

March 22, 2023

Honorable Josh Newman  
Chair, Senate Education Committee  
California State Senate  
Sacramento, CA 95814

RE: SB 333 (Cortese) - California Success, Opportunity, and Academic Resilience (CalSOAR)  
Guaranteed Income Program - SUPPORT

Dear Chair Newman:

SPUR writes to you to express our strong support for SB 333(Cortese), which would create the California SOAR (Success, Opportunity, & Academic Resilience) Guaranteed Income Program. The bill would provide necessary assistance to 12th grade students experiencing homelessness for their transition out of high school and into employment or postsecondary education, helping them to achieve economic security at a crucial point in their lives.

According to Census data, there were approximately 15,000 students experiencing homelessness who were enrolled in the 12th grade in California during the 2020-21 academic year. The McKinney-Vento Homeless Assistance Act supports the enrollment and education of students experiencing homelessness. California school districts utilize McKinney-Vento funds, among other federal funds such as those from the American Rescue Plan Act, to provide educational support for K-12 students experiencing homelessness. However, these supports cease once a student graduates. There are no dedicated, ongoing state funds designated to assist these students during the summer months following high school graduation, a time when they are exiting a robust support system and attempting to navigate adulthood with limited resources.

Experts who work with students experiencing homelessness report that the majority aspire to attend post-secondary education. Moreover, data tells us that an overwhelming majority of youth (over 90%) experiencing homelessness wish to pursue careers that require some form of postsecondary education. In the end, about half of these students do enroll in college, a number that has grown over recent years thanks to various efforts by school districts, community-based organizations and advocacy groups. Still, the risk of derailed plans is extremely high without the means and support to make a successful transition from high school to college or employment. This phenomenon is so common, it even has a name: “summer melt.”

In recognition of the need to support youth experiencing homelessness during the bridge between high school graduation and postsecondary education or employment, SB 333 would establish a statewide guaranteed income pilot program that provides direct, unconditional cash payments to these youth from April 1, 2025 through August 1, 2025. The bill defines an eligible participant as a 12th grade student who is homeless as defined by the McKinney-Vento Act.

Guaranteed income is proving to be a cost-effective policy solution to poverty and income inequality among marginalized communities. The Stockton Economic Empowerment Demonstration (SEED) and the Santa Clara County Transition-Aged Youth Basic Income Pilot Program have both produced life-changing results for recipients. Moreover, recent research tells us that direct cash transfers, such as guaranteed income, can play a crucial role in helping youth to sustainably exit homelessness.

SB 333 would equip youth experiencing homelessness with the financial resources to enter onto a path towards stability. The no-strings-attached income model empowers youth to utilize the funds in a way that they feel is best for them, whether that be entering into stable employment or pursuing higher education.

Finally, SB 333 will allow researchers to further evaluate and validate findings on the benefits of guaranteed income and cash transfer programs. This research is an important part of developing effective and sustainable public policy and will be an important part of evaluating guaranteed income and cash transfers as potential long term policy.

For these reasons, SPUR supports SB 333 and respectfully urge your “AYE” vote.

Sincerely,

Jacob Denney  
Economic Justice Policy Director  
SPUR

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom, representing the name Jacob Denney.