



Legislative Fiscal Bureau

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May 31, 2017

Joint Committee on Finance

Paper #130

Homeless Employment Pilot Program (Administration -- Housing)

[LFB 2017-19 Budget Summary: Page 51, #2]

CURRENT LAW

No current law provision.

GOVERNOR

Provide \$75,000 GPR annually to an annual GPR appropriation created under the Department of Administration (DOA) for employment grants to municipalities that administer a homeless employment pilot program. Specify that any municipality may apply for a grant of up to \$75,000. A municipality that receives a grant must contribute at least \$50,000 of its own funds and must use both the grant and the contribution for the purpose of connecting homeless individuals with permanent employment. Require DOA to give preference to a municipality that obtains an agreement from a nonprofit organization to provide additional employment and support services to homeless individuals participating in the grant program.

DISCUSSION POINTS

1. The Joint Committee on Finance held an executive session on 2017 Assembly Bill 237 (AB 237) on April 24, 2017, and recommended the bill for passage as amended by Assembly Amendments 1 and 2 to the bill. The provisions of AB 237 are substantially similar to the provisions in the budget bill. Assembly Amendment 1 (AA 1) to the bill would specify that a county would be included in the definition of municipality for the purpose of the program. Assembly Amendment 2 (AA 2) to the bill would specify that DOA give preference to a municipality that places a priority on using the grant and matching funds for the purpose of paying the wages of homeless individuals participating in the grant program.

2. On May 2, 2017, the Assembly passed AB 237, as amended by AA 1 and AA 2, on a vote of 88 to 10. The bill was referred to the Senate Committee on Workforce Development, Military Affairs and Senior Issues on May 4, 2017.

3. The administration indicates funding would be available for a municipality to initiate a pilot program modeled after the City of Albuquerque, New Mexico, program that utilizes a van to conduct outreach to homeless individuals and offer day labor opportunities such as cleaning up municipal parks and public spaces.

4. The Committee could approve the Governor's recommendation to create the homeless employment grant program and provide \$75,000 GPR annually. [Alternative 1] Given that the Committee recommended AB 237 as amended by AA 1 and AA 2 for passage and that the Assembly passed the bill as recommended, the Committee could choose to modify the budget bill provision to incorporate the provisions of AA 1 and AA 2 to AB 237 to: (a) specify that "municipality" include a county; and (b) specify that DOA give preference to a municipality that places a priority on using the grant and matching funds for the purpose of paying the wages of homeless individuals participating in the grant program. [Alternative 2]

5. Finally, the Committee could delete the provision from the budget bill. The provisions of AB 237, as amended, would be enacted into law if approved by the Senate. [Alternative 3]

ALTERNATIVES

1. Approve the Governor's recommendation to: (a) provide \$75,000 GPR annually to an annual GPR appropriation under DOA for a homeless employment pilot program; (b) specify that any municipality may apply for a grant of up to \$75,000; (c) require a municipality that receives a grant to contribute at least \$50,000 of its own funds and to use the grant and the contribution for the purpose of connecting homeless individuals with permanent employment; and (d) require DOA to give preference to a municipality that obtains an agreement from a nonprofit organization to provide additional employment and support services to homeless individuals participating in the grant program.

ALT 1	Change to	
	Base	Bill
GPR	\$150,000	\$0

2. Modify the provision to: (a) specify that a county be considered a municipality; and (b) specify that DOA give preference to a municipality that places a priority on using the grant and matching funds for the purpose of paying the wages of homeless individuals participating in the grant program.

3. Delete the provision.

ALT 3	Change to	
	Base	Bill
GPR	\$0	- \$150,000

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