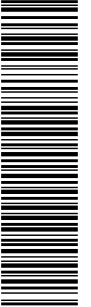


An act to amend Sections 50220, 50220.5, 50220.7, 50220.8, 50233, 50235, 50239, 50240, 50241, and 50242 of the Health and Safety Code, and to amend Section 8257 of the Welfare and Institutions Code, relating to housing, and making an appropriation therefor, to take effect immediately, bill related to the budget.

SECURED
COPY



THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 50220 of the Health and Safety Code is amended to read: 50220. (a) Timelines for round 1 of the program shall be as follows:

(1) No later than February 15, 2020, each applicant shall submit to the agency its program allocation application.

(2) No later than April 1, 2020, the agency shall make award determinations for the program allocations based on the point-in-time count numbers.

(3) If, after the first round of awards pursuant to this section, not all funds have been awarded by the agency, the agency shall set aside any remaining funds for a second round of awards.

(4) (A) (i) On or before May 31, 2023, a recipient shall contractually obligate not less than 50 percent of round 1 program allocations.

(ii) Recipients that are counties shall contractually obligate the full allocation awarded to them by the agency at this time. Any funds that are not contractually obligated by this date shall be reverted to the continuum of care that serves the county.

(B) If less than 50 percent is obligated after May 31, 2023, recipients that are continuums of care and cities shall not expend any remaining portion of the 50 percent of round 1 program allocations required to have been obligated pursuant to subparagraph (A) unless and until both of the following occur:

(i) On or before June 30, 2023, the recipient submits an alternative disbursement plan that includes an explanation for the delay.

(ii) The agency approves the alternative disbursement plan.

(C) On or before December 31, 2023, recipients that are continuums of care and cities shall return to the agency any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) for a subsequent round of awards by the agency.

(b) The agency may request additional information, as needed, to meet other applicable reporting or audit requirements.

(c) In addition to requirements in Section 50221, the agency may monitor the expenditures and activities of an applicant, as the agency deems necessary, to ensure compliance with round 1 program requirements.

(d) The agency may, as it deems appropriate or necessary, request the repayment of funds from an applicant, or pursue any other remedies available to it by law for failure to comply with round 1 program requirements.

(e) Any remaining amounts of round 1 program allocation funds not expended by June 30, 2025, shall ~~revert to, and be paid and deposited in, the General Fund.~~ be returned to the department for reallocation in accordance with subdivision (i) of Section 50239.

SEC. 2. Section 50220.5 of the Health and Safety Code is amended to read:

50220.5. (a) To receive a round 2 program allocation, an applicant shall submit an application according to a calendar established by the council consistent with the following requirements:

(1) The council shall make an application for round 2 program allocations available no later than November 30, 2020.

(2) Applications shall be due to the council no later than 60 days from the date the council makes those applications available pursuant to paragraph (1).



(3) Within 60 days of receiving an application pursuant to paragraph (2), the council shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

(A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and stated measurable goals as defined in paragraphs (4) and (5), respectively, of subdivision (b).

(B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with the applicant's stated measurable goals as defined in paragraphs (3), (4), and (5), respectively, of subdivision (b) and with evidence-based solutions to reduce homelessness.

(C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective performance standards in accordance with Sections 50221 and 50222.

(4) An applicant whose application has been returned pursuant to paragraph (3) shall respond to the council's requested amendments and submit a revised application within 45 days. Where the revised application differs from the council's requests, the applicant shall include an explanation of the differences and the rationale for departing from the council's requested amendments.

(5) The council shall have 30 days within which to approve the application, as amended, to address the council's concerns.

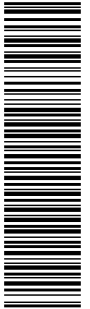
(b) An application submitted pursuant to this section shall provide the following information, in the form and manner prescribed by the council:

(1) A demonstration of how the jurisdiction has coordinated, and will continue to coordinate, with other jurisdictions, particularly regarding their share of the regional need to address homelessness, and how the requested funds will help meet the jurisdiction's share of that need and coordinate with other regional funding.

(2) Identification of all funds currently being used or anticipated to be used by the applicant to provide housing and homeless services for the homeless populations in the jurisdiction, including all federal, state, and local funds. Funds described in this paragraph specifically includes funding made available under the federal Emergency Solutions Grants Program (42 U.S.C. Sec. 11371 et seq.), the federal Community Development Block Grant Program (42 U.S.C. Sec. 5301 et seq.), or the federal Coronavirus Relief Fund (42 U.S.C. Sec. 801) pursuant to the federal Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) where applicable.

(3) An assessment of the current number of people experiencing homelessness, existing programs and funding which address homelessness within the jurisdiction, and a detailed identification of gaps in housing and homeless services for the homeless populations in the jurisdiction utilizing any relevant and available data from the United States Department of Housing and Urban Development homeless point-in-time count, continuum of care housing inventory count, longitudinal systems analysis, and Stella tools, as well as any recently conducted local needs assessments.

(4) An outline of proposed uses of funds requested and an explanation of how the proposed use of funds will complement the funds described in paragraph (2) and equitably close the gaps identified pursuant to paragraph (3).



(5) A list of clearly defined and measurable goals, including, but not limited to, the number of individuals to be served and, of those served, the number to be successfully placed in permanent housing as a result of requested funding.

(6) Evidence of connection with the local homeless coordinated entry system.

(7) An agreement to participate in a statewide Homeless Data Integration System, and to enter individuals served by this funding into the local Homeless Management Information System, in accordance with local protocols.

(c) The council may request additional documentation and information from the applicant with respect to round 2 program allocations consistent with the requirements of subdivision (b).

(d) Except as provided in subdivisions (e) and (f), a recipient of a round 2 program allocation shall expend funds on evidence-based solutions that address and prevent homelessness among eligible populations including any of the following:

(1) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees.

(2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.

(3) Street outreach to assist persons experiencing homelessness to access permanent housing and services.

(4) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.

(5) Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations including families and homeless youth.

(6) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions.

(7) Prevention and shelter diversion to permanent housing, including rental subsidies.

(8) New navigation centers and emergency shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:

(i) The number of available shelter beds in the city, county, or region served by a continuum of care.

(ii) The number of people experiencing unsheltered homelessness in the homeless point-in-time count.

(iii) Shelter vacancy rate in the summer and winter months.

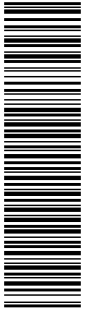
(iv) Percentage of exits from emergency shelters to permanent housing solutions.

(v) A plan to connect residents to permanent housing.

(e) Up to 5 percent of an applicant's round 2 program allocation may be expended for the following uses that are intended to meet federal requirements for housing funding:

(1) Strategic homelessness plan, as defined in Section 578.7(c) of Title 24 of the Code of Federal Regulations.

(2) Infrastructure development to support coordinated entry systems and Homeless Management Information Systems.



(f) The applicant shall not use more than 7 percent of a round 2 program allocation for administrative costs incurred by the city, county, or continuum of care to administer its program allocation. For purposes of this subdivision, “administrative costs” does not include staff or other costs directly related to implementing activities funded by the program allocation.

(g) A recipient of a round 2 program allocation shall comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

(h) Notwithstanding Section 27011 of the Government Code, or any other statute governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this chapter.

(i) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.

(j) The council shall post submitted final round 2 program applications to its internet website within 30 days of disbursement to the applicant.

(k) (1) (A) On or before May 31, 2023, a recipient shall contractually obligate not less than 50 percent of round 2 program allocations.

(B) Recipients that are counties shall contractually obligate the full round 2 program allocation awarded to them by the council on or before this date. Any funds that are not contractually obligated by this date shall be reverted to the continuum of care that serves the county.

(2) If less than 50 percent is obligated after May 31, 2023, recipients that are continuums of care and cities shall not expend any remaining portion of the 50 percent of round 2 program allocations required to have been obligated pursuant to subparagraph (A) of paragraph (1) unless and until both of the following occur:

(A) On or before June 30, 2023, the recipient submits an alternative disbursement plan that includes an explanation for the delay.

(B) The council approves the alternative disbursement plan.

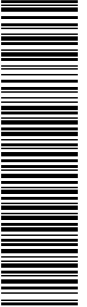
(3) On or before December 31, 2023, recipients that are continuums of care and cities shall return to the council any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) of paragraph (2) for a subsequent round of awards by the council.

(l) The council may request additional information, as needed, to meet other applicable reporting or audit requirements.

(m) In addition to requirements in Section 50222, the council may monitor the expenditures and activities of an applicant, as the council deems necessary, to ensure compliance with round 2 program requirements.

(n) The council may, as it deems appropriate or necessary, request the repayment of round 2 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(o) Any remaining amounts of round 2 program allocation funds not expended by June 30, 2026, shall revert to, and be paid and deposited in, the General Fund. be



returned to the department for reallocation in accordance with subdivision (i) of Section 50239.

SEC. 3. Section 50220.7 of the Health and Safety Code is amended to read:

50220.7. (a) (1) No later than September 15, 2021, the council shall issue a standard agreement for applicants to apply for round 3 program funds, which shall include, at minimum, a requirement for applicants to submit an application that includes a local homelessness action plan and specific system performance measures based on the Homeless Management Information System performance measures as described in subdivision (b).

(2) A standard agreement from an applicant shall be due to the council no later than 30 days from the date the council issues the standard agreement pursuant to paragraph (1).

(3) If an applicant does not submit a completed standard agreement by the deadline specified in paragraph (2), the council may distribute that applicant's share of round 3 program funds to an eligible overlapping jurisdiction, as determined by the council.

(4) (A) (i) Upon receipt of a standard agreement, and except as otherwise provided in clause (ii), the council shall allocate 20 percent of an eligible city's, county's, or continuum of care's total allocation pursuant to subdivision (a) of Section 50218.6.

(ii) (I) A city, city and county, single continuum of care, or county may apply jointly with a counterpart entity or entities. An applicant that applies jointly pursuant to this paragraph shall instead be allocated 25 percent of the jointly applying jurisdictions' total allocation pursuant to subdivision (a) of Section 50218.6.

(II) A joint application submitted pursuant to this clause shall include, at minimum, evidence of collaboration between the jointly applying applicants and an explanation of how the jointly applying applicants will administer the funds allocated to them pursuant to this section.

(B) A recipient may use initial funds awarded pursuant to this paragraph to complete the local homeless action plan, required as provided pursuant to paragraph (1) and in accordance with the requirements of subparagraph (A) of paragraph (3) of subdivision (b), including paying for any technical assistance or contracted entities to support the completion of the homeless action plan.

(5) Priority for initial funds, above the costs of completing the application, shall be for systems improvement, including, but not limited to, all of the following:

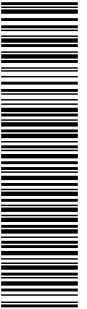
(A) Capacity building and workforce development for service providers within the jurisdiction, including removing barriers to contracting with culturally specific service providers and building the capacity of providers to administer culturally specific services.

(B) Funding existing evidence-based programs serving people experiencing homelessness.

(C) Investing in data systems to meet reporting requirements or strengthen the recipient's Homeless Management Information System.

(D) Improving homeless point-in-time counts.

(E) Improving coordinated entry systems to strengthen coordinated entry systems to eliminate racial bias, to create a youth-specific coordinated entry system or youth-specific coordinated entry access points, or to improve the coordinated entry



assessment tool to ensure that it contemplates the specific needs of youth experiencing homelessness.

(b) To receive the remaining balance of its round 3 program allocation, an applicant shall submit an application to the council by June 30, 2022, that includes a local homelessness action plan and specific system performance measures in accordance with the following requirements:

(1) The applicant shall engage with the council on its local plan and system performance measures before submitting a complete application.

(2) For city, county, and continuum of care applicants, local homelessness action plans pursuant to subparagraph (A) of paragraph (3) and system performance measures pursuant to subparagraph (C) of paragraph (3) shall be agendaized at a regular meeting of the governing body, including receiving public comment, before being submitted to the council.

(3) A complete application submitted pursuant to this section shall provide the following information, in the form and manner prescribed by the council:

(A) A local homelessness action plan, which shall include all of the following:

(i) A local landscape analysis that assesses the current number of people experiencing homelessness and existing programs and funding which address homelessness within the jurisdiction, utilizing any relevant and available data from the Homeless Data Integration System, the United States Department of Housing and Urban Development's homeless point-in-time count, continuum of care housing inventory count, longitudinal systems analysis, and Stella tools, as well as any recently conducted local needs assessments.

(ii) Identification of the number of individuals and families served, including demographic information and intervention types provided, and demographic subpopulations that are underserved relative to their proportion of individuals experiencing homelessness in the jurisdiction.

(iii) Identification of all funds, including state, federal and local funds, currently being used, and budgeted to be used, to provide housing and homelessness-related services to persons experiencing homelessness or at imminent risk of homelessness, how this funding serves subpopulations, and what intervention types are funded through these resources.

(iv) Applicants may submit an analysis that was completed in the last three-years if it meets the requirements of this subparagraph, with any relevant updates to the current available funding.

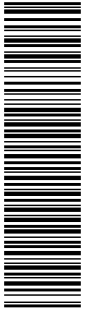
(B) A narrative that includes the following:

(i) An outline of proposed uses of funds requested and an explanation of how the proposed use of funds will complement existing local, state, and federal funds and equitably close the gaps identified pursuant to subparagraph (A).

(ii) Evidence of connection with the local homeless Coordinated Entry System.

(iii) An agreement to participate in a statewide Homeless Data Integration System, and to enter individuals served by this funding into the local Homeless Management Information System, in accordance with local protocols.

(iv) A demonstration of how the jurisdiction has coordinated, and will continue to coordinate, with other jurisdictions, including the specific role of each applicant in relation to other applicants in the region.



(v) A demonstration of the applicant's partnership with, or plans to use funding to increase partnership with, local health, behavioral health, social services, and justice entities and with people with lived experiences of homelessness.

(vi) A description of specific actions the applicant will take to ensure racial and gender equity in service delivery, housing placements, and housing retention and changes to procurement or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.

(vii) A description of how the applicant will make progress in preventing exits to homelessness from institutional settings, include plans to leverage funding from mainstream systems for evidence-based housing and housing-based solutions to homelessness.

(viii) Specific and quantifiable systems improvements that the applicant will take to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness, including, but not limited to, the following:

(I) Capacity building and workforce development for service providers within the jurisdiction, including removing barriers to contracting with culturally specific service providers and building the capacity of providers to administer culturally specific services.

(II) Strengthening the data quality of the recipient's Homeless Management Information System.

(III) Increasing capacity for pooling and aligning housing and services funding from existing, mainstream, and new funding.

(IV) Improving homeless point-in-time counts.

(V) Improving coordinated entry systems to strengthen coordinated entry systems to eliminate racial bias, to create a youth-specific coordinated entry system or youth-specific coordinated entry access points, or to improve the coordinated entry assessment tool to ensure that it contemplates the specific needs of youth experiencing homelessness.

(ix) Plans shall include strategies to meet system performance measures pursuant to subparagraph (C).

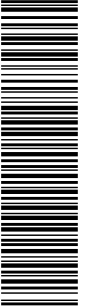
(C) (i) Applicants shall establish system performance measures that prevent and reduce homelessness from July 1, 2021, through June 30, 2024, informed by the findings from the local landscape analysis described in subparagraph (A) and the jurisdiction's base system performance measure from 2020 calendar year data in the Homeless Data Integration System. ~~The system performance measures shall set definitive metrics, based on the United States Department of Housing and Urban Development's system performance measures, for achieving the following:~~ Based on the data in the Homeless Data Integration System, the California Interagency Council on Homelessness shall adopt and periodically update the system performance measures for the continuums of care within each region, including age, racial, and ethnic disparities for each measure.

~~(I) Reducing the number of persons experiencing homelessness.~~

~~(II) Reducing the number of persons who become homeless for the first time.~~

~~(III) Increasing the number of people exiting homelessness into permanent housing.~~

~~(IV) Reducing the length of time persons remain homeless.~~



~~(V) Reducing the number of persons who return to homelessness after exiting homelessness to permanent housing.~~

~~(VI) Increasing successful placements from street outreach.~~

~~(VII) Homeless Management Information System trackable data goals related to the system performance measures listed above as they apply to underserved populations and populations disproportionately impacted by homelessness.~~

(ii) Each applicant shall determine its system performance measures in consultation with the council, and shall not submit its final system performance measures before consulting with the council.

(iii)

(ii) The council shall assess system performance measures in the application based on the information provided in the local homeless action plan and the applicant's baseline data on the system performance measures described in this subparagraph and determine whether the system performance measures adequately further the objectives of reducing and preventing homelessness pursuant to this subparagraph.

(iv)

(iii) Initial system performance measures should be met no later than June 30, 2024, and system performance measures shall be updated regularly, as funding continues.

(c) The council may request additional documentation and information from the applicant during consultation consistent with respect to round 3 program allocations consistent with the requirements of subdivision (b).

(d) (1) Within 30 days of receiving the final applications pursuant to subdivision (b), the council shall either approve the application and issue the notice of award to allocate the remaining percent of an applicant's funding pursuant to subdivision (a) of Section 50218.6 or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

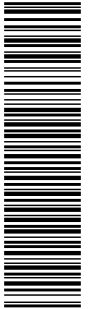
(A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and agreed upon system performance measures.

(B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with the applicant's stated system performance measures and with evidence-based solutions to reduce homelessness.

(C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective outcome standards in accordance with Sections 50221, 50222, and 50223.

(2) An applicant whose application has been returned pursuant to paragraph (1) shall respond to the council's requested amendments and submit a revised application within 30 days of receipt of the council's detailed comments and request for specific amendments. If the revised application differs from the council's requests, the applicant shall include an explanation of the differences and the rationale for departing from the council's requested amendments.

(3) The council shall have 30 days to approve a revised application if, as amended, it addresses the council's concerns or to provide the grantee with additional guidance and a deadline extension in the case of documented extenuating circumstance for further amending to fully address the council's concerns.



(e) Except as provided in subdivision (f), a recipient of a round 3 program allocation, including tribal recipients, shall expend funds on evidence-based solutions that address and prevent homelessness among eligible populations, including any of the following:

(1) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees.

(2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.

(3) Street outreach to assist persons experiencing homelessness to access permanent housing and services.

(4) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.

(5) Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations, including families and homeless youth.

(6) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions.

(7) Prevention and shelter diversion to permanent housing, including rental subsidies.

(8) Interim sheltering, limited to newly developed clinically enhanced congregate shelters, new or existing noncongregate shelters, and operations of existing navigation centers and shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:

(A) The number of available shelter beds in the city, county, or region served by a continuum of care.

(B) The number of people experiencing unsheltered homelessness in the homeless point-in-time count.

(C) Shelter vacancy rate in the summer and winter months.

(D) Percentage of exits from emergency shelters to permanent housing solutions.

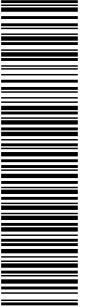
(E) A plan to connect residents to permanent housing.

(F) Any new interim sheltering funded by round 3 funds must be low barrier, comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code, and prioritize interventions other than congregate shelters.

(9) Improvements to existing emergency shelters to lower barriers and increase privacy.

(f) An applicant shall not use more than 7 percent of a round 3 program allocation for administrative costs incurred by the city, county, continuum of care, or tribe to administer its program allocation. For purposes of this subdivision, "administrative costs" does not include staff or other costs directly related to implementing activities funded by the program allocation.

(g) A recipient of a round 3 program allocation shall comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.



(h) Notwithstanding Section 27011 of the Government Code, or any other law governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this chapter.

(i) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.

(j) The council and recipients shall post final round 3 program applications to their respective internet websites within 30 days of disbursal to the applicant.

(k) (1) (A) Except as otherwise provided in subparagraph (B), a recipient shall contractually obligate not less than 50 percent of round 3 program allocations no later than May 31, 2024.

(B) Recipients that are counties shall contractually obligate the full amount of round 3 program allocation awarded to them by the council on or before the date specified in subparagraph (A). Any funds that are not contractually obligated by this date shall revert to the continuum of care that serves the recipient county.

(2) If less than 50 percent is obligated after May 31, 2024, recipients that are continuums of care and cities shall not expend any remaining portion of the 50 percent of round 3 program allocations required to have been obligated pursuant to subparagraph (A) of paragraph (1) unless both of the following occur:

(A) On or before June 30, 2024, the recipient submits an alternative disbursement plan that includes an explanation for the delay.

(B) The council approves the alternative disbursement plan submitted pursuant to subparagraph (A).

(3) On or before December 31, 2024, recipients that are continuums of care and cities shall return to the council any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) of paragraph (2), and those funds shall be reallocated to round 3 grantees pursuant to the provisions of ~~this chapter, subdivision (i) of Section 50239.~~

(l) (1) No later than June 30, 2024, recipients shall demonstrate whether they have successfully met their system performance measures pursuant to subparagraph (C) of paragraph (3) of subdivision (b).

(2) Jurisdictions that have not met their system performance measures shall accept technical assistance from council staff. In addition, jurisdictions that have not met their system performance measures may also be required to limit the allowable uses of these program funds, as determined by the council.

(m) The council may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.

(n) In addition to requirements in Section 50222, the council may monitor the expenditures and programmatic activities of an applicant, as the council deems necessary, to ensure compliance with round 3 program requirements and adequate progress towards meeting system performance measures.



(o) The council may, as it deems appropriate or necessary, request the repayment of round 3 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(p) Any remaining amounts of round 3 program allocation funds not expended by June 30, 2026, shall be ~~available for round 4 of the program pursuant to Section 50218.7, returned to the department for reallocation in accordance with subdivision (i) of Section 50239.~~

SEC. 4. Section 50220.8 of the Health and Safety Code is amended to read:

50220.8. (a) (1) The council shall make an application for round 4 program allocations available no later than September 30, 2022.

(2) Applications shall be due to the council no later than 60 days from the date the council makes those applications available pursuant to paragraph (1).

(3) Within 30 days of receiving an application pursuant to paragraph (2), the council shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

(A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and stated system performance measures.

(B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with evidence-based solutions to reduce homelessness.

(C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective performance standards in accordance with Sections 50221, 50222, and 50223.

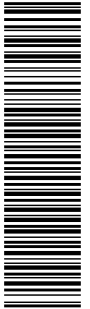
(4) An applicant whose application has been returned pursuant to paragraph (3) shall respond to the council's requested amendments and submit a revised application within 30 days. Where the revised application differs from the council's requests, the applicant shall include an explanation of the differences and the rationale for departing from the council's requested amendments.

(5) The council shall have 30 days within which to approve the application if, as amended, it addressed the council's concerns or to provide the grantee with additional guidance and a deadline for further amending to fully address the council's concerns.

(b) To receive a round 4 program allocation, an applicant shall submit an application to the council. A complete application submitted pursuant to this section shall provide the following information, in the form and manner prescribed by the council:

(1) A local homelessness action plan that includes the following, with data updated from the local homelessness action plan included in an application for a round 3 program allocation pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 50220.7:

(A) A local landscape analysis that assesses the current number of people experiencing homelessness and existing programs and funding which address homelessness within the jurisdiction, utilizing any relevant and available data from the Homeless Data Integration System, the United States Department of Housing and Urban Development's homeless point-in-time count, continuum of care housing



inventory count, longitudinal systems analysis, and Stella tools, as well as any recently conducted local needs assessments.

(B) Identification of the number of individuals and families served, including demographic information and intervention types provided, and demographic subpopulations that are underserved relative to their proportion of individuals experiencing homelessness in the jurisdiction.

(C) Identification of all funds, including state, federal and local funds, currently being used, and budgeted to be used, to provide housing and homelessness-related services to persons experiencing homelessness or at imminent risk of homelessness, how this funding serves subpopulations, and what intervention types are funded through these resources.

(2) (A) New system performance measures that are specific, ambitious, achievable, and quantifiable to prevent and reduce homelessness from July 1, 2022, through June 30, 2025, informed by the findings from the local landscape analysis described in subparagraph (A) of paragraph (1) and the jurisdiction's system performance measures specified in its application for a round 3 program allocation pursuant to subparagraph (C) of paragraph (3) of subdivision (b) of Section 50220.7. The system performance measures shall be based on the United States Department of Housing and Urban Development's system performance measures, including: Based on the data in the Homeless Data Integration System, the California Interagency Council on Homelessness shall adopt and periodically update the system performance measure for the continuums of care within each region, including age, racial, and ethnic disparities for each measure.

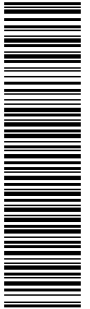
(i) Reducing the number of persons experiencing homelessness.
(ii) Reducing the number of persons who become homeless for the first time.
(iii) Increasing the number of people exiting homelessness into permanent housing.
(iv) Reducing the length of time persons remain homeless.
(v) Reducing the number of persons who return to homelessness after exiting homelessness to permanent housing.
(vi) Increasing successful placements from street outreach.
(vii) Homeless Management Information System trackable data goals related to the system performance measures listed above as they apply to underserved populations and populations disproportionately impacted by homelessness.

(B) (i) Each applicant shall determine its system performance measures that build upon prior year system performance measures in consultation with the council, and shall not submit its final system performance measures before consulting with the council.

(ii)

(B) The council shall assess system performance measures in the application based on the information provided in the local homeless action plan and the applicant's baseline data on the system performance measures described in this paragraph and determine whether the system performance measures adequately further the objectives of reducing and preventing homelessness pursuant to this paragraph, and may request additional documentation, information, or revisions to the system performance measures.

(3) A narrative that includes the following:



(A) An outline of proposed uses of funds requested and an explanation of how the proposed use of funds will complement existing local, state, and federal funds and equitably close the gaps identified pursuant to paragraph (1).

(B) Evidence of connection with the local homeless Coordinated Entry System.

(C) An agreement to participate in a statewide Homeless Data Integration System, and to enter individuals served by this funding into the local Homeless Management Information System, in accordance with local protocols.

(D) A demonstration of how the jurisdiction has coordinated, and will continue to coordinate, with other jurisdictions, including the specific role of each applicant in relation to other applicants in the region.

(E) A demonstration of the applicant's partnership with, or plans to use funding to increase partnership with, local health, behavioral health, social services, and justice entities and with people with lived experiences of homelessness.

(F) A description of specific actions the applicant will take to ensure racial and gender equity in service delivery, housing placements, and housing retention and changes to procurement or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.

(G) A description of how the applicant will make progress in preventing exits to homelessness from institutional settings, include plans to leverage funding from mainstream systems for evidence-based housing and housing-based solutions to homelessness.

(H) Specific and quantifiable systems improvements that the applicant will take to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness, including, but not limited to, the following:

(i) Capacity building and workforce development for service providers within the jurisdiction, including removing barriers to contracting with culturally specific service providers and building the capacity of providers to administer culturally specific services.

(ii) Strengthening the data quality of the recipient's Homeless Management Information System.

(iii) Increasing capacity for pooling and aligning housing and services funding from existing, mainstream, and new funding.

(iv) Improving homeless point-in-time counts.

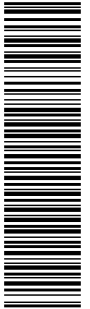
(v) Improving coordinated entry systems to eliminate racial bias or to create a youth-specific coordinated entry system.

(vi) Plans shall include strategies to meet system performance measures pursuant to paragraph (2).

(4) For city, county, and continuum of care applicants, an application pursuant to this subdivision shall be agendaized at a regular meeting by the governing body, including receiving public comment, before being submitted to the council.

(c) The council may request additional documentation and information from the applicant during consultation consistent with respect to round 4 program allocations consistent with the requirements of subdivision (b).

(d) (1) Within 30 days of receiving the final applications pursuant to subdivision (b), the council shall either approve the application and issue the notice of award to disburse 50 percent of an applicant's funding pursuant to subdivision (a) of Section



50218.7 or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

(A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and agreed upon system performance measures.

(B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with the applicant's stated system performance measures and with evidence-based solutions to reduce homelessness.

(C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective outcome standards in accordance with Sections 50221, 50222, and 50223.

(2) Upon approval of an application pursuant to this section, the council shall disburse 50 percent of an eligible city's, county's, or continuum of care's total allocation pursuant to subdivision (a) of Section 50218.7.

(e) Except as provided in subdivision (f), a recipient of a round 4 program allocation, including tribal recipients, shall expend funds on evidence-based solutions that address and prevent homelessness among eligible populations, including any of the following:

(1) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees.

(2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.

(3) Street outreach to assist persons experiencing homelessness to access permanent housing and services.

(4) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.

(5) Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations, including families and homeless youth.

(6) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions.

(7) Prevention and shelter diversion to permanent housing, including rental subsidies.

(8) Interim sheltering, limited to newly developed clinically enhanced congregate shelters, new or existing noncongregate shelters, and operations of existing navigation centers and shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:

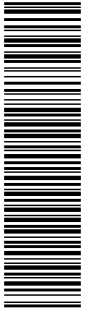
(A) The number of available shelter beds in the city, county, or region served by a continuum of care.

(B) The number of people experiencing unsheltered homelessness in the homeless point-in-time count.

(C) Shelter vacancy rate in the summer and winter months.

(D) Percentage of exits from emergency shelters to permanent housing solutions.

(E) A plan to connect residents to permanent housing.



(F) Any new interim sheltering funded by round 4 funds must be low-barrier, comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code, and prioritize interventions other than congregate shelters.

(9) Improvements to existing emergency shelters to lower barriers and increase privacy.

(f) An applicant shall not use more than 7 percent of a round 4 program allocation for administrative costs incurred by the city, county, continuum of care, or tribe to administer its program allocation. For purposes of this subdivision, "administrative costs" does not include staff or other costs directly related to implementing activities funded by the program allocation.

(g) A recipient of a round 4 program allocation shall comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

(h) Notwithstanding Section 27011 of the Government Code, or any other law governing the deposit of funds in the county treasury, a county may accept or deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this chapter.

(i) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program, or project voted on by the board, committee, or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.

(j) The council and recipients shall post final round 4 program applications to their respective internet websites within 30 days of disbursement to the applicant.

(k) (1) A recipient shall contractually obligate not less than 75 percent, and shall expend not less than 50 percent, of the initial round 4 program allocations made to it pursuant to paragraph (2) of subdivision (d) no later than May 31, 2025.

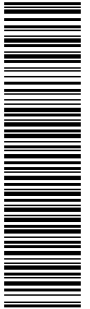
(2) Upon demonstration by a recipient city, county, or continuum of care that it has complied with the requirement to contractually obligated and expend a minimum amount of its round 4 program allocation pursuant to paragraph (1), and remains on track to meet its system performance measures, as determined by the council pursuant to Section 50223, the council shall disburse to that recipient the remaining 50 percent of its total allocation pursuant to subdivision (a) of Section 50218.7.

(3) If less than 75 percent of a recipient's round 4 program allocation made pursuant to paragraph (2) of subdivision (d) is obligated, or less than 50 percent of that amount is expended, after May 31, 2025, the recipient shall not contractually obligate or expend any remaining portion of its round 4 program allocations, and the council shall not allocate to the recipient the remaining 50 percent of its total allocation, unless both of the following occur:

(A) On or before June 30, 2025, the recipient submits an alternative disbursement plan that includes an explanation for the delay.

(B) The council approves the alternative disbursement plan submitted pursuant to subparagraph (A).

(4) On or before December 31, 2026, a recipient shall return to the council any funds that have not been expended pursuant to an alternative disbursement plan



approved pursuant to subparagraph (B) of paragraph (3), to be reallocated for distribution pursuant to ~~Chapter 6.5 (commencing with Section 50230)~~. subdivision (i) of Section 50239.

(l) No later than June 30, 2025, recipients shall demonstrate whether they have successfully met their system performance measures pursuant to paragraph (2) of subdivision (b).

(m) The council may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.

(n) In addition to requirements in Section 50222, the council may monitor the expenditures and programmatic activities of an applicant, as the council deems necessary, to ensure compliance with round 4 program requirements and adequate progress towards meeting system performance measures.

(o) The council may, as it deems appropriate or necessary, request the repayment of round 4 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(p) Any remaining amounts of round 4 program allocation funds not expended by June 30, 2027, shall ~~revert to, and be paid and deposited in, the General Fund.~~ be returned to the department for reallocation in accordance with subdivision (i) of Section 50239.

(q) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2023.

SEC. 5. Section 50233 of the Health and Safety Code is amended to read:

50233. (a) To be eligible for a round 5 base program allocation, a jurisdiction that is not a tribe must apply as part of a region and must be signatory to a regionally coordinated homelessness action plan that has been approved by the council.

(b) The council shall approve a regionally coordinated homelessness action plan when the council determines that the plan meets all of the requirements of this section.

(c) The regionally coordinated homelessness action plan shall include all of the following components:

(1) Identification and analysis of the specific roles and responsibilities of each participating jurisdiction in the region regarding outreach and site coordination, siting and use of available land, the development of shelter, interim, and permanent housing options, and the coordination and connection to the delivery of services to individuals experiencing homelessness, or at risk of experiencing homelessness, within the region. The plan may also include roles and responsibilities of small jurisdictions in the region that elect to engage and collaborate on the plan.

(2) Most recent system performance metrics for the continuums of care within the region, which shall include all of the following: as adopted and periodically updated by the California Interagency Council on Homelessness, including age, racial, and ethnic disparities for each measure.

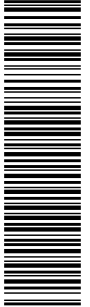
(A) ~~The number of people experiencing homelessness.~~

(B) ~~Racial and ethnic disparities in who experiences homelessness.~~

(C) ~~The average length of time people experience homelessness and any racial and ethnic disparities in the average length of time people experience homelessness.~~

(D) ~~The percentage of people exiting homelessness into permanent housing.~~

(E) ~~The number of people who return to homelessness after exiting homelessness into permanent housing.~~



~~(F) The racial and ethnic disparities of people exiting homelessness into permanent housing.~~

~~(G) The number of people falling into homelessness for the first time and the racial or ethnic disparities of people who are falling into homelessness for the first time.~~

(3) A description of key actions the region intends to take to improve the performance metrics described in paragraph (2). The plan may also include key actions of small jurisdictions in the region that elect to engage and collaborate in the plan. In naming key action steps, a region will identify all of the following:

(A) The sources of federal, state, and local funding the region intends to use to achieve the action steps and objectives.

(B) The lead entity on an action step and collaborating entities partnering to achieve the key action step.

(C) A timeframe for action.

(D) The methods of measuring the success of the action step and related performance metrics.

(4) A description of key actions each participating jurisdiction will take to reduce the number of people falling into homelessness as they exit institutional settings, including, but not limited to, jails, prisons, and hospitals.

(5) (A) An explanation of how each participating jurisdiction is utilizing local, state, and federal funding programs to end homelessness, including, but not limited to, all of the following:

(i) The Homekey program, as described in Section 50675.1.1.

(ii) The No Place Like Home Program (Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code).

(iii) The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2).

(iv) The Housing for a Healthy California Program (Part 14.2 (commencing with Section 53590)).

(v) The Homeless Housing, Assistance, and Prevention Program (Chapter 6 (commencing with Section 50216)).

(vi) Funding distributed to local jurisdictions pursuant to subparagraph (B) of paragraph (2) of subdivision (b) of Section 50470.

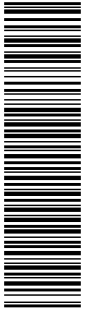
(vii) The California Emergency Solutions Grants Program (Chapter 19 (commencing with Section 50899.1) of Part 2).

(viii) The National Housing Trust Fund established pursuant to the Housing and Economic Recovery Act of 2008 (Public Law 110-289), and implementing federal regulations.

(ix) HOME Investment Partnerships Act (Chapter 16 (commencing with Section 50896)).

(x) Parolee or probation programs that are intended to prevent homelessness upon release.

(B) An explanation of how the region is connecting, or will connect, individuals to wraparound services from all eligible federal, state, and local benefit programs, including, but not limited to, housing and homelessness services and supports that are integrated with the broader social services systems and supports, including, but not limited to:



(i) CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code).

(ii) CalFresh (Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code).

(iii) Supplemental Security Income/State Supplemental Program (SSI/SSP) (Subchapter 16 (commencing with Section 1381) of Chapter 7 of Title 42 of the United States Code and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Cash Assistance Program for Immigrants (CAPI) pursuant to Chapter 10.3 (commencing with Section 18937) of Chapter 10.3 of Part 6 of Division 9 of the Welfare and Institutions Code.

(iv) In-home supportive services.

(v) Adult protective services.

(vi) Child welfare.

(vii) Childcare and development.

(viii) Disability benefits advocacy.

(ix) Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).

(C) The plan may also include local, state, and federal funding uses of small jurisdictions in the region that elect to engage and collaborate on the plan pursuant to paragraph (4).

(6) A description of specific actions the region will take to ensure racial and gender equity in service delivery, housing placements, and housing retention and changes to procurement or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.

(7) Evidence and an explanation by a continuum of care that shares geographic boundaries with a city, county, or city and county that is using state funding allocated pursuant to this chapter or is receiving state funding pursuant to the Encampment Resolution Funding program (Chapter 7 (commencing with Section 50250)) to provide services or housing for place-based encampment resolution, of collaboration with that city, county, or city and county that addresses how people served through encampment resolution have or will be included in prioritization for permanent housing within coordinated entry systems. This paragraph shall not be interpreted to supersede or limit the federal requirements of coordinated entry systems.

(d) Participating jurisdictions shall collaborate to complete the regionally coordinated homelessness action plan and shall engage in a public stakeholder process that includes at least three public meetings before completing the plan.

(e) The participating jurisdictions shall invite and encourage all of the following to engage in the public stakeholder process:

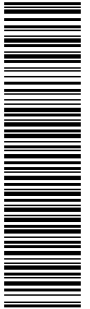
(1) People with lived experience of homelessness.

(2) Youth with lived experience of homelessness.

(3) Local department leaders and staff of qualifying small jurisdictions, including child welfare, health care, behavioral health, justice, and education system leaders.

(4) Homeless service and housing providers working in that region.

(5) Each Medi-Cal Managed Care Plan contracted with the State Department of Health Care Services in the region.



(6) Street medicine providers and other providers directly serving people experiencing homelessness or at risk of homelessness.

(f) The regionally coordinated homelessness action plan shall be reflected in a memorandum of understanding committing each signatory to participation in, and to comply with, the regionally coordinated homelessness action plan.

(g) Smaller jurisdictions in the region may also sign the memorandum of understanding and commit to participation in, and compliance with, the regionally coordinated homelessness action plan. Counties are encouraged to allocate resources from program funding to smaller jurisdictions that participate in and commit to complying with the regionally coordinated homelessness action plan.

(h) Upon receipt of a proposed regionally coordinated homelessness action plan, the council shall review it in coordination with the Department of Housing and Community Development, the State Department of Health Care Services, and the State Department of Social Services.

(i) A qualifying jurisdiction or continuum of care participating in a regionally coordinated homelessness action plan shall post on its internet website that proposed, approved, and amended regionally coordinated homelessness action plan.

(j) The council may consult with any local government, public agency, group, or person, and shall receive and consider any written comments from any public agency, group, or person, regarding the action by a participating jurisdiction in determining whether the regional coordinated homelessness action plan substantially complies with this chapter.

SEC. 6. Section 50235 of the Health and Safety Code is amended to read:

50235. (a) The council shall make an application for round 5 base program allocations available no later than September 30, 2023.

(b) Applications shall be due no later than 180 days from the date applications are made available pursuant to paragraph (1) of subdivision (a).

(c) (1) Applicants from each region shall submit a single, regional application from their shared region.

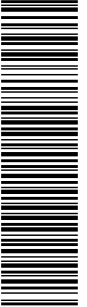
(2) Each applicant shall have the discretion to receive their base program allocation directly or may designate a corresponding eligible applicant in their region to serve as the fiscal agent responsible for the administration of funding made available pursuant to this chapter.

(d) Within 30 days of the application deadline pursuant to subdivision (b), the council shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

(1) Greater detail on any aspect of the application so the council can ensure fidelity with the applicant's proposed use of funds and stated performance goals.

(2) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with evidence-based solutions to reduce homelessness.

(3) Any other modifications or provision of information that would allow the council to better monitor and evaluate the region's compliance with its regionally coordinated homelessness action plan and whether it is meeting objective performance standards.



(e) (1) An applicant whose application has been returned pursuant to this section shall respond to the council's requested amendments and submit a revised application within 30 days. Where the revised application differs from the council's requests, the applicant shall include an explanation of the differences and the rationale for departing from requested amendments.

(2) The council shall have 30 days within which to approve the application if, as amended, it addressed the council's concerns or to provide the grantee with additional guidance and a deadline for further amending to fully address the council's concerns.

(f) (1) To receive a round 5 base program allocation, an applicant shall submit an application to the council. A complete application submitted pursuant to this section shall include, in the form and manner prescribed by the council, all of the following:

(A) A regionally coordinated homelessness action plan that complies with Section 50233.

(B) A detailed proposal for how the applicant intends to use the funds for which it is applying that complies with Section 50236.

(C) All other components that the council shall deem necessary to the proper administration of the program.

(2) Upon approval of an application pursuant to this section, the council shall disburse 50 percent of an eligible city's, county's, or continuum of care's total allocation pursuant to subdivision (a) of Section 50232.

(g) The council and recipients shall post final round 5 program applications to their respective internet websites within 30 days of disbursement to the applicant.

(h) (1) On or before January 31, 2026, a grantee shall submit to the council an updated regionally coordinated homelessness action plan which shall include updates on the metrics and corresponding key actions carried out pursuant to Section 50233, as applicable.

(2) The council shall, within 30 days, review and provide comments on complete regionally coordinated homelessness action plans or amendments and report its findings to the participating grantee, as applicable.

(3) The council shall approve the updated plan if the plan substantially complies with the requirements of this section.

(4) The council may conditionally approve the plan and notify the participating jurisdictions in the region of specific changes needed to meet the requirements of this section. Participating jurisdictions shall accomplish these changes within 30 days of being notified by the council.

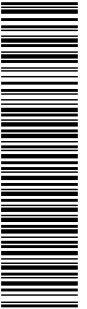
(5) The council shall have 30 days to review changes to conditionally approved plans and make a final determination of approval or rejection of the jurisdiction or regionally coordinated homelessness action plan update.

(6) (A) The council may reject the plan based on either one of the following:

(i) The region failed to submit a timely plan within 30 days from the date in paragraph (1).

(ii) The region failed to make needed changes to the plan within 30 days, if the council conditionally approved the plan.

(7) (A) The council may withhold the remaining 50 percent of funds from a jurisdiction that repeatedly failed to take action as specified in its regionally coordinated homelessness action plan, or that took actions adverse to achieving the plan objectives



provided pursuant to Section 50233, until such time the jurisdiction demonstrates to the council they are in substantial compliance with the requirements of this paragraph.

(B) The council shall provide technical assistance and support of jurisdictions efforts to comply with the requirements of this paragraph.

(8) Regions are encouraged to update their memorandums of understanding to reflect their updated regionally coordinated homelessness action plan that have been approved pursuant to this subdivision.

(9) In making this determination the council may provide exceptions to the requirement if the recipient demonstrates hardship by a disaster for which a state of emergency is proclaimed by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code.

(10) Any proposed revision to a deemed compliant regionally coordinated action plan must be submitted to the council for review and approval. The council will have 30 days to review proposed amendments and make findings, including recommendations, until the proposed amendments are deemed compliant by the council.

(11) All proposed, approved, and amended regionally coordinated homelessness action plans should be posted on the internet website of all participating jurisdictions and continuums of care participating in the regionally coordinated homelessness action plan.

(12) The council may consult with any local government, public agency, group, or person, and shall receive and consider any written comments from any public agency, group, or person, regarding the action by a participating jurisdiction in determining whether the regionally coordinated homelessness action plan substantially complies with this chapter.

(i) (1) A recipient shall contractually obligate not less than 75 percent, and shall expend not less than 50 percent, of the initial round 5 program allocations made to it pursuant to paragraph (2) of subdivision (f) no later than June 30, 2026.

(2) Upon compliance with subdivision (h) and demonstration by a recipient grantee that it has complied with the requirement to contractually obligate and expend a minimum amount of its round 5 program allocation pursuant to paragraph (1), the council shall disburse to that recipient the remaining 50 percent of its total base allocation pursuant to Section 50234.

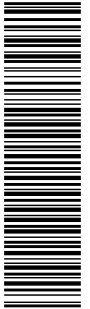
(3) (A) If the requirements of paragraph (2) are not satisfied, the council shall not allocate to the recipient the remaining 50 percent of its total allocation, unless both of the following occur:

(i) On or before June 30, 2026, the recipient submits an alternative disbursement plan that includes an explanation for the delay.

(ii) The council approves the alternative disbursement plan submitted pursuant to subparagraph (A).

(B) If a grantee does not satisfy the requirements of subparagraph (A), the council shall have the discretion to allocate the unused funding in a manner prescribed by the council.

(4) On or before December 31, 2027, a recipient shall return to the council any funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to this paragraph, to be ~~allocated as supplemental awards by the council in accordance with Section 50237.~~ reallocated in accordance with subdivision (i) of Section 50239.



(j) The council may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.

(k) In addition to requirements in Section 50222, the council may monitor the expenditures and programmatic activities of an applicant, as the council considers necessary, to ensure compliance with round 5 program requirements.

(l) The council may, as it considers appropriate or necessary, request the repayment of round 5 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(m) Any remaining amounts of round 5 base program allocation funds not expended by June 30, 2028, shall ~~revert to, and be paid and deposited in, the General Fund.~~ be returned to the department for reallocation in accordance with subdivision (i) of Section 50239.

SEC. 7. Section 50239 of the Health and Safety Code is amended to read:

50239. (a) Round 6 of the Homeless Housing, Assistance, and Prevention program is hereby established.

(b) Upon appropriation by the Legislature, the department shall make available the following amounts in accordance with this article:

(1) One billion dollars (\$1,000,000,000) in the 2024–25 fiscal year for implementation of the program.

(2) Five hundred million dollars (\$500,000,000) in the 2025–26 fiscal year, pursuant to subdivision (b) of Section 50245, to be administered as additional disbursements of round 6 pursuant to subdivision (j) of Section 50242 and the criteria adopted by the department in an amendment to the round 6 notice of funding availability.

~~(2)~~

(3) Further amounts as the Legislature may appropriate to the program in the future, future, or as may be recaptured by the department from prior rounds.

(c) (1) The department shall administer all aspects of the program in accordance with this article.

(2) No more than 5 percent of the total allocation for each round of funding shall be used to cover the department's costs of administration of this article, including state operations expenditures and activities in support of statewide capacity building for recipients, including providing ongoing training and technical assistance, measuring data and performance, conducting research, and evaluation of funding service delivery demonstration projects.

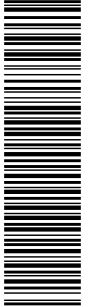
(A) The department may utilize any unused funds from moneys set aside for program administration to augment existing allocation categories using existing allocation methodologies.

(B) Any unused funds from moneys set aside for program administration remaining by the expenditure deadline for the given appropriation shall be rolled over into the next round of appropriated funding, or will revert back to the General Fund.

(d) Contracts entered into or amended shall be exempt from all of the following:

(1) Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code.

(2) The personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.



(3) Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and the State Contracting Manual.

(4) Notwithstanding Section 11546 of the Government Code, from review or approval of any division of the Department of Technology, upon approval from the Department of Finance.

(5) From the review or approval of any division of the Department of General Services.

(e) The department shall approve or deny an application, and the determination of the amount of funding to be provided shall be final.

(f) If the applicant identifies substantive errors or omissions in their required data submissions, the department may, at its sole discretion, allow jurisdictions to modify or resubmit their data and, if applicable, may allow applicants to modify their data accordingly.

(g) The department shall maintain and make available to the public on its internet website records of all of the following:

- (1) The number of applications for program funding received by the department.
- (2) The number of applications for program funding denied by the department.
- (3) The name of each recipient of program funds.
- (4) Each applicant receiving funds pursuant to this article who shall provide a list of all awards to subrecipients.
- (5) Annual reports filed by recipients pursuant to Sections 50221, 50222, and 50223.

(h) In administering this article, the department shall not be subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(i) (1) If a grantee fails to meet an obligation or expenditure deadline for any prior round of the program, then after provision of technical assistance, including the opportunity to correct any technical accounting or reporting errors, the department may reduce that grantee's future allocation in an amount equal to the unspent or unearned funds, in lieu of seeking cash repayment.

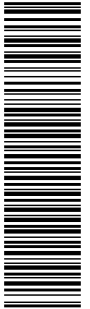
(2) Funds recaptured pursuant to paragraph (1) shall be reallocated by the department in a subsequent notice of funding availability consistent with the most recent statutory provisions of this program. The department shall, to the extent practicable, prioritize reallocation to other eligible applicants in the same region who have met all applicable requirements.

SEC. 8. Section 50240 of the Health and Safety Code is amended to read:

50240. (a) To be eligible for a round 6 base program allocation, a jurisdiction that is not a tribe must apply as part of a region and must be signatory to a round 6 regionally coordinated homelessness action plan that has been approved by the department. An update to the round 5 plan may constitute a round 6 regionally coordinated homelessness action plan.

(b) The department shall approve a round 6 regionally coordinated homelessness action plan when the department determines that the plan meets all of the requirements of this section.

(c) The round 6 regionally coordinated homelessness action plan shall include all of the following components:



(1) Identification and analysis of the specific roles and responsibilities of each participating jurisdiction in the region regarding outreach and site coordination, siting and use of available land, the development of shelter, interim, and permanent housing options, and the coordination and connection to the delivery of services to individuals experiencing homelessness, or at risk of experiencing homelessness, including specifying roles and coordination plans in relation to Mental Health Services Act or Behavioral Health Services Act, within the region. The plan may also include roles and responsibilities of small jurisdictions in the region that elect to engage and collaborate on the plan.

(2) Most recent system performance measures for the continuum of care within the region, which shall include all of the following, as well as age, racial, and ethnic disparities for all of the following: as adopted and periodically updated by the California Interagency Council on Homelessness, including age, racial, and ethnic disparities data for each measure.

- (A) The number of people experiencing homelessness.
- (B) The average length of time people experience homelessness.
- (C) The percentage of people exiting homelessness into permanent housing.
- (D) The number of people who return to homelessness after exiting homelessness into permanent housing.
- (E) The number of people exiting homelessness into permanent housing.
- (F) The number of people falling into homelessness for the first time.
- (G) The number of people who return to homelessness after exiting institutional settings, including, but not limited to, jails, prisons, and hospitals.

(3) A system performance and improvement plan, which shall include a description of key actions the region intends to take to improve the system performance measures described in paragraph (2). The system performance and improvement plan may also include key actions of small jurisdictions in the region that elect to engage and collaborate in the regionally coordinated homelessness action plan. In naming key actions in the system performance and improvement plan, a region will identify all of the following:

- (A) The lead entity on the key action and collaborating entities partnering to achieve the key action.
- (B) A timeframe for steps and completion of each key action.
- (C) The methods of measuring the success of each key action and related system performance measures that will demonstrate success of the key action.
- (D) An explanation of how each participating jurisdiction is utilizing local, state, and federal funding programs as key actions to improve the system performance measures, including, but not limited to, all of the following:
 - (i) The Homekey program, as described in Section 50675.1.1.
 - (ii) The No Place Like Home Program (Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code).
 - (iii) The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2).
 - (iv) The Housing for a Healthy California Program (Part 14.2 (commencing with Section 53590)).
 - (v) The Homeless Housing, Assistance, and Prevention program (Chapter 6 (commencing with Section 50216)). All items currently being funded through rounds



1 through 4, inclusive, pursuant to the Homeless Housing, Assistance, and Prevention program (Chapter 6 (commencing with Section 50216)) and round 5 pursuant to the Round 5 of the Homeless Housing, Assistance, and Prevention program (Article 1 (commencing with Section 50232)), and those items proposed to be funded by round 6 pursuant to this article must be included as key actions. If an item proposed to be funded under the rounds will not lead to improvement of the system performance measures described in paragraph (2), it is not an eligible use of funding pursuant to those rounds.

(vi) Funding distributed to local jurisdictions pursuant to subparagraph (B) of paragraph (2) of subdivision (b) of Section 50470.

(vii) The California Emergency Solutions Grants Program (Chapter 19 (commencing with Section 50899.1) of Part 2).

(viii) The National Housing Trust Fund established pursuant to the Housing and Economic Recovery Act of 2008 (Public Law 110-289), and implementing federal regulations.

(ix) HOME Investment Partnerships Act (Chapter 16 (commencing with Section 50896)).

(x) Parolee or probation programs that are intended to prevent homelessness upon release.

(xi) CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code).

(xii) CalFresh (Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code).

(xiii) Supplemental Security Income/State Supplemental Program (SSI/SSP) (Subchapter 16 (commencing with Section 1381) of Chapter 7 of Title 42 of the United States Code and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Cash Assistance Program for Immigrants (CAPI) pursuant to Chapter 10.3 (commencing with Section 18937) of Chapter 10.3 of Part 6 of Division 9 of the Welfare and Institutions Code.

(xiv) In-home supportive services.

(xv) Adult protective services.

(xvi) Child welfare.

(xvii) Child care and development.

(xviii) Disability benefits advocacy.

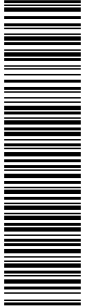
(xix) Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).

(xx) Mental Health Services Act and Behavioral Health Services Act.

(E) A description of how the key actions will ensure racial and gender equity in service delivery, housing placements, and housing retention and changes to procurement or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.

(F) A list of encampments within the region and plans to address these encampments in support of reducing unsheltered homelessness.

(G) A policy for addressing encampments that is compliant with the most current state guidance.



(d) Participating jurisdictions shall collaborate to complete the regionally coordinated homelessness action plan and shall engage in a public stakeholder process that includes at least three public meetings before completing the plan.

(e) The participating jurisdictions shall invite and encourage all of the following to engage in the public stakeholder process:

- (1) People with lived experience of homelessness.
- (2) Youth with lived experience of homelessness.
- (3) Local department leaders and staff of qualifying small jurisdictions, including child welfare, health care, behavioral health, justice, and education system leaders.
- (4) Homeless service and housing providers, including non-profit developers of permanent supportive housing, working in that region.

(5) Each Medi-Cal Managed Care Plan contracted with the State Department of Health Care Services in the region.

(6) Street medicine providers and other providers directly serving people experiencing homelessness or at risk of homelessness.

(7) Federally recognized tribal governments pursuant to Section 4103 of Title 25 of the United States Code that are within the region.

(f) The regionally coordinated homelessness action plan shall be reflected in a memorandum of understanding committing each signatory to participation in, and to comply with, the regionally coordinated homelessness action plan.

(g) Smaller jurisdictions in the region may also sign the memorandum of understanding and commit to participation in, and compliance with, the regionally coordinated homelessness action plan. Counties are encouraged to allocate resources from program funding to smaller jurisdictions that participate in and commit to complying with the regionally coordinated homelessness action plan.

(h) Upon receipt of a proposed regionally coordinated homelessness action plan, the department shall review it in coordination with the council, the State Department of Health Care Services, and the State Department of Social Services.

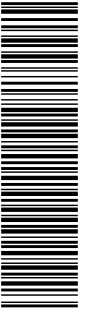
(i) A qualifying jurisdiction participating in a regionally coordinated homelessness action plan shall post on its internet website the proposed, approved, and amended regionally coordinated homelessness action plan.

(j) The department may consult with any local government, public agency, group, or person, and shall receive and consider any written comments from any public agency, group, or person, regarding the action by a participating jurisdiction in determining whether the regional coordinated homeless action plan substantially complies with this article.

SEC. 9. Section 50241 of the Health and Safety Code is amended to read:

50241. (a) Upon appropriation by the Legislature, the funds administered pursuant to this article, less the set aside funds provided for the department's costs of administration in subdivision (c) of Section 50239, shall be made available in the ~~2024–2025~~ 2024–25 fiscal year for implementing round 6 of the program, and additional funding shall be made available in the 2026–27 fiscal year as additional disbursements of round 6, as follows:

(1) Not more than 80 percent of the 2024–25 fiscal year funding available pursuant to this section shall be available to cities, counties, or continuums of care, for basic program allocations, and not more than 97 percent of the 2026–27 fiscal year



funding available pursuant to this section shall be available to cities, counties, or continuums of care, for base program allocations, as follows:

(A) Thirty percent of the funds described in this paragraph shall be available to continuums of care. The department shall calculate these allocations to a continuum of care based on each continuum of care's proportionate share of the state's total homeless population, based on the homeless point-in-time count. The department shall not award more than 40 percent of the allocation made pursuant to this subparagraph to a continuum of care.

(B) Forty-two percent of the funds described in this paragraph shall be available to each city, or a city that is also a county, that has a population of 300,000 or more, as of January 1, 2022, according to data published on the Department of Finance's internet website. The department shall calculate the allocation to a city based on the city's proportionate share of the total homeless population of the region served by the continuum of care within which the city is located, based on the homeless point-in-time count. The department shall not award more than 45 percent of the program allocation made pursuant to this subparagraph to a city. If more than one recipient within the continuum of care meets the requirements of this subparagraph, the proportionate share of funds shall be equally allocated to those jurisdictions.

(C) Twenty-eight percent of the funds described in this paragraph shall be available to each county. The department shall calculate the allocation to a county based on the county's proportionate share of the total homeless population of the region served by the continuum of care within which the county is located, based on the homeless point-in-time count. The department shall not award more than 40 percent of the program allocation made pursuant to this subparagraph to a county.

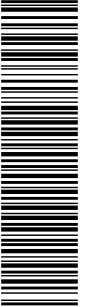
(2) Not more than 17 percent of the 2024–25 fiscal year funding available pursuant to this section shall be available to eligible cities, counties, and tribal applicants for the purpose of providing supplemental support for the Homekey program pursuant to Section 50244.

(3) Not more than 3 percent of the funding available pursuant to this section shall be available to tribal applicants. Notwithstanding any other provision of this article, the funds described in this paragraph shall be allocated as follows:

(A) A tribe may apply for program funds and the department shall make allocations to tribes on the basis of need. Tribes that apply for program funds pursuant to subparagraph (B) shall be allocated funds up to their requested amount. If the total requested funds exceeds the amount available collectively among all tribal applicants, the department shall determine an allocation methodology based on each tribal applicant's proportionate share of need relative to all tribes that submit an application for funding.

(B) A tribal applicant seeking funds pursuant to this section shall submit an application to the department, in the form and manner prescribed by the department, no later than June 30, 2025, with all of the following information:

- (i) The amount of grant funds the tribe is requesting.
- (ii) An explanation of the tribe's local need, including an estimation of the number of people who need homelessness services and the current resources that exist.
- (iii) A description of the services on which the tribe plans to spend its grant funds. These activities shall be allowable pursuant to Section 50243.



(C) Any funds available to tribal applicants pursuant to this paragraph that are unallocated as of July 1, 2027, shall be reallocated for distribution to tribal applicants as part of future program rounds.

(D) A tribal applicant is encouraged to partner with a local continuum of care or coordinated entry system.

(b) An applicant applying for round 6 program funds pursuant to this section shall comply with the requirements set forth in Section 50220.6.

(c) A program recipient shall not use funding from the program allocated under this section to supplant existing local funds for homelessness services under penalty of disallowance or reduction, or both, of future program funds, as determined by the department.

(d) (1) No more than 5 percent of the appropriated funds shall be used to cover state administrative costs pursuant to subdivision (c) of Section 50239.

(2) The department may expend administrative funds until December 31, 2029, to complete grant closeout activities.

(e) A program recipient shall use at least 10 percent of the funds allocated under this section for services for homeless youth populations. This subdivision does not prohibit program recipients from spending a greater percentage on services for homeless youth populations.

(f) Moneys allocated pursuant to this section shall be expended in compliance with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code.

SEC. 10. Section 50242 of the Health and Safety Code is amended to read:

50242. (a) The department shall make an application for round 6 base program allocations available no later than January 31, 2025.

(b) Applications shall be due no later than 180 days from the date applications are made available pursuant to subdivision (a).

(c) (1) Applicants from each region shall submit a single, regional application from their shared region.

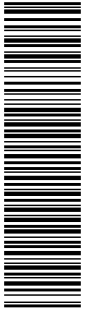
(2) Each applicant shall have the discretion to receive their base program allocation directly or may designate a corresponding eligible applicant in their region to serve as the fiscal agent responsible for the administration of funding made available pursuant to this article.

(d) Within 30 days of the application deadline pursuant to subdivision (b), the department shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

(1) Greater detail on any aspect of the application so the department can ensure fidelity with the applicant's proposed use of funds and impact on system performance measures.

(2) Modifications or provision of additional information on the applicant's proposed funding plan to ensure compliance with this section, and ensure alignment with evidence-based solutions to reduce homelessness.

(3) Any other modifications or provision of information that would allow the department to better monitor and evaluate the region's compliance with its regionally coordinated homelessness action plan and whether it is meeting objective performance standards.



(e) (1) An applicant whose application has been returned pursuant to this section shall respond to the department's requested amendments and submit a revised application within 30 days. Where the revised application differs from the department's requests, the applicant shall include an explanation of the differences and the rationale for departing from requested amendments.

(2) The department shall have 30 days within which to approve the application if, as amended, it addressed the department's concerns or to provide the applicant with additional guidance and a deadline for further amending to fully address the department's concerns.

(f) (1) To receive a round 6 base program allocation, an applicant shall submit an application to the department. A complete application submitted pursuant to this section shall include, in the form and manner prescribed by the department, all of the following:

(A) A regionally coordinated homelessness action plan that the department finds compliant with Section 50240. This may be an updated version of the action plan submitted in prior rounds if that action plan was found compliant by the department.

(B) A detailed proposal for how the applicant intends to use the funds for which it is applying that complies with Section 50243.

(C) All other components that the department shall deem necessary to the proper administration of the program.

(2) After approval of an application pursuant to this section, the department shall disburse 50 percent of an eligible city's, county's, or continuum of care's total 2024–25 fiscal year allocation pursuant to subdivision (a) of Section 50241 upon a determination that the eligible city, county, or continuum of care has done all of the following:

(A) Contractually obligated all of its funding from rounds 1 through 3 of the program.

(B) Expended all of its funding from round 1 of the program.

(C) Expended at least 50 percent of its funding and contractually obligated 75 percent of its funding from the first disbursement of round 4 of the program.

(g) The department and recipients shall post final round 6 program applications to their respective internet websites within 30 days of disbursal to the applicant.

(h) (1) On or before January 31, 2027, a grantee shall submit to the department an update on their round 6 regionally coordinated homelessness action plan activities, which shall include updates on the obligation and expenditure activities, progress on their system performance and improvement plan, key actions and corresponding updates on system performance measures carried out pursuant Section 50240, as applicable.

(2) The department shall, within 30 days, review the update and report its findings to the participating grantee pursuant to this subdivision.

(3) If the department finds that the grantee has adhered to the requirements of this section, or concludes that the grantee has addressed any shortcomings in the update, the department shall approve the update.

(4) (A) If the department finds that a grantee failed to adhere to the requirements of this section, the department may require the participating jurisdictions in the region to make specific changes needed to meet the requirements of this section. If the department concludes that the grantee made insufficient progress on key actions or failed to improve on at least one-half of the region's system performance measures, the department may require the participating jurisdictions to provide a corrective action



plan to the update to the regionally coordinated action plan to address these findings. Participating jurisdictions shall accomplish these changes or submit a corrective action plan, as applicable, within 30 days of being notified by the department.

(B) The department shall have 30 days to review the changes or corrective action plan, as applicable, to determine if they addressed the department's concerns and approve the update, or to provide the grantee with additional guidance and a deadline for making changes or further amending the corrective action plan to address the department's concerns.

(5) (A) The department may withhold the remaining 50 percent of 2024–25 fiscal year funds from a grantee until the department has approved the update to the grantee's round 6 regionally coordinated homelessness action plan.

(B) The department shall provide technical assistance and support of jurisdictions efforts to comply with the requirements of this paragraph.

(6) Regions are encouraged to update their memorandums of understanding to reflect their updated regionally coordinated homelessness action plan that have been approved pursuant to this subdivision. The department may ask for confirmation that a region has updated its memorandum of understanding to reflect a part of a corrective action required under this section.

(7) In making determinations pursuant to this subdivision the department may provide exceptions to the requirement if the recipient demonstrates hardship by a disaster for which a state of emergency is proclaimed by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code.

(8) After the department has deemed a regionally coordinated action plan compliant with this section, the grantee shall submit any proposed revisions to the department for review and approval. No later than 30 days from submission, the department shall review the proposed revisions and either approve the revisions or recommend changes.

(9) All proposed, approved, and amended regionally coordinated homelessness action plans shall be posted on the internet website of all participating jurisdictions in the regionally coordinated homelessness action plan, and the department shall post all action plans received from participating jurisdictions.

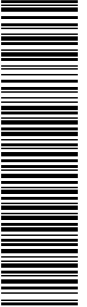
(10) In determining whether the regionally coordinated homelessness action plan substantially complies with this article, the department may consult with any local government, public agency, group, or person, and shall receive and consider any written comments from any public agency, group, or person, regarding the action by a participating jurisdiction.

(i) (1) A recipient shall contractually obligate not less than 75 percent, and shall expend not less than 50 percent, of the initial round 6 2024–25 fiscal year program allocations made to it pursuant to paragraph (2) of subdivision (f) no later than June 30, 2027.

(2) The department shall disburse the remaining 50 percent of a recipient's 2024–25 fiscal year total base allocation pursuant to Section 50241 only after the recipient demonstrates all of the following:

(A) Compliance with subdivision (h).

(B) Compliance with the requirement to contractually obligate and expend a minimum amount of its round 6 program allocation pursuant to paragraph (1).



(C) That the recipient has a compliant housing element as defined in Section 65589.9 of the Government Code, if the recipient is a city or county. If the recipient does not have a compliant housing element, the department shall hold the disbursement until the recipient is housing element compliant, consistent with paragraph (3).

(3) On or before December 31, 2028, a recipient shall return to the department any funds that have not been expended pursuant to this subdivision, to be ~~allocated as supplemental awards by the department in accordance with Section 50244.~~ reallocated in accordance with subdivision (i) of Section 50239.

(j) The department may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.

(k) In addition to requirements in Section 50222, the department may monitor the expenditures and programmatic activities of an applicant, as the department considers necessary, to ensure compliance with round 6 program requirements.

(l) The department may, as it considers appropriate or necessary, request the repayment of round 6 program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(m) Any remaining amounts of round 6 base program allocation funds not expended by June 30, 2029, shall ~~revert to, and be paid and deposited in, the General Fund.~~ be returned to the department for reallocation in accordance with subdivision (i) of Section 50239.

(n) (1) After approval of an application pursuant to this section, the department shall disburse 50 percent of an eligible city's, county's, or continuum of care's total 2026–27 fiscal year allocation pursuant to subdivision (a) of Section 50241 upon a determination that the eligible city, county, or continuum of care has done all of the following:

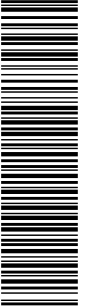
(A) Provided a detailed proposal for how the applicant intends to use the full round 6 2026–27 fiscal year program allocations that complies with Section 50243.

(B) Met all requirements to receive the second disbursement of round 5 funds pursuant to subdivision (i) of Section 50235, including completion of the update to the round 5 regionally coordinated homelessness action plan pursuant to subdivision (h) of Section 50235.

(C) Contractually obligated not less than 75 percent, and expended not less than 50 percent, of the second disbursement of round 6 2024–25 fiscal year program allocations, or if the expenditure deadline pursuant to subdivision (m) has passed, then the recipient must have had any remaining round 6 2024–25 fiscal year funds returned or recaptured in accordance with existing law.

(D) Has a compliant housing element, as defined in Section 65589.9 of the Government Code, if the recipient is a city or county. If the recipient does not have a compliant housing element, the department shall hold the disbursement until the recipient has a compliant housing element, consistent with paragraph (3) of subdivision (i) of this section.

(E) (i) All recipients of the program that are cities, or a city that is also a county, pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 50241, and the counties in which the cities are located, shall have obtained a current, valid prohousing designation from the department, as defined in Section 65589.9 of the Government Code, at the time of disbursement. If the city or county has not obtained the prohousing designation prior to the allocation of round 7 funds, it shall obtain the



designation no later than 12 months from the initial disbursement. If the city or county fails to obtain the prohousing designation by that date, any remaining or unobligated program funds that would have otherwise been allocated to that jurisdiction may be reallocated by the department to other eligible direct recipients within the same region as described in subparagraph (E) of paragraph (1) of subdivision (o).

(ii) For purposes of this subparagraph, it is the intent of the Legislature that the state's largest jurisdictions take sustained actions to strengthen local housing policies and conditions that accelerate housing production. These jurisdictions account for a disproportionate share of the state's housing demand, development activity, and homelessness population, and their land use decisions, permitting practices, and regulatory frameworks directly shape housing availability and cost. When affordable housing supply does not keep pace with demand, more households are priced out of stable housing, increasing the risk of, and decreasing exits from, homelessness. Requiring these jurisdictions to obtain and maintain a prohousing designation as a condition of funding reinforces the connection between local housing policies and regional homelessness outcomes while maximizing the use of limited state resources. Aligning program funding with these prohousing conditions helps direct resources in a manner supported by local policies that expand housing supply, improving the effectiveness of investments in reducing and preventing homelessness.

(F) Compliance with the current state guidance on addressing encampments at the time of the amendment to the notice of funding availability, if the recipient is a city or county, demonstrated through one of the following:

(i) Adoption of a local ordinance or administrative policy aligned with the state guidance.

(ii) Submitting documentation that demonstrates, to the department's satisfaction, that the city or county's practices comply with state guidance.

(G) (i) Recipients that are cities, or a city that is also a county, pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 50241, and the counties in which the cities are located, shall provide local matching funds as a condition of receiving 2026–27 fiscal year allocations, in accordance with the following:

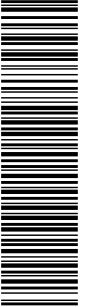
(I) To receive the initial disbursement of funds pursuant to this subdivision, a recipient shall demonstrate the availability of qualifying local matching funds equal to not less than _____ percent of its total allocation.

(II) Sources of matching funds shall be dedicated to activities that prevent and end homelessness, including, but not limited to, expanding the supply of housing affordable to people experiencing homelessness or at risk of homelessness, and providing supportive services. Eligible sources may include, but are not limited to, any of the following:

(ia) A dedicated local or regional funding source for homelessness, including funds or in-kind resources used for affordable housing development, housing-related infrastructure, or supportive services.

(ib) A new local or regional funding source dedicated to preventing and ending homelessness.

(ic) Impact fee deferrals or impact fee waivers that reduce the cost of developing housing affordable to people experiencing homelessness or at risk of homelessness. Those quantifiable contributions may include, but are not limited to, the waiver, reduction, or deferral of fees imposed by the local agency for a development project,



as defined in Section 66000 of the Government Code, but not those fees exempted for a project under Section 65915 of the Government Code.

(id) Land donations or philanthropic contributions used to support housing or housing-related uses for people experiencing homelessness.

(ie) Local government contributions in the form of rental assistance or other permanent or interim housing or supportive services.

(if) Local government contribution from state-originated sources, including, but not limited to, the Behavioral Health Services Act, the Permanent Local Housing Allocation Program, the Homekey program, the Community Care Expansion Program, and Behavioral Health Bridge Housing Program. Use of these funds to meet the match is limited to activities that support permanent or interim housing and supportive services for people at risk of, or experiencing, homelessness.

(ig) Other eligible sources, as defined in the notice of funding availability or other guidance issued by the department.

(ii) For purposes of this subparagraph, it is the intent of the Legislature that the state and its largest jurisdictions coordinate within the regional framework of this program to address and prevent future homelessness. Local matching requirements are widely used in state and federal programs to promote shared responsibility and alignment in achieving program outcomes. Accordingly, these jurisdictions shall align local and regional funding, in-kind and philanthropic contributions, and other available resources with program investments to supplement and scale limited state funds. It is further the intent of the Legislature that this subparagraph provide reasonable options to support compliance, including a range of eligible match sources and graduated requirements that increase over time, allowing jurisdictions sufficient time to align resources with program timelines.

(H) Be in good standing on all reporting requirements, including Homeless Management Information System reporting, for prior rounds.

(2) On or before December 31, 2032, a recipient shall return to the department any initial 2026–27 fiscal year funds that have not been expended pursuant to this subdivision, to be reallocated in accordance with subdivision (i) of Section 50239.

(o) (1) The department shall disburse the second 2026–27 fiscal year allocation pursuant to Section 50241 only after the recipient demonstrates all of the following:

(A) Completion of key actions related to 2024–25 fiscal year funding committed to in the round 6 program application and regionally coordinated homelessness action plan pursuant to Section 50233. If key actions have not been completed, the recipient must complete the key actions to receive additional funds or receive approval from the department to modify the round 6 application regionally coordinated homelessness action plan.

(B) Improvement on at least one-half of the region’s most recent system performance measures data pursuant to Section 50240 compared to the baseline data from the most recent calendar year when the program commences.

(i) If there is insufficient progress on system performance measures, the recipient will have an opportunity to correct any reporting errors.

(ii) If the recipient does not have reporting corrections to make, or if the corrections do not result in the recipient meeting the requirement in this subparagraph, then the recipient must accept technical assistance from the department, including potentially modifying the intended use of 2026–27 fiscal year funds, or other



modifications to the regionally coordinated homelessness action plan pursuant to Section 50233.

(C) A recipient shall contractually obligate not less than 75 percent, and shall expend not less than 50 percent, of the initial disbursement of round 6 2026–27 fiscal year program allocations, or if the expenditure deadline pursuant to paragraph (2) of subdivision (n) has passed, then any remaining initial round 6 2026–27 fiscal year funds shall be reallocated in accordance with subdivision (i) of Section 50239.

(D) The recipient has a compliant housing element, as defined in Section 65589.9 of the Government Code, if the recipient is a city or county. If the recipient does not have a compliant housing element, the department shall hold the disbursement until the recipient is housing element compliant, consistent with paragraph (3) of subdivision (i) of this section.

(E) Recipients that are cities, or a city that is also a county, pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 50241, and the counties in which those cities are located, must obtain and maintain a prohousing designation from the department as a condition of receiving the second disbursement of funds. A jurisdiction that has not obtained or maintained a prohousing designation is subject to the following conditions:

(i) Funds that would have otherwise been allocated to a jurisdiction that has not obtained a prohousing designation shall be redirected to another eligible city, county, or continuum of care within the same region that is able to administer the funds, to the extent such an entity exists. A county in which there is a city pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 50241 that has not obtained a prohousing designation shall not be eligible to receive or administer those funds in any capacity, including as the administrative entity for the continuum of care, unless and until it obtains the prohousing designation.

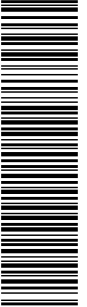
(ii) If no eligible recipient within the region is available to administer the funds, the department may make the second disbursement of funds to a recipient without the prohousing designation, subject to enhanced oversight, technical assistance, and any additional conditions or restrictions on the use of funds deemed necessary by the department.

(F) Verify continued compliance with the current state guidance on addressing encampments, consistent with subparagraph (F) of paragraph (1) of subdivision (n) of this section.

(G) Recipients that are cities, or a city that is also a county, pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 50241, and the counties in which the cities are located, shall provide local matching funds as a condition of receiving 2026–27 fiscal year allocations, as follows:

(i) After the initial disbursement of funds pursuant to subdivision (n), to receive any subsequent or final disbursement of funds pursuant to this subdivision, a recipient shall demonstrate the availability of qualifying local matching funds equal to not less than _____ percent of its total allocation, in addition to the requirement in subclause (I) of clause (i) of subparagraph (G) of paragraph (1) of subdivision (n), for a total of a _____ percent match.

(ii) Sources of match funds may include, but are not limited to, the sources identified in subclause (II) of clause (i) of subparagraph (G) of paragraph (1) of subdivision (n).



(H) Update the round 6 regionally coordinated homelessness action plan showing progress on the initial encampments identified, and identifying any new encampment areas, along with a lead entity, timeline, and plan to prioritize and address these encampments. If there is insufficient progress on encampment areas, the recipient must accept technical assistance from the department, including potentially modifying the intended use of remainder 2026–27 fiscal year funds, or other modifications to the regionally coordinated homelessness action plan pursuant to Section 50233.

(I) Be in good standing on all reporting requirements, including Homeless Management Information System reporting, for prior rounds.

(2) On or before December 31, 2033, a recipient shall return to the department any 2026–27 fiscal year funds that have not been expended pursuant to this subdivision, to be reallocated in accordance with subdivision (i) of Section 50239.

SEC. 11. Section 8257 of the Welfare and Institutions Code is amended to read:

~~8257. (a) The Governor shall create an Interagency Council on Homelessness.~~

8257. (a) (1) There is in state government the California Interagency Council on Homelessness.

(2) There is, within the California Interagency Council on Homelessness, the California Interagency Executive Council on Homelessness, which shall support the California Interagency Council on Homelessness in meeting its goals.

(b) The council California Interagency Council on Homelessness shall have all of the following goals:

(1) To oversee implementation of this chapter.

(2) To identify mainstream resources, benefits, and services that can be accessed to prevent and end homelessness in California.

(3) To create partnerships among state agencies and departments, local government agencies, participants in the United States Department of Housing and Urban Development’s Continuum of Care Program, federal agencies, the United States Interagency Council on Homelessness, nonprofit entities working to end homelessness, homeless services providers, and the private sector, for the purpose of arriving at specific strategies to end homelessness.

(4) To promote systems integration to increase efficiency and effectiveness while focusing on designing systems to address the needs of people experiencing homelessness, including unaccompanied youth under 25 years of age.

(5) To coordinate existing funding and applications for funding. Any action taken pursuant to this paragraph shall not restructure or change any existing allocations or allocation formulas.

(A) To ensure eligible applicants are informed of opportunities to apply for funding, council staff shall develop and regularly maintain a strategic funding guide and a calendar of new or existing funding opportunities.

(B) Agencies and departments administering state programs shall provide the council staff updated information on new or existing funding opportunities on a quarterly basis.

(6) To make policy and procedural recommendations to legislators and other governmental entities.

(7) To identify and seek funding opportunities for state entities that have programs to end homelessness, including, but not limited to, federal and philanthropic funding



opportunities, and to facilitate and coordinate those state entities' efforts to obtain that funding.

(8) To broker agreements between state agencies and departments and between state agencies and departments and local jurisdictions to align and coordinate resources, reduce administrative burdens of accessing existing resources, and foster common applications for services, operating, and capital funding.

(9) To serve as a statewide facilitator, coordinator, and policy development resource on ending homelessness in California.

(10) To report to the Governor, federal Cabinet members, and the Legislature on homelessness and work to reduce homelessness.

(11) To ensure accountability and results in meeting the strategies and goals of the executive council.

(12) To identify and implement strategies to fight homelessness in small communities and rural areas.

(13) To create a statewide data system or warehouse, which shall be known as the Homeless Data Integration System, that collects local data through Homeless Management Information Systems, with the ultimate goal of matching data on homelessness to programs impacting homeless recipients of state programs, such as the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9) and CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9). Upon creation of the Homeless Data Integration System, all continuums of care, as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, that are operating in California shall provide collected data elements, including, but not limited to, health information, in a manner consistent with federal law, to the Homeless Data Integration System.

(A) Council staff shall specify the form and substance of the required data elements.

(B) Council staff may, as required by operational necessity, and in accordance with paragraph (8) of subdivision (d) of Section 8256, amend or modify data elements, disclosure formats, or disclosure frequency.

(C) (i) To further the efforts to improve the public health, safety, and welfare of people experiencing homelessness in the state, council staff may collect data from the continuums of care as provided in this paragraph.

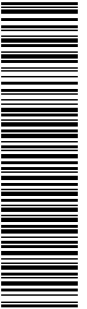
(ii) Council staff shall, upon request, share personally identifiable, individual-level data from the Homeless Data Integration System with an agency or department that is a member of the executive council for purposes of measuring housing instability and examining the effectiveness of, and need for, housing and homelessness programs and other antipoverty programs among Californians.

(iii) Council staff shall adopt and periodically publish system performance measures for each continuum of care, including age, racial, and ethnic disparities for each measure.

~~(iii)~~

(iv) Data disclosed pursuant to this subparagraph shall be in compliance with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code).

(D) Any health information or personal identifying information provided to, or maintained within, the Homeless Data Integration System shall not be subject to public



inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(E) For purposes of this paragraph, “health information” includes “protected health information,” as defined in Section 160.103 of Title 45 of the Code of Federal Regulations, and “medical information,” as defined in subdivision (j) of Section 56.05 of the Civil Code.

(14) To set goals to prevent and end homelessness among California’s youth.

(15) To improve the safety, health, and welfare of young people experiencing homelessness in the state.

(16) To increase system integration and coordinating efforts to prevent homelessness among youth who are currently or formerly involved in the child welfare system or the juvenile justice system.

(17) To lead efforts to coordinate a spectrum of funding, policy, and practice efforts related to young people experiencing homelessness.

(18) To identify best practices to ensure homeless minors who may have experienced maltreatment, as described in Section 300, are appropriately referred to, or have the ability to self-refer to, the child welfare system.

(19) To collect, compile, and make available to the public financial data provided to the council staff from all state-funded homelessness programs.

(A) (i) Commencing with the 2025–26 fiscal year, and every fiscal year thereafter, council staff shall collect fiscal and outcome data from state agencies and departments administering state homelessness programs with a grantee or entity that is required to enter data elements on individuals and families it serves pursuant to paragraphs (1) and (3) of subdivision (d) of Section 8256. The state agencies and departments shall submit the fiscal and outcome data to council staff on or before February 1, 2027, and annually thereafter.

(ii) Council staff, in collaboration with the respective administering state agencies or departments, shall specify the data elements, entry format, and disclosure frequency of fiscal and outcome data.

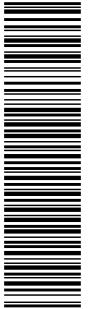
(iii) Council staff may aggregate fiscal and outcome data in a manner it sees fit, and, in consultation with the respective administering state agencies or departments, shall make the data publicly available on or before June 1, 2027, and annually thereafter.

(B) For the purposes of this paragraph:

(i) “Fiscal data” includes, but is not limited to, funding sources, budget allocations, obligations, and expenditures, and any other financial data needed to assess a state homelessness program. Fiscal data collected pursuant to subparagraph (A) shall be limited to only the data authorized to be collected or requested from a grantee by administering agencies and departments based on the specific program’s authority or grant agreement.

(ii) “Outcome data” includes, but is not limited to, data relating to people exiting into permanent housing and data elements described in subdivision (d) of Section 8256. Outcome data collected pursuant to subparagraph (A) shall be limited to only the data authorized to be collected or requested from a grantee by administering agencies and departments based on the specific program’s authority or grant agreement.

(c) (1) The executive council shall consist of the following members:



(A) The Secretary of ~~Business, Consumer Services, and Housing~~ the California Housing and Homelessness Agency and the Secretary of California Health and Human Services, who both shall serve as cochairs of the executive council.

(B) The Director of Transportation.

(C) The Director of Housing and Community Development.

(D) The Director of Social Services.

(E) The ~~Director~~ executive director of the California Housing Finance Agency.

(F) The Director or the State Medicaid Director of Health Care Services.

(G) The Secretary of Veterans Affairs.

(H) The Secretary of the Department of Corrections and Rehabilitation.

(I) The Governor's Tribal Advisor.

(J) The Executive Director of the California Tax Credit Allocation Committee in the Treasurer's office.

(K) The State Public Health Officer.

(L) The Director of the California Department of Aging.

(M) The Director of Rehabilitation.

(N) The Director of State Hospitals.

(O) The executive director of the California Workforce Development Board.

(P) The Director of Emergency Services.

(Q) A representative from the State Department of Education, who shall be appointed by the Superintendent of Public Instruction.

(R) A representative of the state public higher education system who shall be from one of the following:

(i) The California Community Colleges.

(ii) The University of California.

(iii) The California State University.

(2) The Senate Committee on Rules and the Speaker of the Assembly shall each appoint one member to the executive council from two different stakeholder organizations.

(3) The executive council may, at its discretion, invite stakeholders, individuals who have experienced homelessness, members of philanthropic communities, and experts to participate in meetings or provide information to the executive council.

(4) The executive council shall hold public meetings at least once every quarter.

(d) The executive council shall regularly seek guidance from and, at least twice a year, meet with an advisory committee. Notwithstanding Section 11123.5 of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), all members of the advisory committee may participate remotely in advisory committee meetings, including meetings held with the executive council, and no members are required to be present at the designated primary physical meeting location. The cochairs of the executive council shall appoint members to this advisory committee that reflects racial and gender diversity, and shall include the following:

(1) A survivor of gender-based violence who formerly experienced homelessness.

(2) Representatives of local agencies or organizations that participate in the United States Department of Housing and Urban Development's Continuum of Care Program.



(3) Stakeholders with expertise in solutions to homelessness and best practices from other states.

(4) Representatives of committees on African Americans, youth, and survivors of gender-based violence.

(5) A currently or formerly homeless person who lives in California.

(6) A currently or formerly homeless youth who lives in California.

(7) A currently or formerly homeless person with a developmental disability.

(8) This advisory committee shall designate one of the above-described members to participate in every quarterly executive council meeting to provide a report to the executive council on advisory committee activities.

(e) Within existing funding, the executive council and council staff may establish working groups, task forces, or other structures from within its membership or with outside members to assist it in its work. Council staff may establish working groups, task forces, or other structures to assist in its work. Working groups, task forces, or other structures established by the executive council or council staff shall determine their own meeting schedules.

(f) Upon request of the ~~council~~, executive council or council staff, a state agency or department that administers one or more state homelessness programs, including, but not limited to, an agency or department represented on the executive council pursuant to subdivision (c), the agency or department shall be required to do both of the following:

(1) Participate in executive council or council staff, as applicable, workgroups, task forces, or other similar administrative structures.

(2) Provide to the executive council or council staff, as applicable, any relevant information regarding those state homelessness programs.

(g) (1) The members of the executive council, advisory committee, or working groups who are or have been homeless may receive per diem and reimbursement for travel or other expenses as follows:

(A) A member of the executive council who is or has been homeless shall receive a per diem of one hundred dollars (\$100) for each day during which that member is engaged in the performance of official duties and shall also be reimbursed for travel and other expenses necessarily incurred in the performance of official duties.

(B) A member of the advisory committee who is or has been homeless shall receive a per diem of one hundred dollars (\$100) for each day during which that member is engaged in the performance of official duties and shall also be reimbursed for travel and other expenses necessarily incurred in the performance of official duties.

(C) A member of a working group, as defined and managed by the executive council or council staff, who is or has been homeless shall receive a per diem of one hundred dollars (\$100) for each day during which that member is engaged in the performance of official duties and shall also be reimbursed for travel and other expenses necessarily incurred in the performance of official duties.

(2) (A) A per diem or reimbursement request pursuant to paragraph (1) is subject to funding availability.

(B) Notwithstanding any other law, assistance provided pursuant to this subdivision shall not be deemed to be income for purposes of the Personal Income Tax Law (Part 10 (commencing with Section 17001) of Division 2 of the Revenue and



Taxation Code) or used to determine eligibility for any state program or local program financed wholly or in part by state funds.

(3) (A) For purposes of complying with paragraphs (1) and (2) of subdivision (a) of Section 41 of the Revenue and Taxation Code, as it pertains to this subdivision, the Legislature finds and declares as follows:

(i) The specific goals, purposes, and objectives that the exemptions created by subparagraph (B) of paragraph (2) are as follows:

(I) The objective is to facilitate the participation of individuals with lived homelessness experience in order to include valuable insight from those lived experiences in shaping policy recommendations.

(II) The goal is to prevent members with lived homelessness experience from incurring tax liability because of their participation.

(III) The purpose is to enable participants with lived homelessness experience to receive the full benefit of their per diem and reimbursements.

(ii) The performance indicators the Legislature can use to determine if the exemption is achieving the goals, purposes, and objectives stated in clause (i) shall be as follows:

(I) Whether the executive council, advisory committee, or working group members with lived homelessness experience incur any tax liability because of their participation on the committee.

(II) The number of people with lived homelessness experience who serve on the executive council, advisory committee, and working groups.

(B) (i) For purposes of complying with paragraph (3) of subdivision (a) of Section 41 of the Revenue and Taxation Code, as it pertains to this subdivision, the Legislative Analyst's Office shall deliver to the Legislature on or before April 1 of each year a written report that includes both of the following:

(I) The estimated aggregate tax liability incurred by executive council, advisory committee, or working group members with lived homelessness experience because of their participation on the committee.

(II) The estimated number of people with lived homelessness experience who serve on the executive council, advisory committee, or working groups that excluded qualified amounts from gross income as described in paragraph (1).

(ii) A report submitted pursuant to this subparagraph shall be submitted in compliance with Section 9795 of the Government Code.

(iii) The reporting requirement pursuant to this subparagraph shall become inoperative on April 1, 2028, pursuant to Section 10231.5 of the Government Code.

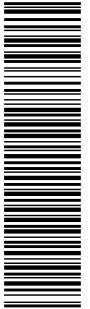
(4) For purposes of this subdivision, "the performance of official duties" includes, but is not limited to, attending ~~a~~ an executive council, advisory, or working group meeting and reviewing agenda materials for no more than one day in preparation for each executive council, advisory, or working group meeting.

(h) The appointed members of the executive council or committees, as described in this section, shall serve at the pleasure of their appointing authority.

~~(i) The Business, Consumer Services, and Housing Agency shall provide staff for the council.~~

~~(j)~~

(i) The members of the executive council may enter into memoranda of understanding with other members of the executive council to achieve the goals set



forth in this chapter, as necessary, in order to facilitate communication and cooperation between the entities the members of the executive council represent.

~~(k)~~

~~(j)~~ There shall be an executive officer of the council under the direction of the Secretary of Business, Consumer Services, and Housing. council.

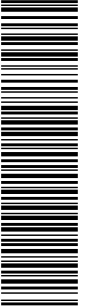
~~(i)~~

~~(k)~~ The council staff shall be under the direction of the executive officer and staffed by employees of the Business, Consumer Services, and Housing Agency. officer.

(l) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.

SEC. 12. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

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261468892465BILL

LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, _____.

General Subject: Homeless Housing, Assistance, and Prevention program: California Interagency Council on Homelessness.

(1) Existing law establishes the Homeless Housing, Assistance, and Prevention program (HHAP) for the purpose of providing jurisdictions with grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges, as specified. Existing law provides for the allocation of funding under the program among continuums of care, cities, counties, and tribes in 6 rounds and establishes round 7 of the program and states the intent of the Legislature to enact future legislation that specifies the parameters, as specified. Existing law provides for certain of those remaining amounts of those program allocation funds that have not been expended by certain dates, including by reverting those funds to the General Fund.

This bill would require those remaining amounts to be returned to the department for reallocation in a specified procedure, including via a subsequent notice of funding availability. By modifying existing appropriations, this bill would make an appropriation.

(2) Existing law requires applicants for a round 3 or 4 program allocation to establish certain system performance measures to prevent and reduce homelessness. Existing law requires those measures to set definitive metrics for achieving certain goals, including reducing the number of persons experiencing homelessness.

This bill would remove the definitive metrics requirements and associated goals and, instead, require the California Interagency Council on Homelessness to adopt and periodically update the system performance measures for the continuums of care within each region, as provided.

(3) Existing law establishes eligibility requirements for jurisdictions to receive a round 5 or 6 program allocation, including being a signatory to a regionally coordinated homelessness action plan. Existing law requires that plan to include, among other things, the most recent system performance metrics for the region, including the number of people experiencing homelessness.

This bill would instead require the plan to include the most recent system performance metrics for the continuums of care within the region, as adopted and periodically updated by the California Interagency Council on Homelessness. The bill would also, for round 6, require each region, within its system performance and improvement plan, to include certain information, plans, and policies regarding encampments.

(4) Existing law, through round 6 of HHAP, requires the Department of Housing and Community Development to make available, upon appropriation by the Legislature, \$1 billion in the 2024–25 fiscal year for the implementation of the program. Existing law, through round 7 of HHAP, beginning July 1, 2026, appropriates \$500,000,000,



less a certain amount, for the program, to be disbursed in accordance with certain conditions, including the enactment of legislation declaring that it addresses certain issues.

This bill would require the Department of Housing and Community Development to make available, upon appropriation by the Legislature, the above-described \$500,000,000, to be administered as additional disbursements of round 6, as provided.

(5) Existing law requires applicants for a round 6 base program allocation to submit an application with certain information within 180 days from the date the department makes the application available. Existing law requires the department to approve the application or return it to the applicant with written detailed comments and request one or more amendments to the application. After approval of the application, existing law requires the department to disburse 50% of the eligible city's, county's, or continuum of care's total allocation, subject to meeting certain conditions. Existing law requires the department to disburse the remaining 50% of the recipient's total allocation after demonstrative compliance with certain conditions.

This bill would similarly require the department to make 2 50% disbursements of a recipient's total 2026–27 fiscal year allocation, subject to the recipient meeting certain conditions. The bill would also make conforming changes.

(6) Existing law, the Governor's Reorganization Plan No. 1 of 2025, beginning July 1, 2026, eliminates the Business, Consumer Services, and Housing Agency and instead establishes the Business and Consumer Services Agency and the California Housing and Homelessness Agency. The plan also, among other things, establishes the California Interagency Council on Homelessness as an independent entity within the California Housing and Homelessness Agency and renames the existing council as the California Interagency Executive Council on Homelessness, which it establishes within the California Interagency Council on Homelessness. Existing law requires the goals of the Interagency Council on Homelessness to include, among other things, creating a statewide data system or warehouse, known as the Homeless Data Integration System. To further the efforts to improve the public health, safety, and welfare of people experiencing homelessness in the state, existing law authorizes council staff to collect certain data from continuums of care.

This bill would partially effect the above-described changes made by the plan. This bill would, beginning July 1, 2026, require council staff to adopt and periodically publish system performance measures for each continuum of care, including age, racial, and ethnic disparities for each measure.

(7) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

