

Date of Hearing: April 17, 2018

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 2784 (Caballero) – As Amended April 9, 2018

SUBJECT: California State University: Emergency Student Housing Loan Program

SUMMARY: Establishes a program to provide loans for housing expenses to students experiencing homelessness at three California State University (CSU) campuses, subject to an appropriation for this purpose. Specifically, **this bill:**

- 1) Requires the CSU trustees, commencing in 2019-20 and contingent on a state appropriation, to designate three CSU campuses to establish an Emergency Student Housing Loan Program, which will provide loans for up to 12 months to students experiencing a housing crisis in order to pay for the students' housing during that time.
- 2) Requires participating campuses to assist students using a "rapid rehousing" approach, which is defined as a process to offer students immediate, temporary assistance to help the student return to permanent housing. The assistance may include housing search assistance, one-time assistance for move-in costs, ongoing financial assistance to bridge the gap between family income and housing cost, and other supportive services or linkages to community resources to help the student realize housing stability.
- 3) Requires a campus, in order to be eligible for selection to participate in the program, to first consult with the U.S. Department of Housing and Urban Development regarding its Continuum of Care Program.
- 4) Requires the campus to pay the housing costs to an entity constituting an identified housing solution for a student participating in the program. In this context, a housing solution would not include a homeless shelter or a hotel in general, but could include a residential hotel.
- 5) Stipulates that a CSU student qualifies to participate in the program if the student is currently enrolled at a participating campus and is able to demonstrate that they are undergoing an individual housing emergency.
- 6) Establishes a priority for participating in the program for a student eligible to receive a federal Pell Grant who has one of the following housing emergencies, in priority order:
 - a) Currently experiencing homelessness.
 - b) Experiencing a loss of housing due to natural disaster at the student's place of residence while enrolled at a participating campus.
 - c) Faces a formal eviction action due to failure of payment, or for other financial reasons.
- 7) Defines "homeless" individual, for purposes of this act, as any of the following:
 - a) Someone lacking fixed, regular, and adequate nighttime residence.
 - b) Someone who will imminently lose their primary nighttime residence.

- c) Someone fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions related to violence against the individual or family member.
- 8) Requires an appropriate campus professional staff member to meet monthly with each participating student.
- 9) Stipulates that a loan awarded to a participating student shall be forgiven upon the student's completion of any academic semester during which the student receives loan assistance, or at the discretion of the individual campus or the CSU Chancellor's Office.
- 10) Requires the campus, in the event a loan is not forgiven, to determine the terms of loan repayment.
- 11) Requires the trustees to report to the Legislature by June 30, 2022, regarding the number of students participating in the program: in total, by campus, and disaggregated by a variety of specified factors.
- 12) Sunsets all of the above on January 1, 2023.

EXISTING LAW: Requires each CSU campus that maintains student housing to give priority to current and former foster youth and to current and former homeless youth and to also give such priority to student housing facilities that are open during school breaks or on a year-round basis. (Education Code Section 90001.5.)

FISCAL EFFECT: Unknown.

COMMENTS: *Background.* According to the author, while California has maintained an elaborate portfolio to help low-income students attend college, the state's financial aid programs focus primarily on offsetting tuition and fees, and not on the other costs of attending college. For most students, housing is their largest college expense. Average annual CSU tuition and fees total just over \$7,000, while the average annual cost for room and board exceeds \$13,000. The author asserts that high housing costs have effectively become a critical impediment to students' success and timely graduation.

The high cost of living in California has pushed many working individuals and families into homelessness, something college students are increasingly experiencing as well. CSU's recent "Study of Basic Student Needs" (January 2018), found that 10.9% of CSU students experienced homelessness one or more times within the prior 12 months. First-generation African American students face the highest rates of housing insecurity with 18 percent. The report noted that, as affordable housing becomes less available across California, students have little to compete with against high market value rental environments. Students who are housing insecure report higher incidences of physical and mental health issues and are more likely to discontinue their education and drop out of college, leading to a higher risk of becoming chronically homeless.

Purpose. AB 2784 would utilize an existing best practice in the field of homelessness, Rapid Re-housing, and tailor it to the CSU system through a pilot program to assist students who are homeless or are at risk of becoming homeless. Eligible students at three participating campuses would submit proof of a housing emergency to the appropriate staff on campus. Staff

would then identify a housing option for the student, and the campus would help the student pay for that housing option.

Why a Loan? This assistance provided under the pilot program would be a loan to the student, which would be forgiven upon the student completing any semesters or quarters during which they receive loan assistance. The purpose of providing a loan instead of a grant is that providing grant assistance could complicate the recipient student's eligibility for other financial aid. The intent of the program is not to saddle homeless students with any additional loan debt, thus generally the only criterion for loan forgiveness is the completion of a semester or quarter. In cases where a student is unable to complete the semester due to unforeseen circumstances, such as a health issue, the bill allows the campus or the Chancellor's Office to make a determination to forgive a loan.

Rapid Re-housing. To tackle the issue of growing national homelessness, the federal government in 2009 implemented the Homelessness Prevention and Rapid Re-housing Program (HPRP). Rapid re-housing is an intervention model to rapidly connect families and individuals experiencing homelessness to permanent housing while connecting them to resources to address their other needs. Initial research shows the program is effective. According to report by the Urban Institute, under the program, housing placements were high and the rates of return to homelessness were low.

Prior Legislation. Chapter 571/Statutes of 2015, (AB 1228, Gipson), expanded then-existing law to require each CSU campus that maintains student housing to give priority to current and former homeless youth, in addition to current and former foster youth, and to also give such priority to student housing facilities that are open during school breaks on a year-round basis.

REGISTERED SUPPORT / OPPOSITION:

Support

California State Student Association (sponsor)
Housing California

Opposition

None on file.

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