

## LEGISLATIVE DIGEST

[Administrative Code - Sanctions for Non-Willful Violations of County Adult Assistance Programs Rules, and Creating Rental Assistance Pilot Project]

**Ordinance amending the Administrative Code to codify the process for imposing sanctions for non-willful failures to comply with County Adult Assistance Programs (CAAP) program requirements and establish a three-year rental assistance pilot project for CAAP participants who have been sanctioned as a result of non-willful failures to comply with program requirements.**

### Existing Law

The San Francisco Human Services Agency (“HSA”) administers the County Adult Assistance Programs (CAAP). CAAP consists of General Assistance (GA), Personal Assisted Employment Services (PAES), Cash Assistance Linked to Medi-Cal (CALM), and Supplemental Security Income Pending (SSIP), as those programs are set forth in Articles VII through XI of Chapter 20 of the Administrative Code.

California Welfare and Institutions Code Section 17001.5, governing the operation of programs that deliver aid and care for indigent persons, provides that a recipient’s aid may be discontinued, or a sanction imposed, if the recipient is found to have engaged in not less than three separate acts of negligent failure to follow program requirements. Although HSA has promulgated a rule governing negligent acts of noncompliance that is consistent with Section 17001.5, the San Francisco Administrative Code does not expressly reference that section of State law.

Under current law, when a CAAP participant is found to have engaged in three negligent acts of noncompliance with program rules, HSA may impose a thirty-day sanction, during which time the participant does not receive financial assistance.

### Amendments to Current Law

The proposed ordinance would amend Articles VII, IX, X, and XI of Section 20 of the Administrative Code to expressly reference Section 17001.5 of the California Welfare and Institutions Code, thereby codifying its provisions governing the discontinuance of financial assistance resulting from negligent acts of noncompliance with program rules.

The proposed ordinance would also establish the CAAP Discontinuance Rental Assistance Pilot Project – a three year pilot project - and would require HSA to submit an annual report to

the Board of Supervisors describing the project's effectiveness and including recommendations for improvement.

### Background Information

HSA administers the CAAP program, which provides financial assistance to indigent individuals who have no other source of income or benefits. For CAAP participants who are placed in supportive housing through HSA's Care Not Cash program, benefits consist of placement in housing and a monthly cash grant paid directly to the participant, a portion of which is required to be used to pay rent to the housing provider. HSA further subsidizes the cost of housing for Care Not Cash participants through direct contracts with the housing provider.

Consistent with State law, after the third instance in which HSA determines that a CAAP participant has negligently failed to follow program requirements, HSA notifies the recipient that his or her benefits will be discontinued. GA and PAES participants who are sanctioned cannot reapply to CAAP for thirty days. But sanctioned clients typically have no source of income to pay rent. Therefore, CAAP discontinuances have the potential to threaten the housing security of CAAP participants.

Currently, HSA practice is to provide advance notice to HSA-funded supportive housing providers when a CAAP participant in their building is at risk of discontinuance. Housing providers are contractually obligated to follow up with the participant to attempt to prevent the discontinuance of CAAP aid or to assist the participant to reinstate CAAP aid. HSA-funded supportive housing providers are also authorized to forgive one month of rent debt in such situations so that the client can reestablish benefits without jeopardizing their housing stability.

The Pilot Project is intended to further reduce the risk that CAAP participants will be evicted or otherwise become housing insecure. Under the terms of the Pilot Project, when a CAAP participant is found to have engaged in three negligent acts of noncompliance with program rules, HSA will discontinue cash benefits, but will pay the client's share of rent directly to the housing provider for a period of one month following discontinuance.