

AMENDED IN ASSEMBLY APRIL 22, 2008

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2521**

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**Introduced by Assembly Member Portantino**

February 21, 2008

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An act to add Section 34312.2 to the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2521, as amended, Portantino. Housing authorities: federal vouchers and certificates: shared housing.

The Housing Authorities Law authorizes a county public housing agency to apply for, process, and distribute, to the extent that federal funds are available, housing certificates issued pursuant to Section 8 of the United States Housing Act of 1937 to eligible families.

This bill would require, ~~to the extent authorized under federal law, the Department of Housing and Community Development to work with the federal Secretary of Housing and Urban Development and the federal Department of Housing and Urban Development to authorize the state to require~~ a public housing agency to (1) ~~establish a policy in its administrative plan to make~~ provide shared housing as an option available to recipients of specified federal housing certificates and vouchers who have special needs; and (2) ~~reduce to 20% the monthly income share required for a recipient who has special needs and agrees to utilize shared housing~~ adjust the agency housing assistance payment required under federal law to an amount that is sufficient to reduce the recipient's share of rent to 20% of monthly income, for a recipient who has special needs and utilizes the shared housing.

*The bill would require the department's compliance under these provisions to include making information available to the federal Secretary of Housing and Urban Development, the federal Department of Housing and Urban Development, and the California delegation in the Congress of the United States regarding the need for, and the potential benefits of, a grant of authority to the state to require public housing agencies to do the things described above.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. The Legislature finds and hereby declares all of*  
2 *the following:*

3     *(a) Californians are struggling to make ends meet, especially*  
4 *lower income individuals and families. Their incomes are not*  
5 *covering the ever-escalating costs of food, housing, utilities,*  
6 *medical care, clothing, transportation, and individual necessities.*

7     *(b) Foster youth are one example of lower income Californians*  
8 *who are struggling to make ends meet. Approximately 4,000 youth*  
9 *in California "age out" of foster care each year and do not have*  
10 *families on whom they can depend for assistance. As a result,*  
11 *nearly half of these youth experience homelessness within 18*  
12 *months after emancipation, and one quarter are incarcerated*  
13 *within two years after emancipation.*

14     *(c) For older Californians, a survey conducted in 2007 found*  
15 *that 34 percent of California's population that is 65 years of age*  
16 *and older were below 200 percent of the poverty line with an*  
17 *annual income of \$20,400 or less.*

18     *(d) With a population that includes 3.5 million persons who are*  
19 *65 years of age or older, California has the largest percentage of*  
20 *elderly population in the nation, and this population is projected*  
21 *to almost double to 6.5 million persons by 2020.*

22     *(e) The federal poverty guideline for a single person in 2007*  
23 *was an annual income of \$10,210 and for an elderly couple it was*  
24 *\$13,690. The official federal measure of poverty is now known to*  
25 *be outdated and does not take into account the higher cost to live*  
26 *in California.*

27     *(f) The new Elder Economic Security Standard Index (Elder*  
28 *Index) for California finds that the federal poverty guideline covers*

1 *less than half of the basic costs experienced by adults 65 years of*  
2 *age and older in the state. While the Elder Index has been applied*  
3 *to older Californians, its findings can be extended to other*  
4 *individuals existing at low income or below.*

5 *(g) The United States Department of Agriculture found that food*  
6 *prices rose 4 percent in 2007, compared to an average 2.5 percent*  
7 *annual rise for the past 15 years. That department predicts that*  
8 *food prices will rise 4.5 percent in 2008.*

9 *(h) Utility costs have steadily climbed and gas prices are*  
10 *increasingly driving up transportation costs.*

11 *(i) Whether the lower income population under discussion is*  
12 *older persons, foster youth, families, or individual Californians,*  
13 *housing costs, in particular, can dominate the budgets of persons*  
14 *residing in this state, and the federal Section 8 Voucher Program*  
15 *was designed to give low income, very low income, and extremely*  
16 *low income persons financial assistance. While Section 8 recipients*  
17 *currently pay about 30 percent of their income for rent, other*  
18 *necessities such as food, medical expenses, transportation, and*  
19 *utilities still exceed their monthly incomes, thus diminishing the*  
20 *value of the Section 8 benefit.*

21 *(j) As the economy worsens or jobs are lost, more Californians*  
22 *will be driven below the poverty line. In 2005, the federal*  
23 *Department of Housing and Urban Development reported the*  
24 *number of unassisted households with worst case housing needs*  
25 *across the country was 5.99 million, an increase of 16 percent*  
26 *from 2003. That department also found housing assistance was*  
27 *distributed unevenly across the nation with the West receiving a*  
28 *lower proportion than the rest of the nation. This finding partially*  
29 *explains the shortage of Section 8 units in California compared*  
30 *to the proportional need in the state.*

31 *(k) Although house sharing is federally authorized for a specified*  
32 *population of Section 8 recipients, it should be extended to more*  
33 *special needs populations, especially where Section 8 housing is*  
34 *limited.*

35 *(l) A Section 8 shared housing program allows two Section 8*  
36 *recipients to share a two-bedroom unit. A shared housing program*  
37 *that included a corresponding rent reduction as incentive would*  
38 *save local public housing agencies money and create additional*  
39 *available housing units for other recipients. If house sharing were*  
40 *extended to more special needs populations, such as foster youth,*

1 *federal Supplemental Security Income recipients, and elderly*  
2 *Section 8 recipients, more populations would benefit from sharing*  
3 *resources that will enable them to better manage other high-cost*  
4 *necessities, such as transportation, medical costs, tuition, utilities,*  
5 *and food.*

6 *(m) Accordingly, it is the intent of the Legislature in enacting*  
7 *this act to require the Department of Housing and Community*  
8 *Development to take immediate steps to encourage shared housing*  
9 *among Section 8 recipients and take the steps necessary to seek*  
10 *waivers, develop necessary federal legislation and regulations, or*  
11 *otherwise gain the authority necessary for rent adjustments that*  
12 *lower housing costs for those who agree to share Section 8 housing.*

13 *SEC. 2. Section 34312.2 is added to the Health and Safety*  
14 *Code, to read:*

15 *34312.2. (a) For the purposes of this section, the following*  
16 *terms have the following meanings, unless the context clearly*  
17 *requires otherwise:*

18 *(1) (A) The “act” means the United States Housing Act of 1937*  
19 *(42 U.S.C. Sec. 1437 et seq.).*

20 *(B) “Section 8” means Section 8 of the act (42 U.S.C. Sec.*  
21 *1437f).*

22 *(2) “Department” means the Department of Housing and*  
23 *Community Development.*

24 *(3) “Recipient” means a person who receives a housing voucher*  
25 *or certificate under Section 8.*

26 *(b) The department shall work with the federal Secretary of*  
27 *Housing and Urban Development and the federal Department of*  
28 *Housing and Urban Development to authorize the state to require*  
29 *a public housing agency, as defined in the act, in California to do*  
30 *both of the following:*

31 *(1) Provide shared housing as an option available to recipients*  
32 *who have special needs, including, but not limited to, elderly,*  
33 *disabled, and foster youth recipients.*

34 *(2) Adjust the agency housing assistance payment required*  
35 *under the act to an amount that is sufficient to reduce the*  
36 *recipient’s share of rent to 20 percent of monthly income, for a*  
37 *recipient who has special needs and utilizes the shared housing*  
38 *made available under paragraph (1).*

39 *(c) The department’s compliance under subdivision (b) shall*  
40 *include, but is not limited to, making information available to the*

1 *federal Secretary of Housing and Urban Development, the federal*  
2 *Department of Housing and Urban Development, and the*  
3 *California delegation in the Congress of the United States*  
4 *regarding the need for, and the potential benefits of, a grant of*  
5 *authority to the state to require public housing agencies to do the*  
6 *things described in paragraphs (1) and (2) of subdivision (b).*

7 SECTION 1. ~~Section 34312.2 is added to the Health and Safety~~  
8 ~~Code, to read:~~

9 ~~34312.2. (a) For the purposes of this section, the following~~  
10 ~~terms have the following meanings:~~

11 ~~(1) "Section 8 housing" means Section 8 of the United States~~  
12 ~~Housing Act of 1937 (42 U.S.C. Sec. 1437f).~~

13 ~~(2) "Agency" means a public housing agency, as defined in the~~  
14 ~~act.~~

15 ~~(3) "Recipient" means a person who receives a housing voucher~~  
16 ~~or certificate under the act.~~

17 ~~(b) To the extent authorized under federal law, in administering~~  
18 ~~Section 8 housing, an agency shall do both of the following:~~

19 ~~(1) Establish a policy in its administrative plan to make shared~~  
20 ~~housing available to recipients who have special needs.~~

21 ~~(2) Reduce to 20 percent the monthly income share required for~~  
22 ~~a recipient who has special needs and agrees to utilize shared~~  
23 ~~housing.~~