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Honorable Gavin Newsom Governor, State of California State Capitol Building Sacramento, CA 95814

RE: NO MATCH, MORE FLEXIBILITY IN HOUSING FUNDS

The County Welfare Directors Association (CWDA) shares your commitment to ending homelessness for Californians. Your proposed augmentations and those adopted by the Legislature speak to the importance of the programs counties run on the state's behalf under the California Department of Social Services. We appreciate the recognition that these programs -- Home Safe, Bringing Families Home (BFH), the Housing Disability Advocacy Program (HDAP), and the CalWORKs Housing Support Program (HSP) -- have succeeded in housing many of the state's most vulnerable. We are excited about the opportunity this budget presents to do even more together to combat this continuing issue.

As you consider the final levels of funding for these programs, we ask that you also support statutory changes to maximize the impact of these funds. Specifically, it is critical that funds be made available statewide by temporarily removing match requirements, and that counties be given more flexibility in how and when funds can be used to help families and individuals at risk of or experiencing homelessness.

Eliminate County Match During Funding Expansion Period

The Administration's proposed match will perpetuate inequities in these programs. The current dollar-for-dollar match in BFH, Home Safe, and HDAP has been a participation barrier for counties. Even for those that can participate, the match makes it hard to fully spend their funding. In contrast, the CalWORKs HSP has no match requirement and operates in nearly all counties. We have heard that rural areas in particular struggle with the local match requirement. While the Administration has proposed a lower county match for these programs (from 100 percent to 25 percent), the significant overall funding increase would require counties to spend substantially more to access the funds. Some number of counties will be unable to participate, and the residents of those counites will go unserved.

The Administration trailer bill also proposes giving CDSS discretion to exempt selected counties and tribes from the match. However, a case-by-case exemption will not ensure that

all counties and tribes have an equal opportunity to participate. We instead propose, and the Legislature adopted in concept, trailer bill language to temporarily eliminate all match requirements for the period of time that the funding augmentations are available.

Explicitly Allow Services Prior to Receipt of an Eviction Notice

Counties feel strongly that prevention services must be available before a client receives an eviction notice. It is harder to house someone once they have lost their current housing, given the lack of affordable options in California. And it is much harder to ameliorate the problems that will lead to housing loss by the time an eviction notice has been issued. Eviction must be avoided whenever possible, because eviction leads to greater harm for families in a number of ways, including a greater risk of losing one's job ("Why Eviction Matters," Eviction Lab, Princeton University). Current statute is neither consistent nor clear across programs on how funds may be used for prevention and at what point in time. As a result, counties differ in their interpretations and uses of funds.

In the county-run housing programs, caseworkers work closely with clients and know if they are on the brink of eviction or in unstable housing. We propose, and the Legislature adopted in concept, to add explicit language in statute to specify that funds in all of these programs can be used for prevention of homelessness and also explicitly state that funds can be used prior to the receipt of an eviction notice.

Add Program-Specific Flexibilities

In addition to the above, we seek program-specific flexibilities to maximize counties' use of funds, both for the period of the funding increases and on an ongoing basis. We propose, and the Legislature adopted in concept, statutory changes specific to each program that would, on the margin, expand how the funds could be used. Examples include specified services to prevent homelessness, using funds to maintain housing, providing a longer term for rental subsidies, and the ability to use funding for mortgage assistance. We are not proposing all of these uses be applied to every program but have tailored the additional flexibilities to address specific needs of the populations served by each of the programs.

In closing, county human services directors share in your vision of eliminating homelessness. We stand ready to use the funds provided in the final budget package to aid in this effort. The changes we recommend will promote equity by allowing all counties to participate in the expanded programs and ensuring robust services can be provided prior to eviction.

Thank you for your consideration of our feedback.

Sincerely,

Cathy Senderling-McDonald Executive Director

Cathy Senderling Miles

cc: Ana Matosantos, Cabinet Secretary, Office of Governor Gavin Newsom Richard Figueroa, Deputy Cabinet Secretary, Office of Governor Gavin Newsom Joey Freeman, Chief Deputy Legislative Secretary, Office of Governor Gavin Newsom

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Honorable Toni Atkins, Senate President Pro Tempore
Honorable Anthony Rendon, Speaker of the Assembly
Honorable Nancy Skinner, Chair, Senate Budget and Fiscal Review Committee
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