

**ASSEMBLY BILL 639**  
**The Veterans Housing and Homeless Prevention Act**  
**INTRODUCED 02/19/2013**

**SUMMARY**

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AB 639 proposes the Veterans Housing and Homeless Prevention Act (Act) to restructure \$600 million of the existing Proposition 12 bond to construct and rehabilitate multifamily veterans' housing that is affordable and supportive.

In particular, the Act will focus on veterans that are at risk for homelessness or are homeless and in need of services such as mental health counseling, substance abuse treatment, job training, and/or struggling with unemployment.

AB 639 will provide California's voters the opportunity to repurpose funds in the Veterans' Bond Act of 2008 (Proposition 12 funded a program that enabled veterans to purchase single family homes) to better respond to the housing needs and changing demographics of the current California veteran population.

The Act will expand on proven and cost-effective housing and service models that will reduce veterans' homelessness, leverage public and private dollars, and decrease other public costs (e.g. health care and incarceration expenditures).

By carefully restructuring the existing bond program with voter approval, California will retain half a billion dollars for the original purposes of the Veterans'

Bond Act - single family home and farm ownership - and will also make funding available for multifamily housing for veterans and their families.

The Veterans Housing and Homeless Prevention Act will place California at the forefront of our nation's efforts to end veterans' homelessness by 2015.

**EXISTING LAW**

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Five years ago, Californians overwhelmingly affirmed their gratitude to our veterans by approving Proposition 12, a \$900 million general obligation bond intended to help veterans purchase single family homes, farms, and mobile homes through the CalVet Farm and Home Loan Program.

Since its passage in 2008, the full \$900 million remains unspent from Proposition 12 as does over half of the funds from Proposition 32 which was approved by voters in 2000. Both of these bonds were approved by the voters to provide funding for the CalVet Farm and Home Loan Program.

In sum, over a billion dollars in voter approved general obligation bond authority for veterans housing has accumulated since 2000; however, this funding is restricted to single family homes while, at the same time, the need by veterans for multifamily housing and supportive housing has greatly increased.

## **BACKGROUND**

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California is home to almost 2 million veterans – more than any other state in the nation – and with the winding down of the wars in Iraq and Afghanistan, an unprecedented number of California veterans will return to our communities, many in need of housing, employment, mental health and drug treatment, and physical rehabilitation.

Unfortunately, California also leads the nation in the number of homeless veterans -- roughly 25 percent of the nation's homeless veterans live in California, approximately 19,000 veterans.

According to the California Research Bureau (CRB), Los Angeles is the #1 in terms of the number of homeless veterans followed by the San Diego region at #3, and the San Francisco Bay Area at #9.

With their higher rates of post-traumatic stress disorder, substance abuse, and unemployment as well as the higher incidence of sexual trauma experienced by our female veterans, the current homeless veteran, all too often cycles in and out of our jails, hospitals, and treatment programs – disproportionately drawing down services without receiving the proper support to stabilize their lives.

Providing supportive housing opportunities for our veterans will help to reduce the number homeless veterans but also decrease the costs to government in other areas.

For example, in 2009, the Economic Roundtable did a study which compared the public costs for individuals in

supportive housing compared to similar individuals who were homeless. The study concluded the following:

“The typical public cost for residents in supportive housing is \$605 a month. The typical public cost for similar homeless persons is \$2,897, five-times greater than their counterparts that are housed. The stabilizing effect of housing plus supportive care is demonstrated by a 79% reduction in public costs for these residents. Public costs go down when individuals are no longer homeless.”

## **PREVIOUS LEGISLATION**

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Senate Bill 1572, 2008

## **SPONSOR**

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California Association of Veterans Services Agencies  
Corporation for Supportive Housing

## **SUPPORT**

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## **OPPOSITION**

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## **BILL HISTORY**

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## **CONTACT INFORMATION**

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