

AMENDED IN SENATE APRIL 7, 2016

AMENDED IN SENATE MARCH 17, 2016

**SENATE BILL**

**No. 1013**

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**Introduced by Senator Beall**

February 11, 2016

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An act to amend Sections 2985, 2985.1, 2985.2, 2985.3, 2985.4, and 2985.5 of the Penal Code, relating to parolees.

LEGISLATIVE COUNSEL'S DIGEST

SB 1013, as amended, Beall. Mentally ill parolees: housing.

(1) Existing law authorizes the Department of Corrections and Rehabilitation to obtain day treatment, and to contract for crisis care services, for parolees with mental health problems, and requires the department to provide a supportive housing program that provides wraparound services to mentally ill parolees at risk of homelessness using funding appropriated for that purpose. Existing law provides that an inmate or parolee is eligible for participation if he or she has a serious mental disorder, as defined, has been assigned a release date from state prison, and is likely to become homeless upon release or is currently a homeless parolee. Existing law requires providers to offer various services, including housing location services and rental subsidies. Existing law requires a service provider to comply with specified requirements, including, among others, that the service provider has prior experience working with county or regional mental health programs.

This bill would require a service provider to also demonstrate an existing relationship with a supportive housing provider. The bill would specify that a program participant is not required to receive other services for mentally ill parolees as a condition of eligibility to receive

rental assistance through the program. The bill would require a service provider to offer rental subsidies that are equal to or greater than fair market rent, as defined. The bill would also prohibit the department or a service provider from limiting the duration that a program participant may receive rental assistance through the program, except by the length of the person's parole.

(2) Existing law requires a service provider to identify and locate supportive housing opportunities prior to a program participant's release from state prison or as quickly upon release from state prison as possible, or as quickly as possible when a program participant is identified during parole. Existing law requires a service provider to report specified information to the department, including the number of program participants served and the outcomes for program participants, including the number of participants who returned to state prison.

This bill would require a service provider to identify and locate supportive housing opportunities no later than 9 months after the program participant has agreed to participate in the program. The bill would require that the housing located provide the program participant with a lease where he or she has all of the rights and responsibilities of tenancy. The bill would require a service provider to use a portion of the program payments received to provide interim housing, as defined. The bill would also require a service provider to report to the department the percentage of program participants currently living in permanent housing and the number who are arrested and residing in county jail. The bill would also make technical, nonsubstantive, and clarifying changes.

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

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

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The Legislature passed, and the Governor signed, Senate
- 4 Bill 1021 in 2012, which included direction to the Department of
- 5 Corrections and Rehabilitation to create the Supportive Housing
- 6 Program for Mentally Ill Parolees, pursuant to Section 3073 of the
- 7 Penal Code. The program was intended to use funds budgeted for
- 8 the Integrated Services for Mentally Ill Parolees (ISMIP) program
- 9 to serve the purposes outlined in Senate Bill 1021.

1 (b) Since 2012, the budget has not referred to the program by  
2 name and funds have not been used for their legislatively intended  
3 purposes.

4 (c) It is the intent of the Legislature to strengthen the ISMIP  
5 program to ensure that the department promotes the evidence-based  
6 ~~wrap-around~~ *wraparound* services, including rental subsidies in  
7 an amount adequate to allow mentally ill parolees experiencing  
8 homelessness or at risk of experiencing homelessness upon release  
9 from prison to obtain and maintain housing stability during and  
10 after the term of parole, thereby reducing recidivism among  
11 parolees with a history of homelessness.

12 (d) It is the intent of the Legislature that contracts the department  
13 enters into under the ISMIP program require contractors to target  
14 resources to parolees experiencing homelessness or offenders *a* ~~at~~  
15 risk of homelessness upon release. The contracts shall emphasize  
16 housing permanency and stability over food, clothing, and drop-in  
17 or day center services and shall require contractors to use a  
18 substantial portion of the contracted payment to provide rental  
19 assistance to obtain housing that is independent and integrated into  
20 the community.

21 (e) It is the intent of the Legislature that the Department of  
22 Corrections and Rehabilitation include the changes made in this  
23 act into contracts renewed or entered into for the ISMIP program  
24 on and after January 1, 2017.

25 SEC. 2. Section 2985 of the Penal Code is amended to read:

26 2985. It is the intent of the Legislature in enacting this article  
27 to provide evidence-based, comprehensive mental health and  
28 supportive services, including housing subsidies, to parolees who  
29 suffer from mental illness and are either homeless or at risk of  
30 homelessness, in order to successfully reintegrate the parolees into  
31 the community, increase public safety, and reduce state costs of  
32 recidivism. It is further the intent of the Legislature to supplement  
33 existing parole outpatient clinic services by providing services to  
34 individuals who suffer from a severe mental illness, as defined in  
35 Section 5600.3 of the Welfare and Institutions Code, and who  
36 require services that cannot be provided by parole outpatient  
37 clinics, including services provided pursuant to Section 5806 of  
38 the Welfare and Institutions Code.

39 SEC. 3. Section 2985.1 of the Penal Code is amended to read:

1 2985.1. For purposes of this article, the following definitions  
2 shall apply:

3 (a) “Bridge rental assistance” means rental assistance paid to  
4 participating landlords while the service provider and program  
5 participant seek permanent rental assistance that allows the program  
6 participant to remain in the same housing or, when feasible, allows  
7 the program participant to incur the full responsibility of paying  
8 rent through employment or benefits entitlement once parole ends.

9 (b) “Department” means the Department of Corrections and  
10 Rehabilitation.

11 (c) “Fair market rent” means the rent, including the cost of  
12 utilities other than telephone, as established by the ~~federal~~ *United*  
13 *States* Department of Housing and Urban Development, for units  
14 of varying sizes, as determined by the number of bedrooms, that  
15 must be paid in the market area to rent privately owned, existing,  
16 decent, safe, and sanitary rental housing of a modest nature with  
17 suitable amenities.

18 (d) “Homelessness” has the same meaning as in Part 91 of Title  
19 24 of the Code of Federal Regulations.

20 (e) “Integrated Services for Mentally Ill Parolees program” or  
21 “ISMIP program” means the program of supportive services and  
22 housing support provided by this article.

23 (f) “Interim housing” means a temporary residence in which a  
24 program participant resides, for a period not to exceed nine months,  
25 while waiting to move into permanent housing. “Interim housing”  
26 may include housing that is paid for using motel vouchers or  
27 housing in which a program participant resides for the purpose of  
28 receiving recuperative care.

29 (g) “Likely to become homeless upon release” or “at risk of  
30 homelessness” means the individual has a history of homelessness  
31 and he or ~~he~~ *she* satisfies both of the following criteria:

32 (1) The individual has not identified a fixed, regular, and  
33 adequate nighttime residence for release.

34 (2) The individual’s only identified nighttime residence for  
35 release includes a supervised, publicly or privately operated shelter  
36 designed to provide temporary living accommodations, or a public  
37 or private place not designed for, or not ordinarily used as, regular  
38 sleeping accommodations for human beings.

1 (h) “Supportive housing” has the same meaning set forth in  
2 subdivision (b) of Section 50675.14 of the Health and Safety Code,  
3 and that, in addition, is decent, safe, and affordable.

4 SEC. 4. Section 2985.2 of the Penal Code is amended to read:

5 2985.2. (a) Pursuant to Section 3073, the department shall  
6 provide a supportive housing program that provides wraparound  
7 services to mentally ill parolees who are either homeless or at risk  
8 of homelessness using funding appropriated by the Legislature for  
9 the ISMIP program.

10 (b) A service provider participating in this program shall comply  
11 with all of the following:

12 (1) Provide services and treatment based on ~~best practices~~.  
13 *evidence-based practices*.

14 (2) Demonstrate that the program reduces recidivism and  
15 homelessness among program participants.

16 (3) Have prior experience working with county or regional  
17 mental health programs.

18 (4) Demonstrate existing relationships with a supportive housing  
19 provider.

20 (c) (1) An inmate or parolee is eligible to participate in this  
21 program if all of the following apply:

22 (A) He or she has a serious mental disorder as defined in Section  
23 5600.3 of the Welfare and Institutions Code and as identified by  
24 the department, and he or she has a history of mental health  
25 treatment in the prison’s mental health services delivery system  
26 or in a parole outpatient clinic.

27 (B) The inmate or parolee voluntarily chooses to participate.

28 (C) Either of the following applies:

29 (i) He or she has been assigned a date of release within 60 to  
30 180 days and is likely to become homeless upon release.

31 (ii) He or she is currently a homeless parolee.

32 (2) First priority for the program shall be given to the lowest  
33 functioning offenders in prison, as identified by the department,  
34 who are likely to become homeless upon release.

35 (d) A parolee is not required to receive other ISMIP services as  
36 a condition of eligibility to receive rental assistance pursuant to  
37 this article.

38 SEC. 5. Section 2985.3 of the Penal Code is amended to read:

39 2985.3. (a) A service provider shall offer services, in  
40 accordance with Section 5806 of the Welfare and Institutions Code,

1 to obtain and maintain health and housing stability while the  
2 program participant is on parole, to enable the program participant  
3 to comply with the terms of parole, and to augment mental health  
4 services provided to the program participant. The services shall  
5 be offered to a program participant in his or her home, or shall be  
6 made as easily accessible to the program participant as possible  
7 and shall include, but are not limited to, all of the following:

8 (1) Case management services.

9 (2) Parole discharge planning.

10 (3) Housing location services, and, if needed, move-in cost  
11 assistance.

12 (4) Rental subsidies that are equal to or greater than fair market  
13 rent.

14 (5) Linkage to other services, such as vocational, educational,  
15 and employment services, as needed.

16 (6) Benefit entitlement application and appeal assistance.

17 (7) Transportation assistance to obtain services and health care  
18 needed.

19 (8) Assistance obtaining appropriate identification.

20 (b) For a program participant identified prior to release from  
21 state prison, upon the service provider's receipt of referral and in  
22 collaboration with the parole agent and, if appropriate, staff, the  
23 intake coordinator or case manager of the service provider shall,  
24 when possible:

25 (1) Receive all prerelease assessments and discharge plans.

26 (2) Draft a plan for the program participant's transition into  
27 housing that serves the program participant's needs and that  
28 demonstrates a clear transition pathway to permanent, independent,  
29 and affordable housing. Housing options shall include permanent  
30 supportive housing and interim housing, as necessary, while the  
31 program participant awaits placement into supportive housing.

32 (3) Engage the program participant to actively participate in  
33 services upon release.

34 (4) Assist in obtaining identification for the program participant,  
35 if necessary.

36 (5) Assist in applying for any benefits for which the program  
37 participant is eligible.

38 (c) (1) To facilitate the transition of a program participant  
39 identified prior to release into the community and a program  
40 participant identified during parole into supportive housing, a

1 service provider shall, on an ongoing basis, but not less than  
2 quarterly, assess each program participant's needs and include in  
3 each program participant's assessment a plan to foster  
4 independence and continued residence in the same permanent  
5 housing when his or her parole is complete.

6 (2) Upon referral to the service provider, the service provider  
7 shall work to transition a program participant from the department's  
8 rental assistance to other mainstream rental assistance benefits if  
9 those benefits are necessary to enable the program participant to  
10 remain in stable housing, and shall prioritize transitioning the  
11 program participant to these benefits in a manner that allows the  
12 program participant to remain housed, when possible, without  
13 moving. Mainstream rental assistance benefits may include, but  
14 are not limited to, federal Housing Choice Voucher assistance,  
15 Department of Housing and Urban Development-Veterans Affairs  
16 Supportive Housing vouchers, or other rental assistance programs.

17 (3) The program participant's parole discharge plan and the  
18 assessments shall consider the need for, and prioritize linkage to,  
19 county mental health services and housing opportunities that are  
20 supported by the Mental Health Services Act, the Mental Health  
21 Services Act Housing Program, or other funding sources that  
22 finance permanent supportive housing for persons with mental  
23 illness, so that the program participant may continue to achieve  
24 all recovery goals of the program and remain permanently housed  
25 when his or her parole is complete.

26 (4) The department and service providers shall not limit the  
27 bridge rental assistance made available to the program participant,  
28 except to the term of the program participant's parole. The program  
29 participant shall be allowed to remain in the same housing after  
30 the bridge rental assistance ends, so long as he or she complies  
31 with the terms of the lease.

32 SEC. 6. Section 2985.4 of the Penal Code is amended to read:

33 2985.4. (a) A service provider shall identify and locate  
34 supportive housing opportunities for a program participant prior  
35 to his or her release from state prison or as quickly upon his or her  
36 release from state prison as possible, or as quickly as possible after  
37 the program participant is identified during parole, but in no case  
38 later than nine months after the program participant agrees to  
39 participate in the ISMIP program.

(b) Housing identified pursuant to subdivision (a) shall satisfy all of the following:

(1) The housing is located in an apartment building, single-room occupancy buildings, townhouses, or single-family homes, including rent-subsidized apartments leased in the open market or set aside within privately owned buildings.

(2) The housing is not subject to community care licensing requirements or is exempt from licensing under Section 1504.5 of the Health and Safety Code.

(3) A program participant living in supportive housing shall have a lease and be subject to the rights and responsibilities of tenancy.

(c) A service provider shall use a portion of the ISMIP payments received from the department to identify and offer the program participant interim housing while the program participant is waiting to obtain appropriate permanent rental housing and to complete documentation and paperwork needed to move the program participant into the rental housing.

(d) If a service provider operates in a county that utilizes homeless coordinated assessment and entry systems, the service provider shall offer ISMIP program payments and housing assistance to parolees who qualify for the ISMIP program through those systems.

(e) A service provider may use ISMIP program payments to support a housing specialist position to work with lessors, affordable and for-profit housing developers, public housing authorities, and other housing providers to identify and secure affordable rental housing for program participants.

SEC. 7. Section 2985.5 of the Penal Code is amended to read:

2985.5. (a) A service provider shall report to the department regarding the intended outcomes of the program, including all of the following:

(1) The number of program participants served.

(2) The types of services that were provided to program participants.

(3) The outcomes for program participants, including the number who are living independently, the number who remain in or moved to permanent housing, the number who ceased to participate in the program, the number who returned to state prison, and the number who were arrested and are residing in county jail.



1 (4) The number of program participants who successfully  
2 completed parole and transitioned to county mental health  
3 programs.

4 (5) The percentage of program participants currently living in  
5 permanent housing.

6 (b) The department shall prepare an analysis of the costs of the  
7 supportive housing program in comparison to the cost savings to  
8 the state as a result of reduced recidivism rates by program  
9 participants using the information provided pursuant to subdivision

10 (a). This analysis shall exclude from consideration any federal  
11 funds provided for services while the program participant is on  
12 parole in order to ensure that the analysis accurately reflects only  
13 the costs to the state for the services provided to program  
14 participants.

15 (c) The department shall annually submit, on or before February  
16 1, the information collected pursuant to subdivision (a) and the  
17 analysis prepared pursuant to subdivision (b) to the chairs of the  
18 Joint Legislative Budget Committee, the Senate Committee on  
19 Budget and Fiscal Review, the Assembly Committee on Budget,  
20 the Senate and Assembly Committees on Public Safety, the Senate  
21 Committee on Transportation and Housing, and the Assembly  
22 Committee on Housing and Community Development.