DATE: April 21, 2020
TO: Board of Supervisors
FROM: Miguel Marquez, Chief Operating Officer
       James R. Williams, County Counsel
       Robert Menicocci, Social Services Agency Director
SUBJECT: Universal Basic Income Foster Care Pilot Program

RECOMMENDED ACTION
Under Advisement from August 13, 2019 (Item No. 14): Consider recommendations relating to options for implementing a basic income pilot program for current and/or former foster youth. (Office of the County Executive)

Possible action:
   a. Receive report from the Office of the County Executive and County Counsel relating to options for implementing a basic income pilot program for current and/or former foster youth.
   b. Provide direction relating to options for implementing a basic income pilot program for current and/or former foster youth.

COMMITTEE RECOMMENDATIONS
At the December 3, 2019 Children, Seniors, and Families Committee (CSFC) meeting, the Committee asked for models for a pilot—in addition to the two models already included in the report—be brought back to the Committee in March 2020. The Committee also directed the Administration to engage the Gerald Huff Fund for Humanity, through Dr. Gisèle Huff, as well as Destination: Home, to help refine a pilot program and the study of it. Supervisor Chavez also requested that the next report attach relevant studies from other jurisdictions that have piloted Universal Basic Income. Supervisor Cortese requested the County utilize existing data on transition age youth as a control group for how youth would do without a basic income, instead of having a control group of eligible county youth who would not receive a basic income.

Further direction was provided by Supervisor Cortese at the March 26, 2020 CSFC meeting requesting the Administration to bring the report directly to the Board of Supervisors to
expedite implementation of this referral during the COVID-19 pandemic since transition-age foster youth are facing increased challenges.

FISCAL IMPLICATIONS

There is no fiscal impact associated with the recommended action. However, if the Board directs the Administration to implement a Basic Income Pilot for transition-age youth who are aging out of foster care as outlined below, a funding source would need to be identified, which would most likely impact the General Fund Contingency Reserve.

REASONS FOR RECOMMENDATION

At the August 13, 2019 Board of Supervisors meeting (Item No. 14), the Board approved a referral submitted by Supervisor Cortese requesting that Administration and County Counsel return to the Board, through CSFC, with options for implementing a basic income pilot program under which young people transitioning out of the foster care system would receive unconditional cash payments. At the request of Supervisor Ellenberg, the Board directed Administration to evaluate the inclusion of an experimental evaluation of the impact of the pilot program by using a test group and a control group to measure and compare outcomes, and to identify potential partnerships as well as public and private funding mechanisms.

The Offices of the County Executive and County Counsel provided a report with options for implementing the pilot to the CSFC on December 3, 2019. That report is linked to this report. It provides an overview of Universal Basic Income, an analysis of existing Universal Basic Income Pilot programs, and outlines potential philanthropic partnerships and evaluation approaches. It also established two distinct groups of young people transitioning out of the foster care system:

- **Non-Minor Dependents (NMD):** Youth age 18-21 participating in extended foster care with open dependency cases; and
- **Transition Age Youth (TAY):** Youth Aging Out of Foster Care who are over 21 years old and up to 24 years old.

Since the August CFSC meeting, the Administration has engaged the Gerald Huff Fund for Humanity and Destination: Home for technical assistance to develop a pilot program and an evaluation model. Through the Gerald Huff Fund, Jennifer Dempsey developed the report “Transitioning out of Foster Care: A Review of the Literature On Extended Support Services and Financial Literacy Programs,” which is attached to this item and summarizes relevant research and evidence-based programs and strategies. Destination: Home also partnered with the County to make the connection with the University of Notre Dame’s Wilson Sheehan Lab for Economic Opportunities. Furthermore, the Silicon Valley Community Foundation assisted in connecting the County to local South Bay Funders and thought partners who are working on economic security issues, such as Tipping Point.

It is important to note that much of the planning and research on Universal Basic Income (UBI) predates the COVID-19 pandemic. Therefore, the Administration reviewed data and
models under a very different social and economic climate. As a result, the information in this report has shifted to align with economic recovery and social stability for transition-age youth who are aging out of the foster care system. The pilot program described below would allow the County to quickly serve a vulnerable population, while collecting information and utilizing partnerships to develop a long-term strategy to increase the economic stability of transition-age youth.

**One-Year Pilot Program**

To be responsive to the current climate, a one-year pilot could be established from June 2020 through May 2021. To meet the Committee-directed timeline, a pilot program could serve up to 60 transition-age youth (TAY Youth) who are aging out of foster care. The pilot program would provide a $1,000 monthly payment to each TAY Youth. TAY Youth are eligible for fewer resources than NMDs, which impacts their ability to become self-sufficient after their 21st birthday. While some TAY Youth are eligible for transitional housing programs, services typically require enrollment in an education program or employment. This requirement is particularly challenging during the COVID-19 pandemic. Providing a $1,000 monthly payment would provide a critical lifeline to TAY Youth in our county.

Prior to initial disbursement, participants would be asked to complete an intake questionnaire to develop a baseline for evaluating the pilot program. This would include soliciting information on what services and support are most needed for the TAY Youth to recover from economic impacts associated with the COVID-19 pandemic to position them for long-term self-sufficiency. The pilot program would utilize a Participatory Research Model by checking in with participants every three months to learn how they are utilizing the monthly payment, and to ask what services they could benefit from, and what challenges they are facing.

This pilot program would be the first step toward the County’s commitment to establishing a Universal Basic Income for transition-age youth who are aging out of foster care. TAY Youth are a vulnerable population within our community who will require additional support during the COVID-19 pandemic to increase their opportunity for economic recovery from this crisis.

A one-year commitment provides time for the County to collaborate with philanthropic and community partners to provide resources to TAY Youth based on input received from them. It allows for a community solution to be developed in partnership with TAY Youth and service providers which will be presented to the Board prior to the proposed Fiscal Year 2021-2022 budget.

**Partnership with Silicon Valley Community Foundation**

Upon Board direction, the Administration will return with a budget appropriation action for the implementation of a pilot program to serve up to 60 TAY Youth $1,000 monthly payments for one year. The Administration would also partner with the Silicon Valley Community Foundation to engage stakeholders to develop a long-term strategy, based on
lessons learned from the pilot program, for a public-private partnership once the pilot program is complete. Stakeholders would ideally include local South Bay philanthropic organizations and service providers experienced with mentoring and assisting TAY Youth. The Administration would provide quarterly updates to the CFSC beginning in October 2020.

**CHILD IMPACT**

The recommended action will have a positive impact on children and youth through Healthy Lifestyle and Youth Feel Valued by the Community indicators by addressing independent living and economic supports for young people transitioning out of the foster care system.

**SENIOR IMPACT**

The recommended action will have no/neutral impact on seniors.

**SUSTAINABILITY IMPLICATIONS**

The recommended action will have no/neutral sustainability implications.

**BACKGROUND**

At the August 13, 2019 Board of Supervisors meeting (Item No. 14), the Board approved a referral submitted by Supervisor Cortese requesting that Administration and County Counsel return to the Board, through CSFC, with options for implementing a basic income pilot program under which young people transitioning out of the foster care system would receive unconditional cash payments.

At the December 3, 2019 Children, Seniors, and Families meeting (Item No. 8), the Offices of the County Executive and County Counsel provided a report with options for implementing a basic income pilot program for current and/or former foster youth.

This report is in response to that referral, with additional direction from the CFSC, for full Board consideration.

**CONSEQUENCES OF NEGATIVE ACTION**

The Board would not receive this report and provide direction to the Administration on implementing a pilot program for foster youth to receive a basic income.

**LINKS:**

- References: 99229 : Receive report from the Office of the County Executive and County Counsel relating to options for implementing a basic income pilot program for current and/or former foster youth. (Referral from August 13, 2019 Board of Supervisors meeting, Item No. 14) (Office of the County Executive)
- Linked To: 98065 : Approve referral to County Counsel and Administration to return to the Board, through the Children Seniors and Families Committee, with options for implementing a basic income pilot program under which young people transitioning out of the foster care system would receive unconditional cash payments. (Cortese)

**ATTACHMENTS:**

- Transition Out of Foster Care  (PDF)
- BOS Item 21 Presentation 04212020  (PDF)