

REVISED MOTION BY SUPERVISOR HOLLY J. MITCHELL

August 6, 2024

Expanding Breathe: LA County’s Guaranteed Income Program to Foster Youth

On May 18, 2021, the Los Angeles County (County) Board of Supervisors (Board) directed the Poverty Alleviation Initiative (PAI) to establish a Countywide Guaranteed Income pilot program and to identify appropriate funding and administrative support to serve 1,000 County residents for three years by providing them \$1,000 per month. In response, Breathe: LA County’s Guaranteed Income Program (Breathe) launched in March 2022, and completed its enrollment of all 1,000 participants on August 15, 2022. Subsequently, on April 4, 2023, the Board directed PAI to expand Breathe to include 200 former foster youth served by the Department of Children and Family Services (DCFS), a population included in Breathe’s original program goal of serving transition-aged youth, specifically current and former foster youth served by DCFS. Breathe’s expansion launched in August 2023 and completed its enrollment of all 200 participants a month later. The expansion provides \$1,000 monthly payments to all 200 youth for two years.

While Breathe’s initial expansion supports 200 former foster youth, the continued support of transitioning foster youth can provide essential financial stability during such a critical and pivotal time in their lives where data has demonstrated the risks youth exiting care face, including homelessness to justice system involvement. The State of California’s (State) Flexible Family Support funding (FFS) provides the County with the

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ability to support more than 2,000 youth transitioning out of care through a second expansion of Breathe.

The FFS funding does include some parameters around eligibility criteria and the issuance and use of stipends for youth, limiting the County's ability to label this expansion of Breathe as a true guaranteed income program. The State allows the issuance of stipends to youth but prescribes stipends to be used for "extracurricular and enrichment activities that are designed to enhance the foster child or nonminor dependent's skills, abilities, self-esteem, relationships, and overall well-being and healing."¹ Although the State's definition is broad and aligns with the core principles of the use of guaranteed income, the State decided to not allow Counties to leverage the funds as guaranteed income for the youth but instead provide stipends that the youth will have to justify as being used for the purposes as prescribed. This is reflective of the need to continue narrative change work around the efficacy and impact of guaranteed income for services that are intended to drive outcomes that guaranteed income has proven to be effective in achieving.

Expanding Breathe to include the stipend program for nonminor dependents in foster care will provide targeted financial assistance on a monthly or quarterly basis to youth between the ages of 18 and 21 transitioning out of foster care in the County. The stipends will cover the costs of facilitating life enrichment and extracurricular activities. In addition to receiving stipends, and as recommended by the Department of Consumer and Business Affairs Center for Financial Empowerment (CFE), this expansion will include access to coaches that will provide youth with career and education counseling, financial empowerment workshops, and training, housing, and benefit access support for other programs or services that the youth may qualify for to promote a positive transition out of care.

Additionally, the program will study the effect of stipends modeled similarly to guaranteed income on individual financial stability, the alleviation of stress, the completion

¹ <https://file.lacounty.gov/SDSInter/bos/supdocs/178929.pdf>

of deferred schooling, an increase in well-being, and civic engagement. Similar to the existing Breathe program, the expansion to include the stipend program will offer insight and data with the potential to impact how California implements future policy and practice.

To ensure adequate implementation and expansion of Breathe to serve more than 2,000 youth with the additional supports and services as described, there is a need to extend and increase Breathe's operational capacity across two of our contracted partners. The contracts that will need to be revised to support the expansion include the program administrator, Strength Based Community Change, who will work in collaboration with CFE, and the debit card distributor and monthly card funder, MoCaFi.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Authorize the Chief Executive Officer (CEO), or her designee, to expand Breathe: LA County's Guaranteed Income Program (Breathe). The expansion shall include:
 - a. Using Board-allocated existing Breathe program funding and the Department of Children and Family Services (DCFS) funds, which includes Flexible Family Support (FFS) funds, for a program expansion to serve a minimum additional 2,000 nonminor dependents in foster care between the ages of 18 and 21 across two cohorts:
 - i. Cohort One – nonminor dependents in foster care between the ages of 18 and 19 and not anticipated to age out of care during the 18-months of stipend issuance. This cohort of approximately 1,000 youth will receive \$500 monthly stipends for 18-months with access to career and education counseling, financial empowerment training, and other supportive services.
 - ii. Cohort Two – nonminor dependents in foster care between the ages of 19 and 21 and anticipated to age out of care during the 18-months of stipend issuance. This cohort of approximately 1,000 youth will receive \$1,500 quarterly stipends for up to 18-months, or six quarters, with final stipends issued during the

quarter in which the youth turn 21. This cohort will have access to career and education counseling, financial empowerment training, and other supportive services.

- b. Using the data available through DCFS to determine eligibility, which shall include all nonminor dependents who are in foster care and between the ages of 18 and 21 at the time of program launch and therefore eligible and encouraged to participate in the program;
 - c. Using the existing program mechanism for disbursing funds to Breathe participants; and
 - d. Using a program research design that meets the requirements of the State and determines other appropriate metrics that may be unique to this population.
2. Authorize the CEO, or her designee, to amend the existing contract with Strength Based Community Change, to increase the contract sum by an additional amount of up to \$4,427,151 which covers the operational and programmatic implementation of services to more than 2,000 eligible foster youth through the expansion of Breathe and perform an evaluation of the impact and use of the expansion stipends towards the goals of the Flexible Family Support funding). Also authorize the CEO to amend the agreement, as needed, to update the statement of work and/or pricing, increase/decrease the contract sum up to 10%, extend the term of the agreement, make changes to the terms and conditions, or terminate the agreement. All amendments must be approved as to form by County Counsel.
3. Authorize the Director of the Department of Consumer and Business Affairs (DCBA), or his designee, to amend the existing contract with MoCaFi, to increase the contract sum to include the additional \$15,040,000 in monthly and quarterly stipend payments for the additional participants and for additional administrative costs up to \$180,000, for debit card distribution, reporting, and funding services to serve the additional program participants. Also authorize the Director of DCBA to further amend the agreement, as needed, to update the statement of work and/or pricing,

increase/decrease the contract sum up to 10%, extend the term of the agreement, make changes to the terms and conditions, or terminate the agreement. All amendments must be approved as to form by County Counsel.

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