

Proposition 47 Cohort 3: Mid-Cycle Evaluation of Employment and Housing Outcomes

Executive Summary

This mid-grant cycle report provides a summary of the changes to employment and housing that participants in the Cohort 3 Proposition 47 grant program experienced during approximately the first two years of the grant cycle. Proposition 47 Cohort 3 started September 1, 2022, with an implementation period¹ through March 1, 2023, with the majority of participants enrolling in the program during 2023 or 2024. Proposition 47 provides funding for mental health treatment, substance use treatment, and diversion programs to people who are justice system involved with an emphasis on programs that reduce recidivism. Proposition 47 programs may also provide a wide range of support services including assistance with housing, employment services, and other social services. Research shows that employment and housing are highly correlated with recidivism; people who are housed² and employed³ are less likely to recidivate relative to those who are not. Additionally, employment and housing are more challenging to obtain for people with prior justice involvement. Most measures of recidivism have a two- to three-year window; however, the majority of participants in this analysis have been enrolled in the program for less than two years.

This report provides an update on the employment and housing status of Proposition 47 Cohort 3 participants who completed the program requirements, as determined by each grantee for their specific program, by December 31, 2024, and identified employment and/or housing as a goal. During this time frame, 29 percent ($n = 2,805$) had completed program requirements.

Compared to their status at the time of enrollment, participants who completed the program requirements and identified **Employment** as a goal demonstrated a:

- 38% increase in full-time employment.
- 41% decrease in unemployment.

Compared to their status at the time of enrollment, participants who completed the program requirements and identified **Housing** as a goal demonstrated a:

- 70% decrease in homelessness.
- 41% increase in participants living independently.

¹ The implementation period provides grantees time for local procurement, hiring, and other activities that are necessary to begin providing services to participants. Grantees may serve participants during this period, but there is no expectation that they will.

² Jacobs, McClean, Branson, Kennedy & Fixler, 2024.

³ Kolbeck, Lopez, & Bellair, 2023; McNeeley, 2021; Yelowitz & Bollinger, 2015.

- 68% increase in participants in permanent supportive housing.

While one of the primary objectives of the Proposition 47 grant program is to reduce recidivism among people with mental health and/or substance use disorders, that outcome will take additional time to measure. However, changes in employment and housing status are positive indicators that the Proposition 47 programs are addressing participants' mental health and or substance use disorders.

Background

Passed in 2014, Proposition 47 reduced low-level felonies (non-serious, nonviolent property, and drug crimes) to misdemeanors. As a result of this change, individuals convicted of these crimes are either sentenced to county jails or probation, ensuring that prison spending is focused on violent and serious offenses. Of the net savings generated due to lower incarceration rates in state prisons, 65 percent is allocated to the Board of State and Community Corrections (BSCC) to administer competitive grant programs intended to provide mental health and/or substance use treatments or diversion programming to justice-involved individuals. The primary goal of these programs is to reduce recidivism among this population. In addition to mental health and substance use treatment, grantees provide additional support services in the community, including employment and housing services.

The unemployment rate among formerly incarcerated people is nearly five times higher than that of the general population². Similarly, housing instability poses another significant challenge. The housing shortage in California⁴ has led to increased rising costs, disproportionately impacting people with a criminal history. According to the Legislative Analyst's Office⁵, the average rent in California for a two-bedroom apartment at the end of 2024 was \$2,704 per month, making independent housing increasingly difficult to afford. Despite these challenges, data from the Proposition 47 Cohort 2 grant program underscores the importance of stable housing. Participants who lived independently at program completion had recidivism rates 60 percent lower than those who were homeless or living with family or relatives⁶.

The third cohort of grantees started September 1, 2022, with an implementation period lasting through March 1, 2023, and a service delivery period from March 2, 2023, through March 1, 2026, grantees could begin providing services to participants during the implementation period, if able to do so. In addition to employment and housing services, other services grantees frequently provided included basic necessities, case management, education services, legal services, re-entry services, social services and transportation services. Not all grantees provided all services and the services provided may take on many different forms. This report provides an update on the employment and housing status of participants who completed the program requirements by December 31, 2024 and identified employment and/or housing as a goal.

While the primary outcome measure for the Proposition 47 grant program is recidivism, there is a delay in obtaining these data as most measures of recidivism are two- or three-years post program enrollment. Although the BSCC does report recidivism rates at the conclusion of the grant, very few, if any, participants have yet reached the three-year mark necessary to fully assess program effectiveness. However, other outcome measures that are highly correlated with recidivism, specifically employment and housing outcomes, can

⁴ California Department of Housing and Community Development, 2022

⁵ Legislative Analyst's Office. <https://lao.ca.gov/LAOEconTax/Article/Detail/793> Retrieved March 11, 2025.

⁶ Board of State and Community Corrections. Proposition 47 Cohort II Statewide Evaluation. February 2024.

be evaluated earlier. Research consistently shows that people with stable employment⁷ and housing⁸ are significantly less likely to recidivate than those who do not. However, having prior justice involvement is often a roadblock to obtaining both.

By December 31, 2024, 9,688 participants who received services through the Proposition 47 Cohort 3 program, 29 percent ($n = 2,805$) completed the program requirements.⁹ Of participants who completed program requirements¹⁰, 71 percent ($n = 1,989$) indicated that employment was a goal and 58 percent ($n = 1,617$) indicated that housing was a goal. It is important to note that the majority of participants who identified employment as a goal also identified housing as a goal, so while this report examines employment and housing separately, there is significant overlap in participants.

Employment

Of the 1,989 participants who indicated employment as a goal, 74 percent identified as male, 25.5 percent identified as female, and 0.5 percent identified as another gender. The average age of these participants was 39 years old ($SD = 12$ years). The largest racial/ethnic group was participants who identified as Hispanic, Latino or Spanish at 41.3 percent, followed by Black or African American (28.4 percent) and White (21.6 percent). See Figure 1 for the complete breakdown of participants' race and ethnicity.

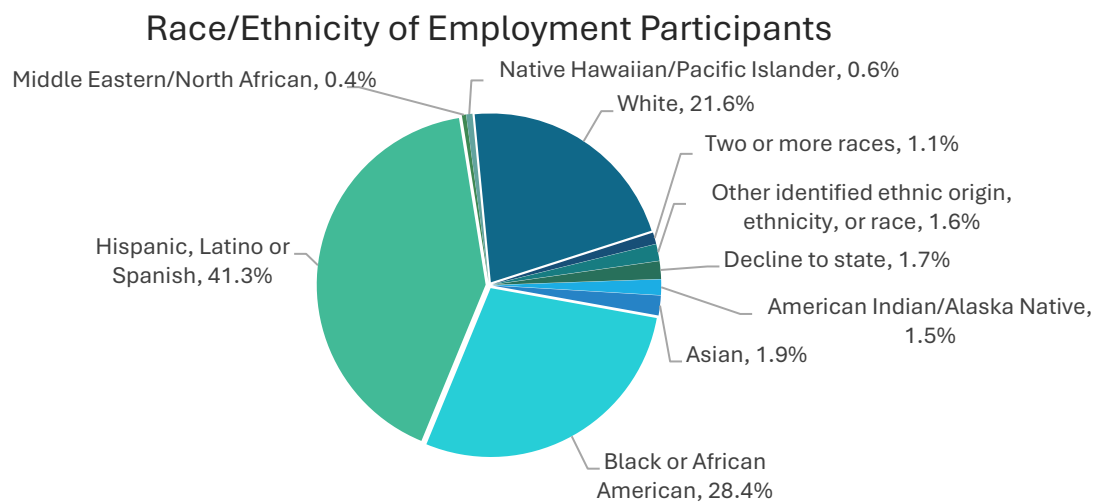


Figure 1. Race/Ethnicity of Employment Participants.

Nearly half of the participants had completed some college at the time of enrollment. See Appendix B for the complete breakdown of participants' level of education at the time of enrollment.

On average, participants were enrolled in the Proposition 47 grant program for 252 days. The type of employment services grantees provided varies by grantee, and not all grantees provided employment services. The most common services were connecting

⁷ Kolbeck, Lopez, & Bellair, 2023; McNeeley, 2021

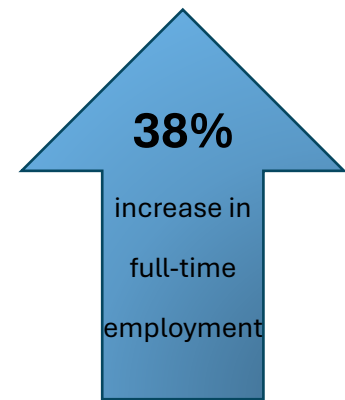
⁸ Jacobs, McClean, Branson, Kennedy & Fixler, 2024

⁹ See Appendix A for a complete breakdown of participation status for all participants by December 31, 2024.

¹⁰ Participants that were missing employment or housing status data were removed from the data set prior to analysis, which represented less than eight percent of the participants.

participants with employment programs that would assist with resume development, connecting with vocational training programs, providing clothes for interviews, assisting in preparing for interviews and assisting participants find employment that matched their interests and skills. Comparing employment status at the time of program enrollment relative to program completion, the proportion of participants who were unemployed dropped by over one-third.

As can be seen in Figure 2, the proportion of participants who obtained full-time employment by program completion increased by 38 percent and unemployment decreased by 41 percent. One example of a Prop 47 participant obtaining employment comes from the Los Angeles Mayor's Office of Reentry. The Mayor's Office of Reentry assisted in addressing the participant's mental health and substance use disorders and connected him to El Proyecto Worksource, which focuses on vocational training programs. They assisted him in enrolling in Commercial Driver's License classes and he obtained his Class A license in three months. Currently, he works for Miranda Logistics, transporting materials to construction sites. When asked, the participant stated that being a part of the Prop 47 program "provided me with the guidance and support I needed to reach my goals."



Another notable change in employment status for Prop 47 Cohort 3 participants was the proportion of participants whose employment status was Other at program completion more than doubled. The Other category was defined as an employment status that did not fit in any of the other categories, such as completing an internship or other employment-related training. Further examination of participants whose employment status was Other at program completion indicated that the majority had entered a residential treatment program for substance use treatment.

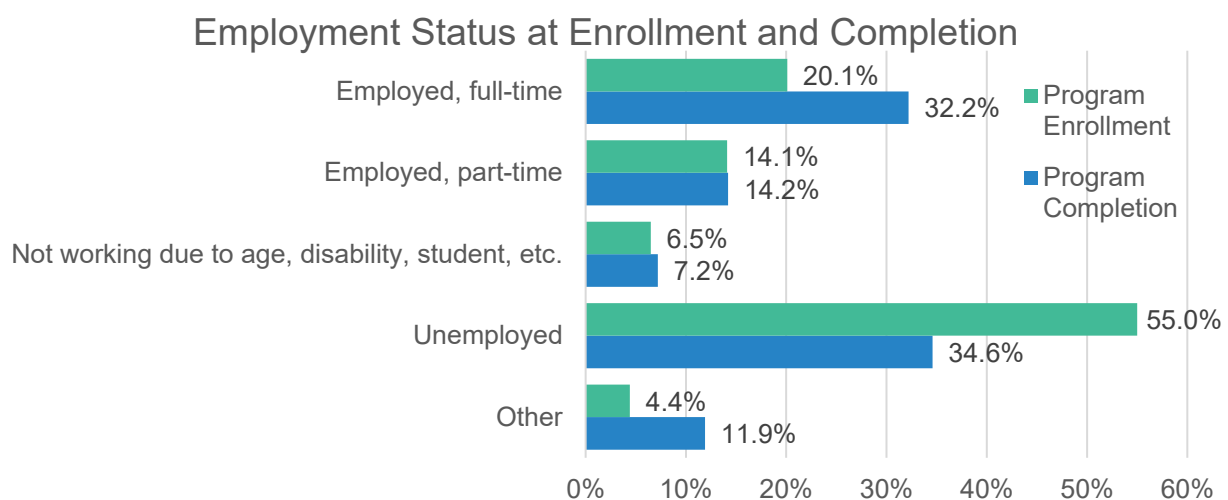


Figure 1. Employment Status at program enrollment and program completion for participant who identified employment as a goal.

Housing

Of the 1,617 participants who identified housing as a goal, 72.3 percent identified as male, 27.2 percent identified as female, and 0.3 percent identified as another gender. The average age of participants was 38 years old ($SD = 14$ years). The largest racial/ethnic group was participants who identified as Hispanic, Latino or Spanish at 41.3 percent, followed by Black or African American (28.1 percent) and White (21.9 percent). See Figure 3 for the complete breakdown of participants' race and ethnicity.

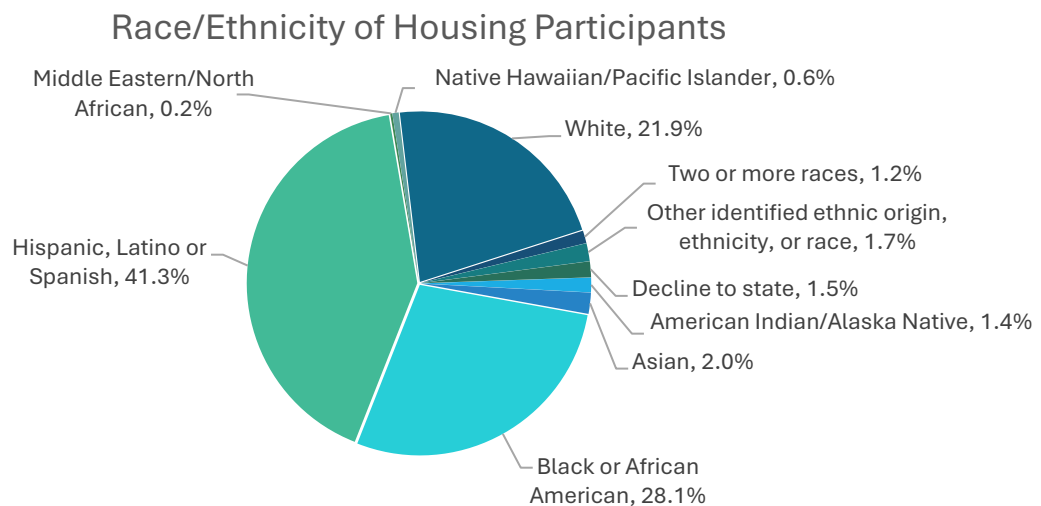
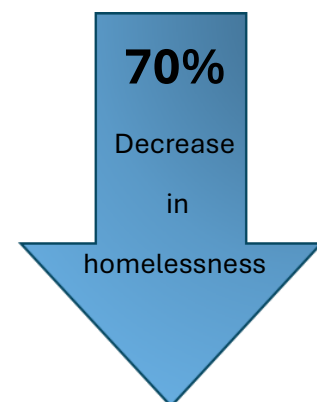


Figure 2. Race/Ethnicity of Housing Participants

Nearly forty percent of the participants had completed some college at the time of enrollment. See Appendix B for the complete breakdown of participants' level of education at the time of enrollment.

On average, participants were enrolled in the Proposition 47 grant program for 243 days. The type of housing services grantees provided varies by grantee, and not all grantees provided housing services. The most common services included security deposit and/or rental assistance, negotiating with landlords, providing transitional or sober living housing, assistance securing permanent supportive housing for those who require it, and purchasing furniture or basic housing supplies.

Comparisons of housing status at the time of program enrollment relative to program completion showed substantial shifts in homelessness, residential treatment programs, permanent supportive housing and independent living. Most strikingly, the proportion of participants who were homeless dropped by over 70 percent. As can be seen in Figure 4, the proportion of participants who entered residential treatment programs by program completion nearly tripled and the proportion of participants entering permanent supportive housing more than tripled.



Additionally, the proportion of participants living independently increased by over a third. These data demonstrate that grantees made substantial gains in improving participants' housing status in spite of the challenging housing climate. One example of how housing support benefits participants is Santa Barbara County's Step Down Housing program, which provides supportive housing for Prop 47 participants while they receive mental health and/or substance use disorder treatments, along with a host of other support services participants may need. One participant moved into the Step Down Housing and prioritized paying down thousands of dollars in debts she had accumulated and worked with her team and the county justice program to expunge her entire criminal record, allowing her to start her life with a clean slate.

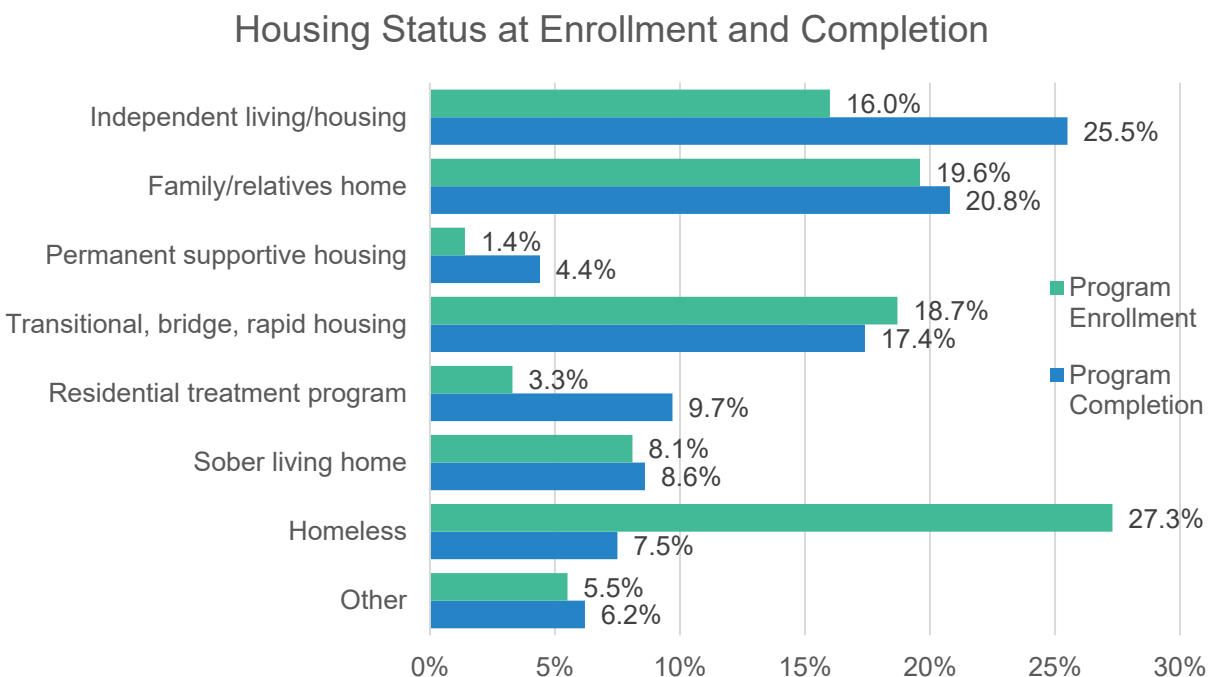


Figure 3. Housing status at program enrollment and program completion for participants who identified housing as a goal.

Conclusions and Moving Forward

During the first two years of the Proposition 47 Cohort 3 grant program, participants who identified either employment and/or housing as a personal goal made significant progress in achieving them. Unemployment rates among participants dropped from 55 percent to 35 percent by program completion, with many previously unemployed participants securing full-time employment. In fact, the number of participants with full-time employment increased by 38 percent.

Alongside employment gains, gains in housing were also observed. This was especially evident among unhoused participants, who experienced a 70 percent reduction in homelessness. Additionally, increases in independent living, permanent supportive housing and residential treatment programs were also observed. Providing participants

with a stable living environment is a crucial step toward reducing recidivism, as it allows them to focus on addressing their mental health and/or substance use disorder needs. While it is too soon to determine recidivism rates for these participants, with employment and housing being two of the strongest predictors of recidivism, there is optimism for promising long-term outcomes.

The primary goal of the Proposition 47 grant program is to reduce recidivism among justice involved individuals with mental health and/or substance use disorders. However, obtaining recidivism rates to assess program outcomes extends beyond the duration of the grant period. These data will not be available for several more years. However, the BSCC is currently developing a plan to obtain three-year recidivism rates for Proposition 47 Cohort 2 grantees in early 2026. At the end of the Proposition 47 Cohort 2 grant program, the recidivism rate stood at 15.3 percent, which is lower than other state-wide recidivism estimates.¹¹ However, most participants only had approximately 12 to 18 months between program enrollment and the end of the grant program, limiting the ability to assess long-term program impacts. Collecting recidivism data in early 2026 ensures a minimum of three years between program enrollment and extraction of recidivism data for Cohort 2 participants.

These early employment and housing outcomes observed among Proposition 47 Cohort 3 participants suggest that these programs continue to provide much needed support to Californians with mental health and/or substance use disorders who have been involved in the justice system. The benefits of these programs were also documented in both Cohorts 1 and 2, reinforcing the value of these critical services. The BSCC will continue to monitor these programs and collect data to better understand their impact on reducing justice involvement in this population.

¹¹ Statewide recidivism estimates range from 35 to 45 percent. Importantly, the data from these reports may not represent equitable recidivism timeframes or comparison groups. Bird, Goss & Nguyen (2019); California Department of Corrections and Rehabilitation (2023).

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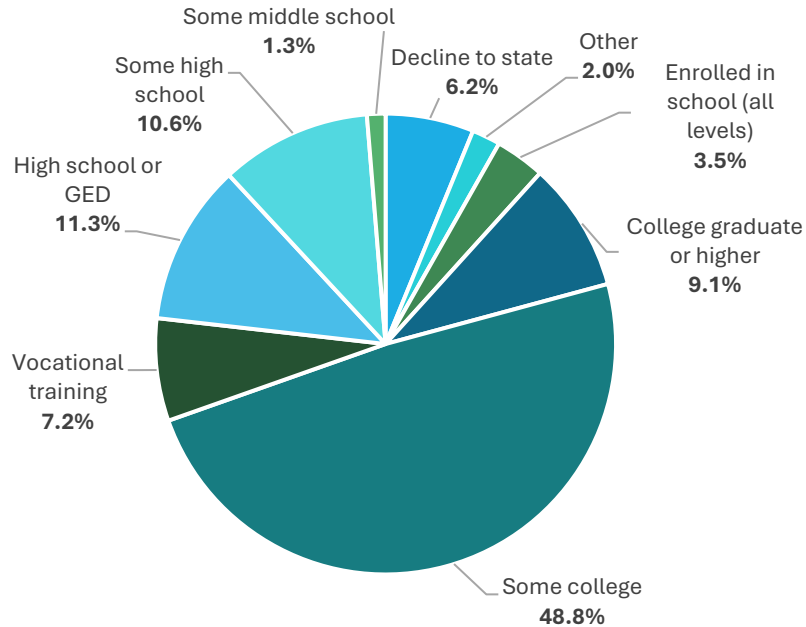
Appendix A

The current status of all participants as of December 31, 2024 who received services through the Proposition 47 Cohort 3 grant program.

Participation Status	Count	Percentage
One-time intervention service	289	3.0%
Enrolled participants	4,375	45.2%
Exited without completing program requirements	2,219	22.9%
Completed program requirements	2,805	28.9%

Appendix B

Highest Level of Education at Enrollment for Employment Participants



Highest Level of Education at Enrollment For Housing Participants

