

## TRANSITIONAL HOUSING PLACEMENT FOR NON-MINOR DEPENDENTS (THP-NMD) HOUSING SUPPLEMENT

In 2020, Assemblymember Phil Ting championed the establishment of the THP-NMD Housing Supplement, sponsored by John Burton Advocates for Youth, Children Now, Children's Law Center, and the California Alliance of Child and Family Services. Information about this policy and funding is included in the Human Services budget trailer bill, [AB 79](#), with guidance from the California Department of Social Services (CDSS) provided in [All County Letter 20-121](#).

### WHAT IS THP-NMD?

THP-NMD is a state-licensed foster care placement for non-minor dependents (NMDs) established with California's 2012 implementation of extended foster care. Commonly offered through a community-based provider, THP-NMD is the most supportive placement offered to non-minors, providing housing coupled with supportive services, such as education and employment assistance, counseling and crisis intervention, and independent living skills development. Most youth reside in an apartment or home with a roommate.

### WHAT IS THE THP-NMD HOUSING SUPPLEMENT AND WHY IS IT NECESSARY?

The THP-NMD Housing Supplement increases the rate paid to THP-NMD providers according to the cost of housing in their county, according to Fair Market Rent (FMR). It also provides a higher rate for housing parenting youth, who often need larger housing accommodations. Between 2012 and 2020, the cost of housing increased nearly three times faster than the monthly THP-NMD rate, requiring more of the funding to be used for housing. This resulted in unintentional harm to youth, including placement far away from their communities, reduction in supportive services, exclusion of special-need populations such as parenting youth, long waiting lists and homelessness. In 2019, CDSS led a stakeholder workgroup that endorsed the approach taken by the THP-NMD Housing Supplement.

### WHAT IS FAIR MARKET RENT?

Fair Market Rent (FMR) is the U.S. Department of Housing and Urban Development's system for determining the allowable rent level for individuals who participate in their Housing Choice Voucher program. Fair Market Rents include the cost of housing and utilities, apart from phone, cable, and internet. Each year, HUD calculates the Fair Market Rent for all 58 counties in California. Learn more about FMR [HERE](#).

### HOW IS THE HOUSING SUPPLEMENT CALCULATED?

Counties qualify for a Housing Supplement if their FMR is greater than the housing portion (21.45%) of the statewide THP-NMD rate. Below is the methodology for how the Housing Supplement is calculated:



Youth who are not custodial parents: The difference between the FMR for one-half of a two-bedroom apartment in the county in which the non-minor dependent resides and 21.45% of the THP-NMD rate.



Youth who are custodial parents: The difference between the FMR for a one-bedroom apartment in the county in which the non-minor dependent resides and 21.45% of the THP-NMD rate.

As shown above, the Housing Supplement is calculated for youth who are not custodial parents based on residing in a shared two-bedroom apartment, and for youth who are custodial parents based on residing in a one-bedroom apartment. Therefore, Housing Supplements for parenting youth are higher than supplements for non-parenting youth.

### WHICH COUNTIES ARE ELIGIBLE HOUSING SUPPLEMENTS?

Because the methodology for calculating the Housing Supplement is tied to FMR and responsive to changes in the housing market, as housing costs increase or decrease in a given county, the Housing Supplement amounts may shift from year to year. CDSS announces THP-NMD Housing Supplement amounts in their annual All County Letter (ACL) on California Necessities Index increases to foster care rates. Find annual ACLs [HERE](#).

### WHEN DID THE HOUSING SUPPLEMENT TAKE EFFECT?

The THP-NMD Housing Supplement was implemented on a phased-in basis, taking effect in a portion of counties on July 1, 2021, and in the remainder of counties on September 1, 2022.