

---

## SENATE COMMITTEE ON HUMAN SERVICES

Senator Pan, Chair  
2021 - 2022 Regular

---

**Bill No:** SB 1341  
**Author:** Cortese  
**Version:** March 16, 2022  
**Urgency:** No  
**Consultant:** Marisa Shea  
**Hearing Date:** April 19, 2022  
**Fiscal:** Yes

**Subject:** Homeless pupils: California Success, Opportunity, and Academic Resilience (SOAR) Guaranteed Income Program

### SUMMARY

This bill creates, upon appropriation by the Legislature for this purpose, the California Success, Opportunity, and Academic Resilience (SOAR) Guaranteed Income Program, to award public school pupils who are in grade 12, have completed a Free Application for Federal Student Aid or California Dream Act application, and are homeless children or youths, as defined, with guaranteed income each month for at least 4 months from April 1, 2023 to August 1, 2023. This bill also proposes to exempt the SOAR Program guaranteed income from being considered income or resources for purposes of determining the student's, or any member of their household's, eligibility for benefits assistance, or the amount or extent of benefits or assistance, under any state or local means-tested program, as well as exclude SOAR guaranteed income from gross income for purposes of the personal income tax, as provided. The bill further requires evaluation of program outcome measures and creates reporting requirements around those measurements to the Legislature upon the conclusion of the program.

### ABSTRACT

#### Existing Law:

- 1) Defines, in the federal McKinney-Vento Act Homeless Assistance Act, "homeless children and youth" as individuals who lack a fixed, regular, and adequate nighttime residence, including children who are sharing the housing of other people, living in motels, hotels, trailer parks, or camp grounds, emergency or transitional shelters, abandoned in hospitals or awaiting foster care placement, or who are living in a place not generally used for sleeping, such as cars, parks, public places, abandoned buildings, substandard housing, bus or train stations, and migratory children living in the circumstances above. (*Title 42 United States Code (USC) 11434(a)(2)*)
- 2) Requires every local education agency (LEA) to designate a local liaison for homeless children and youth, who, among other duties, is responsible for ensuring that homeless children and youth are identified by school personnel through outreach and coordination activities with other entities and agencies, and ensuring that homeless families and

homeless children and youth have access to and receive educational services for which such families, children, and youth are eligible. (*42 USC 11432(g)*)

- 3) Establishes the California Interagency Council on Homelessness (Cal ICH) and requires Cal ICH to set and measure progress towards 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 their goals. (*WIC 8255 et seq.*)
- 4) 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*)
- 5) Established, in 1985, the homeless youth emergency pilot projects in counties of Los Angeles and San Francisco 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 finding a suitable home. Expanded these pilot projects to the Counties of San Diego and Santa Clara and requires the issuance of grants to private, nonprofit agencies with a demonstrated record of success in the delivery of services to homeless youth, as specified. (*WIC 13700-13701*)
- 6) Requires, subject to an appropriation for this purpose in the annual Budget Act, the California Department of Social Services (CDSS) to administer the California Guaranteed Income Pilot (GIP) Program to provide grants to eligible entities for the purpose of administering pilot programs and projects that provide a guaranteed income to participants. Further requires CDSS to prioritize funding for pilot programs and projects that serve California residents who age out of extended foster program at or after 21 years of age or who are pregnant individuals. (*WIC 18997(a)*)
- 7) Requires CDSS, in consultation with relevant stakeholders, to determine the methodology for, and manner of, distributing grants awarded pursuant to GIP Program, and further requires CDSS ensure the funds are awarded in an equitable manner to eligible entities in both rural and urban counties and in proportion to the number of individuals anticipated to be served by an eligible entity's pilot program or project. (*WIC 18997(a)*)
- 8) Requires, in order for an eligible entity to receive GIP Program grant funds, the entity to do both of the following:
  - a) Present commitments of additional funding for pilot programs and projects to be funded with a grant received pursuant to this chapter from a nongovernmental source equal to or greater than 50 percent of the amount of funding to be provided to the pilot program or project from a GIP Program grant; and,
  - b) Agree to assist CDSS in obtaining, or to pursue, to the extent necessary, all available exemptions or waivers to ensure that guaranteed income payments made under those pilots and projects are not considered income or resources for the

recipient of the GIP or any member of their household in any means-tested federal, state, or local public benefit programs. *(WIC 18997(b))*

- 9) Requires, notwithstanding any other law, guaranteed income payments received by an individual from a GIP program or project to not be considered income or resources for purposes of determining the individual's, or any member of their household's, eligibility for benefits or assistance, or the amount or extent of benefits or assistance, under any state or local benefit assistance program. Further requires CDSS to identify federal benefit and assistance programs that require an exemption or waiver in order for a guaranteed income payment to be excluded as income or resources and seek such a waiver. If unable to obtain an exemption or waiver, CDSS still implement the GIP Program and may consider alternatives to prevent adverse consequences for the participants, in consultation with the Legislature and stakeholders. *(WIC 18997(c))*
- 10) Requires, subject to federal law and any waivers received for the implementation of this provision, the GIP Program payments to not be considered as income or resources for a period of 12 months from receipt for the purposes of determining eligibility to receive benefits, or the amount or extent of medical assistance, under the Medi-Cal program. *(WIC 18997(d))*
- 11) Requires CDSS to review and evaluate GIP Program funded pilot programs and projects to determine, at a minimum, the economic impact of the programs and projects and their impact on outcomes of individuals who receive guaranteed income payments, as provided. Further requires CDSS to consult with stakeholders and legislative staff on the details of, and data components to include in, the evaluation, among other things, and submit a report to the Legislature regarding this review and evaluation, as provided. *(WIC 18997(e))*
- 12) Requires CDSS to report to the Legislature, and post on its internet website, information about the GIP Program grants funded, including which entities received grants and the number of expected recipients, among other things. *(WIC 18997(e))*
- 13) For purposes of the GIP Program, defines "eligible entity" as either of the following:
  - a) A city, county, or city and county;
  - b) A nonprofit organization that is exempt from federal income taxation, as provided, and that provides a letter of support for its pilot or project from any county or city and county in which the organization will operate its pilot or project. *(WIC 18997(f))*

**This Bill:**

- 1) Creates the California Success, Opportunity, and Academic Resilience (SOAR) Guaranteed Income Program.
- 2) Defines the following terms for the purposes of SOAR:
  - a) "Administrator" means \_\_\_\_\_.

- b) “Award” means guaranteed income provided to an eligible participant for at least four months, as provided.
  - c) “Guaranteed income” means unconditional monetary payments issued monthly with the intention of ensuring the economic security of recipients.
  - d) “Eligible participant” means a public school pupil who is in grade 12, has completed a Free Application for Federal Student Aid or California Dream Act application, and is a homeless child or youth, as defined.
  - e) “Fund” means the California SOAR Guaranteed Income Fund, as provided.
- 3) Requires the administrator, subject to an appropriation by the Legislature for this purpose, to establish the SOAR program and provide an eligible participant with guaranteed income of \_\_\_\_\_ dollars each month from April 1, 2023 to August 1, 2023, inclusive, unless extended by a statute or the administrator.
  - 4) Establishes the SOAR fund as the initial depository of all moneys appropriated, donated, or otherwise received for the program, and requires, upon appropriation by the Legislature, the administrator to distribute moneys to eligible participants, as provided, and administer the fund.
  - 5) Allows, for the purposes of administering the program, the administrator to accept in-kind contributions, including, but not limited to, financial mentorship services for participants.
  - 6) Requires an award not be considered financial aid, not be considered income for financial aid or other purposes, and not negatively impact the award recipient’s eligibility for future financial aid. Further requires the Student Aid Commission to seek federal waivers or exemptions in order for the award to be excluded from consideration as expected financial assistance for purposes of state and federal student aid, should the program be extended through the 2023-24 academic year.
  - 7) Requires the administrator to work with at least one independent, research-based institution to identify existing, and establish new, program outcome measurements. Further requires these measurements to inform an evaluation report that the administrator provides to the Legislature upon the conclusion of the program. Requires the report include educational and economic security outcomes for award recipients, models used, and measures specific to the objectives of the program.
  - 8) Requires the administrator to promulgate rules and regulations governing the administration of the SOAR program and fund.
  - 9) Provides, that for the taxable year beginning on January 1, 2023, gross income does not include any amount received as an award pursuant to the SOAR program and further requires those awards not be considered earned income for the purposes of eligibility for the California Earned Income Tax Credit, as provided.

- 10) Requires, to the extent allowable under federal law, a SOAR award to not be considered income or resources for purposes of determining the individual's, or any member of their household's, eligibility for benefits or assistance, or the amount or extent of benefits or assistance, under any state or local means-tested program.
- 11) Requires the SOAR Program administrator, in consultation with stakeholders and the Legislature, to identify the California Work Opportunity and Responsibility to Kids (CalWORKs) program, CalFresh program, the Medi-Cal program, and any other state program that implements a federal means-tested program and that would require an exemption or waiver in order for an SOAR award to be excluded from consideration as income or resources.
- 12) Requires, as allowable under federal law, a state department or agency that administers a program identified by the SOAR Program administrator or the department or agency itself to exclude the award from consideration as income or resources for the purposes of the federal program, or, if the state department or agency does not have that authority, to seek a federal waiver or exemption.
- 13) Requires, when a federal exemption waiver is not granted, the administrator to consider alternatives to prevent adverse consequences for participants, in consultation with the Legislature and stakeholders.
- 14) Sunsets these provision on August 1, 2024 and repeals them as of January 1, 2025.

### **FISCAL IMPACT**

This bill has not yet been analyzed by a fiscal committee.

### **BACKGROUND AND DISCUSSION**

#### **Purpose of the Bill:**

According to the author, "California is a state affected by staggering inequities – we possess the most wealth, yet suffer from the highest rate of poverty. And it is our youth who are stuck in a cycle of generational poverty. K-12 students experiencing homelessness receive support through the federal McKinney-Vento Homeless Assistance Act while they are in school. However, once the student graduates, they lose this support system and oftentimes struggle to successfully transition into adulthood. In recognition of the hardship that our most vulnerable students encounter when making this critical transition, SB 1341 establishes the California SOAR Guaranteed Income Program, which will equip youth experiencing homelessness with the resources needed to access higher education, employment, and financial stability."

The author goes on to state, "guaranteed income is proving to be an effective policy solution to support marginalized communities struggling to attain financial security. SB 1341 follows the

guaranteed income model to empower participants to use the funds as they see best fit for their individual needs-- whether that be to pursue higher education or enter the workforce.”

### *Homeless Youth*

There are many definitions of homeless youth found within federal code and program eligibility. For example, the Runaway and Homeless Youth Act defines “homeless youth” as individuals who are less than 21 years of age and for whom it is not possible to live in a safe environment with a relative and who have no other safe alternative living arrangement. This definition only includes those youth who are unaccompanied by families or caregivers. Through the McKinney-Vento Homeless Assistance Act, the Federal Government also defines “homeless children and youth” as individuals who lack a fixed, regular, and adequate nighttime residence, including children who are sharing the housing of other people, living in motels, hotels, trailer parks, or camp grounds, emergency or transitional shelters, abandoned in hospitals or awaiting foster care placement, or who are living in a place not generally used for sleeping, cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, and migratory children living in the circumstances above. The McKinney-Vento Act defines “unaccompanied youth” to mean a youth experiencing homelessness, as defined above, and not in the physical custody of a parent or guardian. As such, the McKinney-Vento Act definition of homeless children and youth may include both those youth experiencing homelessness with their family or caregiver and those youth experiencing homelessness alone. The McKinney-Vento Act definition is used to determine eligibility for the SOAR Program, as provided by this bill.

Most homelessness data stems from the annual United States Department of Housing and Urban Development (HUD) Point in Time Count (PIT). Annually, HUD directs local community Continuums of Care (CoCs) to conduct a Point in Time (PIT) count of people experiencing homelessness in January, and includes people experiencing homelessness who are “sheltered” – living in temporary shelters – and those who are “unsheltered,” or living out in the open or in places not designated for, or ordinarily used as, a regular sleeping accommodation for people (i.e. the streets, vehicles, or parks). The PIT count is required by HUD as a condition of receiving federal funding. The PIT count captures homeless children and youth data in two ways, through reporting numbers on homeless families with children and reporting numbers on unaccompanied homeless youth. Due to the Covid-19 pandemic’s disruptions, the January 2021 PIT count efforts were refocused to survey people experiencing sheltered homelessness and a report focused on this was released in February 2022.

Stakeholders typically feel the annual PIT count is limited, because while these numbers provide a snapshot of the state’s homeless population during a single night, they likely underestimate the scope of the crisis because: (1) the HUD PIT count only measures the homeless population on one day of the year, and (2) it does not capture everyone experiencing homelessness, as some do not wish to be counted, while others cannot be counted because their location is not known to the counters. These limitations are further highlighted by the Covid-19 pandemic caused limitations on data collection efforts and resulting focus on sheltered homelessness in 2021.

Regardless of these limitations, it can be helpful to see a snapshot in time of our estimated population of homeless youth. In the 2021 PIT count, California was reported to have sheltered 2,526 unaccompanied homeless youth. In the 2019 PIT count, California was reported to have 11,993 unaccompanied homeless youth, including both sheltered and unsheltered youth. This

suggests the total number of unaccompanied homeless youth in California is actually much higher than just the sheltered number. As for families with children experiencing homelessness, the PIT Count reports this data both in terms of homeless individuals in families and homeless family households. According to the 2019 PIT count, California had 7,044 homeless family households or 22,501 homeless individuals in families; both of these numbers include both sheltered and unsheltered homeless families. According to the 2021 Sheltered Homelessness PIT count, California had 13,842 sheltered homeless people in families, 8,132 of whom were under age 18.

This bill focuses on homeless students, and proposes the creation of the SOAR Program to provide them with guaranteed income for the summer prior to their college enrollment. According to the California Department of Education, which utilizes the McKinney-Vento Act definition of homeless children and youth in their data collection, there were over 183,000 California public school students in the 2020-21 school year who at one point during that school year met the federal definition of homelessness. Of those 183,000 students, 15,000 students were in grade 12, which appears to be the target population for this proposal. Given that CDE data includes students who experienced homelessness at any point, and for any length of time, during a school year, it is somewhat unclear how many of those 15,000 students might be experiencing homelessness at the end of the school year and into the summer months.

### *Effects of Youth Homelessness*

Youth who experience homelessness, whether unaccompanied or as part of a homeless family, are also at a greater risk for poorer health outcomes, such as hepatitis, sexually transmitted infections, diabetes, and dental problems. Due to increased stress levels resulting from life on the streets, homeless youth also experience mental health issues such as post-traumatic stress, depression, anxiety, and psychosis. Studies demonstrate that the presence of psychiatric disorders is twice as high among homeless youth as it is among youth who are stably housed. Research also indicates that alcohol consumption and drug use among homeless youth is prevalent, with studies indicating that between 70 - 90 percent of homeless youth engage in substance use.

Youth who are experiencing homelessness are also more vulnerable to violence and exploitation, and there is a significant overlap between homelessness and commercial sexual exploitation. The term "survival sex" refers to trading sexual activity in exchange for shelter and food, and studies indicate that nearly 1 in 5 homeless youth have participated in survival sex activities.

Housing options are limited for youth, with reports of months-long wait lists for shelter or other housing. Providers of services and shelter say youth tend to avoid adult homeless shelters because they are often victimized there, instead believing they are safer in youth encampments, living with relatives or strangers, or in other situations until they can access shelter care.

In 2011, the California Homeless Project conducted a "point-in-time" survey to see how many programs serve homeless youth in California, what kind of services the programs provide, and where the programs are located. They identified 53 programs of any kind that serve this population, ranging from street outreach to transitional housing, in 20 of the state's 58 counties. The project notes that they are not fully certain they found all homeless youth programs in the state and point out that "if 'experts' had so much trouble find these programs, imagine what it must be like for a young person living on the street or couch-surfing to find a program to help."

Experts say it is critical to develop and fund youth homeless services that are developmentally appropriate for young, maturing adults. Services that have proven successful for youth include those that are trauma-informed, teach life skills, and offer educational degrees and job training. A report by Los Angeles Homeless Services Authority found that half of chronically homeless adults were homeless during the ages of 18 to 24. Experts say that this transitional age is a critical window for targeted intervention to help youth become self-sufficient and prevent chronic homelessness.

### *Universal Basic Income (UBI)*

According to Stanford Law School's Basic Income Lab (BIL), an initiative of the Stanford McCoy Family Center for Ethics in Society, UBI can vary by funding proposal, level and frequency of payment, and the particular policies propose around it. Despite these variables, the BIL provides the following as defining characteristics of UBI:

- **Periodic:** A recurrent payment, rather than a one-off grant;
- **Cash Payment:** provided to recipients as cash, so that recipients may convert their benefits into whatever they chose;
- **Universal:** paid to all, and not targeted to a specific population;
- **Individual:** paid on an individual basis versus household-basis; and
- **Unconditional:** it involves no work requirement or sanctions, it is accessible to those in work and out of work, voluntarily or not.

Proponents of UBI suggest recipient choice in terms of how to spend the funds received and the unconditional nature of UBI are key characteristics that differentiate UBI projects from other, more traditional safety net programs. By not placing restrictions on how the funds may be spent, UBI projects allow the recipient to determine how to spend the funds, and individuals are able to make the choices that are most important to their own well-being and success. Additionally, by not tying UBI to work or other conditions, recipients are given the space and time needed to focus on things like education or skill attainment that might not otherwise be feasible.

UBI has a long history, but has been receiving increased focus since 2016 with the launch of the Economic Security Project, which has devoted millions of dollars to research and advocacy on UBI, and the testing of UBI in Oakland by the technology incubator Y Combinator. Perhaps the most high profile test of UBI begin in 2019 when the Mayor of Stockton announced the Stockton Economic Empowerment Demonstration, or SEED. SEED, funded by the Economic Security Project, provided 125 Stockton residents with \$500 per a month, in the form of unconditional, or no strings attached, cash payments. To be considered for participation in the pilot, an individual had to be at least 18 years old, reside in Stockton, and live in a neighborhood with a median income at or below \$46,033, which is the city's median household income. There were no limits on individual household income, and recipients from targeted neighborhoods could be earning more or less than \$46,033.

The initial key findings of SEED's outcomes show guaranteed income reduced income volatility; enabled recipients to find full-time employment (recipients' full-time employment increased by 12 percentage points); resulted in recipients being healthier, showing less depression and anxiety



and enhanced wellbeing; and, alleviated financial scarcity, creating new opportunities for self-determination, choice, goal-setting, and risk-taking.

Additionally, the preliminary analysis found that recipients spent most of the money on basic needs, including food, merchandise, utilities, and auto costs. Recipients reported that these payments helped them stretch their resources to cover needs like caring for aging or ill family members, school or sports supplies, and transportation to and from doctor's appointments, all things that might have otherwise skipped. This particularly impacted women, who typically bear the brunt of unpaid care work, allowing them to both care for their families and meet their own basic needs. For example, one participant reported that the extra \$500 a month allowed her to continue buying diapers for her grandchildren while also being able to purchase an adequate amount of feminine hygiene products for herself for the first time in months.

Furthermore, SEED considered the potential impacts that this additional income might have on participant eligibility for other public social services, as well as the impact the income could have on determining benefit amounts for those who retained eligibility. SEED was able to secure a waiver for CalWORKs, through collaboration with the San Joaquin County Human Services agency, which enabled SEED disbursements to be exempted from consideration as income for all CalWORKs services, including support services (child care, transportation, and counseling/therapy) and family stabilization (intensive case management). Additionally, SEED developed a Hold Harmless Fund that allowed them to reimburse recipients for any unanticipated benefits losses.

In addition to SEED, there are several ongoing UBI pilot programs targeting specific populations in different parts of the state that are either ongoing or in the process of launching:

- *San Francisco's Abundant Birth Project:* In September 2020, the Mayor of San Francisco, in partnership with Expecting Justice, announced the Abundant Birth Project, which will provide basic income to Black and Pacific Islander women during pregnancy. This pilot project provides an unconditional monthly income supplement of \$1,000 to approximately 150 Black and Pacific Islander women residing in San Francisco for the duration of their pregnancy and the first six months of their baby's life, with a goal of eventually providing a supplement for up to two years post-pregnancy. The primary goal of the Abundant Birth Project is to achieve better maternal health and birthing outcomes. The project is a fully funded public-private partnership designed under the collaborative change model, a process which directly involves all impacted and interested parties in decision-making. It is currently unclear whether this program has made considerations for the payments potential impact on eligibility for existing public social services programs.
- *Compton Pledge:* Like SEED, the Compton Pledge distributes cash relief to low-income residents for two years. City officials raised \$8 million to fund the experimental pilot program, which provides eight hundred people with guaranteed income for a two-year period, that began in February of 2021. The program targets individuals who do not use banks or banking institutions, the formerly incarcerated who are denied public social services benefits, and undocumented individuals who often do not receive a minimum wage or do not qualify for other public social services. Additionally, the Compton Pledge program operators worked to ensure waivers that allow participants have continued access to existing benefits, as well as created a hold harmless fund to support individuals

who face unexpected loss of benefits due to program participation. The exact amounts received by each participant will vary, with each participant receiving at least several hundred dollars and with greater amounts received by parents with multiple children.

- *Oakland Resilient Families*: This project randomly selected 600 families to participate in a guaranteed income project that provides \$500 per month for at least 18 months without conditions. To be eligible for the program, participants must have at least one child under 18 and have an income at or below 50 percent of the area median income – approximately \$59,000 a year for a family of three. Additionally, half the participation slots are reserved for people who earn below 138 percent of the federal poverty level, or approximately \$30,000 a year for a family of three. Families meeting these income eligibility requirements applied in the spring of 2021, with a second round applying in the fall of 2021, and participants were randomly chosen from those applicants. The City of Oakland worked with CDSS and the County of Alameda in order to have the guaranteed income received disregarded for purposes of CalWorks and CalFresh benefits if families consent to their information being shared with CDSS for this purpose, efforts are being made to ensure other benefits are also protected.
- *Santa Clara County TAY UBI*: Beginning in July of 2020, Santa Clara County began providing a \$1,000 monthly stipend to former foster youth up to age 24 to help them achieve self-sufficiency. The Santa Clara County Board of Supervisors approved \$900,000 in funding to provide 72 former foster youth with these payments for one year, with a six month extension approved in June of 2021 due to the program’s effectiveness. The pilot does not have a hold harmless component, but did require prospective participants to undergo a one-on-one assessment to determine whether participation would affect eligibility for other public social services programs.
- *Breathe – Los Angeles County’s Guaranteed Income Program*: Provides \$1,000 a month in guaranteed income for three years to 1,000 randomly selected qualifying individuals. Applications for Breathe opened on March 31, 2022. Applicants must be over 18, live in a Los Angeles County neighborhood that falls at or below 100 percent of the Area Median Household Income (AMI), meet income limits, and have been financially impacted by the Covid-19 pandemic, among other requirements.

#### *California Guaranteed Income Pilot (GIP) Program*

Through the 2021-22 Budget (*AB 153, Committee on Budget, Chapter 86, Statutes of 2021*) the California GIP Program was established to provide grants to eligible entities for the purpose of administering pilot programs and projects that provide a guaranteed income to participants. The budget for the GIP Program is \$35 million (General Fund) to be spent over five years. CDSS is the administering department and is responsible for prioritizing funding for pilot programs and projects that serve California residents who age out of the extended foster care program at or after 21 years of age or individuals who are pregnant. CDSS, in consultation with stakeholders, is also responsible for determining the methodology for, and manner of, distributing GIP program grants. CDSS and the entities receiving funding, are also required to seek waivers or exemptions as necessary to prevent guaranteed income payments from being calculated as income or resources for the purpose of determining a recipient, or member of their household’s, eligibility for benefits or assistance, or the amount or extent of benefits or assistance, provided under any

state or local benefit or assistance program, the Medi-Cal program, and federal benefit and assistance programs.

Entities eligible to receive GIP Program grants are: cities, counties, or a city and county; and, a nonprofit organization, as provided, that provides a letter of support for its pilot or project from any county or city and county in which the organization will operate its pilot project. Additionally, in order to receive funding, the eligible entity must present commitments of additional funding for GIP program pilots and projects from a nongovernmental source equal to or greater than 50 percent of the amount of funding provided by a GIP grant. The eligible entity must also agree to assist CDSS in obtaining, or to pursue, all available exemptions or waivers to ensure that guaranteed income payments made under the funded pilots and projects are not considered income or resources for the recipient of the guaranteed income payments or any member of their household in any means-tested federal, state, or local public benefit programs.

The GIP program in part stems from SB 739 (*Cortese, 2021*) which would have created a UBI pilot project for foster youth who exited care at 21 years of age, administered by CDSS. SB 739 would have provided for monthly \$1,000 UBI payments to former foster youth for three years and defined UBI as unconditional cash payments of equal amounts issued monthly to individual residents of California with the intention of ensuring the economic security of the recipients.

CDSS is currently working with stakeholders to develop a Request for Applications (RFA) process for GIP program funding. CDSS expects to select prospective applicants for funding through the RFA process this year. The RFA guidelines are expected to be posted later this spring.

This bill proposes the creation of a guaranteed income project, the SOAR Program, for homeless students in grade 12, who have completed a Free Application for Federal Student Aid or California Dream Act application, and are homeless children or youths, as defined. The SOAR Program would provide qualifying students with guaranteed income each month for at least four months, from April 1, 2023 to August 1, 2023.

**Related/Prior Legislation:**

**AB 153** (*Committee on Budget, Chapter 86, Statutes of 2021*) created the GIP Program, among other things, to provide grant funding to eligible entities for guaranteed income pilots or projects, as provided.

**SB 739** (*Cortese, 2021*) creates a UBI pilot project for foster youth exit foster care at 21 years of age by providing monthly \$1,000 payments to those former foster youth for three years, as provided. SB 739 is waiting to be heard in the Assembly Appropriations Committee.

**AB 307** (*Reyes, 2019*) would have required the Cal ICH to develop and administer a grant program to support young people experiencing homelessness and prevent and end homelessness. The program would have been funded by a combination of funds, gifts and donations, as specified. AB 307 was held in the Senate Appropriations Committee.

*SB 918 (Wiener, Chapter 841, Statutes of 2017)* expanded the role of the Cal ICH to add a focus on homeless youth by requiring the council to set and measure progress toward goals to prevent and end homelessness among youth.

## COMMENTS

The author's office is continuing to work with stakeholders to address key implementation considerations regarding the SOAR program. As heard by this Committee, an administrator of the program has not been identified and the amount of monthly guaranteed income provided is dependent upon a budget allocation. The author's office relays that they have been discussing these matters with key stakeholders to determine the best path forward for implementation.

Should this bill pass out of this Committee, the author's office may wish to consider how this proposal fits within the purview of CDSS's work on guaranteed income programs, as provided through the GIP Program. Although CDSS's role in GIP Program is to provide grants to local eligible entities for the actual implementation of guaranteed income, it seems they are currently the only state level entity with a role in guaranteed income projects. Additionally, CDSS is currently engaging in work related to the GIP Program to seek waivers and exemptions to prevent guaranteed income from impacting the eligibility of a recipient for other state, local, and federal benefit programs, as allowable under federal law. This work also needs to be done to ensure participation in SOAR does not negatively impact an individual's eligibility for other needed safety net services, such as Medi-Cal. This bill attempts to address such considerations by requiring the payments not be considered income or resources for the purpose of determining safety net program eligibility. The author's office may wish to work with CDSS to ensure these requirements align with ongoing efforts related to the GIP Program. Additionally, per the review of the Senate Governance and Finance Committee, the author's office may wish to consider including language to exempt SOAR guaranteed income from being considered earned income for purposes of the California Young Child Tax Credit, like the bill currently does for the California Young Child Tax Credit.

Given that the target population may be easier to identify for CDE, and school districts homeless youth liaisons may already be working with the target population, the author's office may wish to explore a partnership between the two departments, where CDSS is responsible for administering SOAR payments and assisting with waivers and exemptions regarding benefit eligibility, while CDE is responsible for identifying the eligible students and connecting those students to the SOAR program through homeless youth liaisons, or other entity. It is unclear at this time whether such a partnership is logistically feasible, as such Committee staff recommends further consultation with the afore mentioned departments.

**Triple Referral:** This bill was initially referred to the Senate Education Committee and also to the Senate Governance and Finance Committee. However, due to Covid-19 protocols, the referral to the Senate Governance and Finance Committee was rescinded. The Senate Governance and Finance Committee has reviewed the bill and worked with the author's office. Their recommendation regarding the California Young Child Tax Credit is mentioned above.

**PRIOR VOTES**

Senate Education Committee:

5 - 1

**POSITIONS**

**Support:**

All Home  
Bay Area Asset Funders Network  
California Asset Building Coalition  
California Catholic Conference  
Community Financial Resources  
Economic Security Project Action  
End Poverty in California  
GLIDE  
John Burton Advocates for Youth  
MyPath  
MyPath Youth POWER  
National Association of Social Workers California Chapter  
SchoolHouse Connection  
Silicon Valley Community Foundation  
Universal Income Project  
Yerba Buena Center for the Arts  
Young Invincibles

**Oppose:**

None received

-- END --