

Date of Hearing: July 9, 2019

ASSEMBLY COMMITTEE ON AGING AND LONG-TERM CARE

Adrin Nazarian, Chair

SB 611 (Caballero) – As Amended June 24, 2019

**SENATE VOTE:** 38-0

**SUBJECT:** Housing: elderly and individuals with disabilities.

**SUMMARY:** Requires the Governor to establish the Master Plan for Aging Housing Task Force (Task Force) to prioritize and identify the needs of individuals who are aging as it relates to housing and the effects of homelessness. Specifically, **this bill:**

- 1) Requires the Governor to establish the Task Force to identify policy solutions to issues affecting older adults who are homeless, at risk of homelessness or face potential institutionalization, and to carry out the following responsibilities:
  - a) Assess the need for affordable housing and the annual impact on the statewide supply of affordable and accessible housing for older adults;
  - b) Identify current state housing programs and effective solutions that bring health and social services to older adults living in affordable housing;
  - c) Identify best practices and regulatory barriers to the development of intergenerational housing that includes co-located services and support for older adults; and
  - d) Make recommendations to the Governor and the Legislature regarding policies that will:
    - i) Increase the supply of affordable and intergenerational housing, and reduce barriers to providing health and social services to older adults; and
    - ii) Enable older adults to access home modification and safety assessment services that enable aging in place.
- 2) Establishes the membership of the Task Force to include:
  - a) The Director of the Department of Housing and Community Development (HCD), or their designee, as chair;
  - b) A representative from the Governor's office;
  - c) A Member of the Senate and a Member of the Assembly;
  - d) The directors, or the designees, of the following departments:
    - i) the Department of Health Care Services, the Department of Social Services, and the California Department of Aging (CDA);
  - e) The following, to be appointed by the Task Force chairperson:

- i) A representative of a non-profit housing corporation that develops affordable senior properties;
  - ii) A representative of a for-profit management corporation that manages senior properties;
  - iii) A representative of a corporation that operates a Programs of All-Inclusive Care for the Elderly organization;
  - iv) Two representatives from labor organizations representing the long-term care workforce;
  - v) A representative of a county organized health system;
  - vi) A representative of a local initiative plan;
  - vii) A representative of a commercial Medi-Cal managed care plan; and
  - viii) Two local government representatives.
- 3) Requires the Task Force to meet at least six times in the year 2020 and to submit a report to the Legislature by April 30, 2021 that shall be incorporated into the Master Plan on Aging.
  - 4) Requires the Task Force report to include findings and policy recommendations to:
    - a) Increase the supply of affordable housing for older adults;
    - b) Increase the supply of affordable intergenerational housing for older adults and families;
    - c) Reduce barriers to providing health care and social services to older adults in affordable housing; and
    - d) Enable individuals to access home modification and safety assessment services that enable aging in place.

**EXISTING LAW:**

- 1) Establishes the responsibility of HCD over the development and implementation of housing policy through various programs, including among others, financial and other assistance to local public entities and nonprofit organizations for housing-related services.
- 2) Establishes the Mello-Granlund Older Californians Act and sets forth the state's commitment to its older population and other populations served by the programs administered by CDA.
- 3) Establishes the Homeless Coordinating and Financing Council to oversee implementation of the Housing First regulations and, among other things, identify resources, benefits, and services that can be accessed to prevent and end homelessness in California
- 4) Establishes the State Supplementary Program for Aged, Blind and Disabled, which is intended to supplement federal SSI and provide persons whose need results from age,

blindness or disability with assistance and services that help them meet basic needs and maintain or increase independence. (WIC 12000 *et seq.*)

**FISCAL EFFECT:** According to the Senate Appropriations Committee SB 611 as amended June 12, 2019:

- The Department of Housing and Community Development (HCD) would incur costs of approximately \$450,000 through the 2020-21 fiscal year (1.5 PY of staff for 1.5 years) to provide research and administrative support to the Task Force, and draft the report to the Legislature. (General Fund).
- Likely minor costs for each of the representatives of the Governor's Office and the Departments of Aging, Social Service, and Healthcare Services to participate in the Task Force. Staff estimates these costs could be in the range of \$100,000 to \$200,000 in the aggregate. (General Fund, federal funds)
- Unknown potentially significant future cost pressures to implement the recommendations of the task force, including increasing the supply of affordable housing for older adults and reducing barriers to health care and social services to older adults in affordable housing, as specified in the bill. (General Fund, bond funds, special funds)

**COMMENTS:**

According to the author, "The state's lack of affordable housing and higher costs of living has forced many older adults who live on fixed incomes into poverty and homelessness. As housing costs rise, retirement incomes, such as Social Security and Supplemental Security Income (SSI), have remained stagnant and many low-income older adults find it impossible to pay their rent and related housing costs.... The Task Force will convene California's foremost experts on housing issues to bring innovative and effective solutions that will help older adults remain at home and avoid homelessness, while also helping to identify current programs and developing best practices for the future."

California's lack of affordable housing has particularly affected older adults. This is largely because many older adults live on a fixed income. While their rents continue to increase, their incomes do not. According to the UCLA Center for Health Policy Research, more than three-quarters of low-income older Californian tenants are rent-burdened, spending more than 30 percent of income on housing; more than half are severely rent-burdened, spending more than 50 percent of income on housing.

Today in California, one in 10 older adults lives in poverty, a number that is expected to increase as more people find themselves living in housing they cannot afford. It is reported that more than half of the people experiencing homelessness are over age 57. One in 5 homeless adults in Sacramento County are over age 55. According to a recent study by the University of California, San Francisco, the percentage of homeless adults older than the age of 50 has grown from 11% in 1990 to 50% in 2019.

**Governor Newsom:** In his first State of the State speech on February 12<sup>th</sup>, 2019, Governor Newsom called for a Master Plan on Aging. On June 10<sup>th</sup>, the Governor issued Executive Order N-14-19 calling for the Master Plan on Aging to be developed including recommendations to better serve the needs of older adults, their families and caregivers, and to better coordinate

programs at the federal, state, and local level. The Executive Order would accomplish these actions by establishing a cabinet-level work group led by the Secretary of Health & Human Services Agency and comprised of peer agency heads. The Health & Human Services Agency would also convene Master Plan Stakeholder Advisory Committee which would include a Research Subcommittee and a Long-term Care Subcommittee whose membership reflects a diverse array of members to help support the work of the Master Plan. The Executive Order calls for an interim report on long term care to be released March 1, 2020, and for a final Master Plan Report to be issued October 1, 2020. The Master Plan is to include key data indicators with 10-year targets to support implementation of the Master Plan.

Writing in support, the California Association of Area Agencies on Aging (C4A) state that “SB 611 seeks to address the housing needs of older Californians by establishing a Master Plan for Aging’s Task Force. The task force will convene stakeholders from around the state to assess need, availability of services, identify barriers, and seek solutions. California’s lack of affordable housing has particularly impacted older adults. Research shows that more than three-quarters of low-income older adults are rent-burdened, spending more the 50 percent of their income on housing. This disparity between housing cost and income is leading to a rise in older adults experiencing homelessness. C4A encourages the Legislature to find solutions to the crisis that now faces many of our older Californians. It is important that we allow our older adults to age in place.”

The CA Apartment Association also writes in support, “... California’s population is aging... we lack sufficient housing for our seniors and especially those seniors with disabilities and special needs. At the same time, retirement incomes, such as Social Security and Supplemental Security Income, have remained stagnant. With the state’s over-65 population set to nearly double by 2030, California’s lack of affordable housing and higher costs of living will force more older adults who live on fixed incomes into poverty and potentially homelessness.”

**Related Legislation:** There are a number of proposals authored this year by Members of the Legislature and which echo the priority of the Executive Order to convene a high level task force and also build out areas of focus. The following bills are from the current session, and are all part of the “Master Plan on Aging” bill package:

- **AB 1287 (Nazarian)** Requires the development of a plan and strategy for the statewide implementation of the No Wrong Door system and the development of a universal assessment tool to assist older adults, people with disabilities, and caregivers in obtaining accurate information and appropriate community services and supports. This bill is set to be heard in Senate Human Services.
- **AB 1382 (Aguiar-Curry)** Focuses on the need to develop, sustain, and support the workforce as part of a Master Plan for Aging. This bill is set to be heard in Senate Human Services.
- **SB 228 (Jackson)** Requires the Governor to appoint a Master Plan Director and establishes an Aging Task Force for the purpose of developing a Master Plan on Aging. This bill is set to be heard in Assembly Human Services.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California State Treasurer (Co-Sponsor)  
California Apartment Association  
California Association of Area Agencies on Aging (C4A)  
California Association of Public Authorities for IHSS  
California Commission on the Status of Women and Girls  
California Legislative Women's Caucus  
Christian Church Homes  
County of Santa Clara  
Episcopal Communities & Services  
Human Good  
Jewish Public Affairs Committee of California  
LeadingAge California  
PEP Housing  
Retirement Housing Foundation  
Santa Clara Methodist Retirement Foundation  
26 Residents of EHD OC John Plaza Apartments  
United Domestic Workers of America/AFSCME Local 3930

**Opposition**

None on file.

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