would have removed the once-in-a-lifetime limit on CalWORKs homeless assistance benefits and extended from 16 days per lifetime to 30 days, per year, the permissible length of time for receipt of temporary shelter assistance. AB 2631 was held on the Assembly Appropriations Committee suspense file.

AB 702 (Maienschein) of 2015, would have deleted the requirement that CalWORKs temporary shelter assistance be provided for 16 consecutively days and instead allowed a family to receive temporary shelter assistance for a total of 16 calendar days to be used at any time they were both homeless and receiving CalWORKs aid. AB 702 was held on the Senate Appropriations Committee suspense file.

AB 264 (Maienschein) of 2014, would have deleted the requirement that CalWORKs temporary shelter assistance be provided for 16 consecutive days and instead allowed a family to receive temporary shelter assistance for a total of 16 calendar days to be used at any time they were both homeless and receiving CalWORKs aid. AB 264 was held on the Senate Appropriations Committee suspense file.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

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