



February 26, 2024

To: The Honorable Caroline Menjivar
Chair, Senate Budget Subcommittee No. 3

Honorable Members
Senate Budget Subcommittee No. 3

The Honorable Dr. Corey Jackson
Chair, Assembly Budget Subcommittee No. 2

Honorable Members
Assembly Budget Subcommittee No. 2

From: Eileen Cubanski, CWDA Interim Executive Director

**RE: GOVERNOR'S BUDGET PROPOSAL: FUNDING DEFERRAL OF
CDSS ADMINISTERED HOUSING PROGRAMS**

The County Welfare Directors Association (CWDA) urges caution on the Governor's Budget proposal of delaying the availability of a portion of the one-time funding provided for the California Department of Social Services' (CDSS) administered Bringing Families Home (BFH) Program, the Home Safe Program, and the Housing and Disability Advocacy Program (HDAP) provided in Fiscal Year (FY) 2022-23. These programs originally had expenditure authority through the end of FY 2024-25; the proposed budget would now defer availability of a portion of these funds to FY 2025-26, rather than allowing the entirety of the funds to continue its multi-year appropriation in FY 2024-25. The resulting gap in expenditure authority could jeopardize some counties' ability to maintain current levels of services and enrollment to clients and could have implications for counties' operations in continuing to serve clients and implement the program. Although some amount of deferrals may be possible, CWDA will be working more with our members and the Administration to understand the implications of these delays and to determine whether the proposed amounts of the deferrals are appropriate.

Specifically, the Governor's Budget proposes the following funding delays:

- **Deferral of \$80 million for the Bringing Families Home (BFH) Program:** The Governor's Budget proposes to delay the availability of \$80 million General Fund (GF) out of the total one-time \$82.8 statewide allocation provided in FY 2022-23 for BFH, and would make these funds available in FY 2025-26, rather than FY 2024-25. Established in 2016 as a pilot program and expanded in 2019, the BFH Program is administered by county child welfare and tribal agencies to reduce the number of families in the child welfare system experiencing, or at risk of homelessness. The BFH Program promotes supportive housing

and rapid re-housing for families reunifying with their children and helps to prevent foster care entry by supporting the parents of children who are at risk of abuse and neglect. BFH is an important resource for black and Native American children and families who are disproportionately represented in the child welfare system.

- **Deferral of \$65 million for the Home Safe Program:** The Governor's Budget proposes to delay the availability of \$65 million GF out of the total one-time \$82.8 million GF statewide allocation provided in FY 2022-23 for Home Safe, and would make these funds available in FY 2025-26, rather than FY 2024-25. Established in 2018, the Home Safe Program is administered by county human services and tribal agencies to reduce the number of individuals involved in Adult Protective Services (APS) experiencing, or at risk of homelessness. The Home Safe Program provides a range of strategies to address and prevent homelessness, including housing-related intensive case management coupled with one-time or short-term housing assistance, housing-related financial assistance (e.g., security and utility deposit), deep cleaning to maintain safe housing, eviction prevention, landlord mediation, and more. With older adults comprising one of the fastest growing segments of the unhoused population, Home Safe is a critical housing resource for the state's vulnerable elderly and dependent adults in APS.
- **Deferral of \$50 million for the Housing and Disability Advocacy Program (HDAP):** The Governor's Budget proposes to delay the availability of \$50 million GF out of the total one-time \$133.8 statewide allocation provided in FY 2022-23 for HDAP, and would make these funds available in FY 2025-26, rather than FY 2024-25. Established in 2016, HDAP is administered by county human services and Tribal Governments with the goal of supporting participants secure disability benefits and have stable permanent housing. The program offers outreach, case management, disability benefits advocacy, and housing assistance concurrently. Housing-related financial assistance and wraparound supportive services provided include interim shelter assistance, rental assistance, housing navigation, security deposits, utility payments, moving costs, legal services, and credit repair, among others. Clients who are eligible will be offered these services until a final disability benefits determination is made and the participant is stabilized in permanent housing.

Further Discussions Are Needed to Understand the Implications of the Proposals: In recent years (FY 2021-22 and FY 2022-23), the HDAP, BFH, and Home Safe programs were augmented with one-time funds that have enable all counties to participate in these programs and allowed them to tremendously expand and serve eligible clients in need of housing services. Counties in turn, have increased their capacity and operations to implement these programs, including providing more comprehensive services to participants, increasing their scope of contracts, and hiring additional staff to serve more clients. Moreover, implementation of these housing programs has resulted in counties expanding partnerships with local entities, including Coordinated Entry System and Continuum of Care for Homelessness, law enforcement agencies, health care providers, and other community organizations. A gap in expenditure authority will likely undo the progress that many counties have achieved in implementing these programs and weaken the comprehensive and coordinated approach that protects our most vulnerable Californians from experiencing homelessness. We look forward to continued engagement and

collaboration on the Governor's Budget proposal of deferring these housing funds with the Legislature and Administration.

Cc: Chris Woods, Office of the Senate President Pro Tempore
Mareva Brown, Office of the Senate President Pro Tempore
Jason Sisney, Office of the Speaker of the Assembly
Kelsy Castillo, Office of the Speaker of the Assembly
Elizabeth Schmitt, Senate Budget and Fiscal Review Subcommittee No. 3
Nicole Vazquez, Assembly Committee on Budget Subcommittee No. 2
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County Caucus