

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1556 (Haney) – As Amended April 23, 2026

Policy Committee:	Housing and Community Development	Vote:	12 - 0
	Health		16 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill creates a definition of “recovery residence” and establishes requirements for a recovery residence to receive state funding.

Specifically, this bill:

- 1) Defines “recovery residence” as housing in a residence that serves individuals experiencing, or who are at risk of experiencing, homelessness and who opt into a drug-free environment that (a) satisfies the core components of Housing First, (b) uses substance use-specific, peer support, and physical design features that support individuals and families on a path to recovery from substance use disorders, (c) emphasizes abstinence, and (d) offers tenants permanent or temporary housing.
- 2) To be eligible for state funding, requires, among other requirements, the following:
 - a) The residence provides treatment and services that are participant driven and tailored to participant needs.
 - b) Unless participation in recovery housing is court ordered, residency is initiated by the resident and the resident, or their family, is offered at least one harm-reduction housing placement option.
 - c) Relapse is not a cause for eviction from housing and residents receive relapse support.
 - d) The residence supports, and does not prevent or restrict, a resident’s access to, or use of, medications prescribed for behavioral or physical health conditions, as specified.
 - e) The residence provides emergency preparedness and overdose prevention and response training to staff and residents and makes overdose reversal medication available onsite.
 - f) The residence has consent and confidentiality protections for residents consistent with applicable state and federal law.
 - g) The residence adopts and maintains a written “return to use” policy approved by an organization recognized as an affiliate of the National Alliance for Recovery Residences (NARR) for consistency with NARR best practices that includes specified information, including all prospective residents agree to the policy as a condition of residency.

FISCAL EFFECT:

Estimated ongoing General Fund costs to the California Department of Social Services (CDSS) of approximately \$200,000 annually for one staff position to establish new mechanisms to track utilization of CDSS funding on recovery residence programs, provide formal guidance and technical assistance to grantees, and monitor compliance and data collection to track implementation and outcomes.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

COMMENTS:1) **Purpose.** According to the author:

Although housing that does not require sobriety works for thousands of people who aren't yet ready to enter drug free housing, it doesn't work for everyone. There are thousands of people who want, and need, to live in a strictly sober living arrangement, but they can't access it because this type of housing is limited and hard to find. This causes people to live in housing that is not best suited for their sobriety journey and puts them at a higher risk of falling back into homelessness. [This bill] aligns California policy with federal policy briefs by recognizing drug free housing is a component of the housing first model and should get some statewide funding.

2) **Background. *Housing First.*** Housing First is an evidence-based model that uses housing as a tool, rather than a reward, for recovery and that centers on connecting people experiencing homelessness to permanent housing as quickly as possible. Under Housing First, people are offered services including mental health support, job training, and substance use treatment, but are not required to participate in these services because evidence suggests these services are more effective when a person volunteers to participate. SB 1380 (Mitchell), Chapter 847, Statutes of 2016, required the state to adopt a Housing First approach. State agencies and departments administering state programs created on or after July 1, 2017, must incorporate the core components of Housing First.

Recovery Housing. Under existing law, "recovery housing" or "sober living homes" are residential dwellings that provide cooperative living and support for people in recovery from a substance use disorder. These homes are not licensed by the Department of Health Care Services (DHCS) or any other state or local government, and thus may not provide treatment or care, whether medical or nonmedical. The tenants of a recovery house pay rent and abide by house rules, including maintaining sobriety and participating in a self-help program. If a recovery home provides any licensable services, then it must obtain a valid residential treatment facility license from DHCS.

A recovery home, as defined under existing law, is not required to comply with Housing First, and, thus, does not qualify for state funding under state homelessness programs.

This bill defines a "recovery residence" for people who are experiencing homelessness and have substance abuse issues. The bill requires a recovery residence to comply with Housing

First, which means maintenance of sobriety is not a requirement to reside at the residence. While a provider of recovery residence may emphasize abstinence, relapse is not an automatic cause for eviction, as under existing law. Instead, tenants may receive relapse support and uninterrupted access to housing.

Further, by requiring a recovery residence to comply with Housing First, this bill allows state programs to use a portion of available homelessness funding for recovery residences, provided, among other conditions, the recovery residence has in place the bill's policies to conform to Housing First.

- 3) **Related Legislation.** AB 255 (Haney), of this legislative session, would have created a new category of "supportive recovery residences," and allowed up to 10% of state homelessness funds to support them, and set up a new certification and oversight system. AB 255 was vetoed by the Governor who cited concerns over creating a duplicative and costly new statutory category. The Governor's veto message stated, in part:

Current law already permits local jurisdictions to receive funding within the Housing First framework, and recent guidance allows support for recovery housing without creating a duplicative and costly new statutory category. Establishing a separate certification and oversight process wrongly suggests incompatibility with Housing First, while imposing fees that would not cover implementation costs.

The Governor encouraged the author to work on an approach that would complement, rather than complicate the state's approach. This bill responds to the Governor's message.

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