SENATE COMMITTEE ON HEALTH
Senator Akilah Weber Pierson, Chair

BILL NO: AB 1556
AUTHOR: Haney
VERSION: June 25, 2026
HEARING DATE: July 1, 2026
CONSULTANT: Reyes Diaz

SUBJECT: Recovery housing: funding

SUMMARY: Requires "recovery housing" programs to meet a number of requirements in order to be eligible for state funding, including satisfying core components of Housing First, emphasizing abstinence, using features that support a path of recovery, providing nonclinical services, prohibiting relapse from resulting in eviction, supporting access and use of medications prescribed for behavioral health conditions, and adopting and maintaining a return-to-use policy.

Existing law:

1) Grants sole authority in the state to the Department of Health Care Services (DHCS) to license adult residential alcohol and other drug recovery or treatment facilities (RTFs). [HSC §11834.01]

2) Enumerates requirements for an RTF, such as the types of nonmedical services each is authorized to provide; prohibitions on reasons for denying an individual admission to the RTF; a plan for when an RTF resident relapses; and, maintaining unexpired doses of naloxone hydrochloride, or any other opioid antagonist that is approved by the U.S. Food and Drug Administration for treatment of an opioid overdose. [HSC §11834.26]

3) Defines "recovery residences" (RRs) as a residential dwelling that provides primary housing for individuals who seek a cooperative living arrangement that supports personal recovery from a substance use disorder (SUD) and that does not require licensure by DHCS or does not provide licensable services, as specified, including, but not limited to, residential dwellings commonly referred to as "sober living homes" (SLHs), "sober living environments," or "unlicensed alcohol and drug free residences." The term "recovery housing" as used in this bill is also interchangeable with RR but is the term used in Housing First (HF) law. [HSC §11833.05]

4) Requires agencies and departments administering "state programs" created after July 1, 2017, to collaborate with the California Interagency Council on Homelessness (Cal-ICH) to adopt guidelines and regulations to incorporate core components of HF. Defines "state programs" as any programs a California state agency or department funds, implements, or administers for the purpose of providing emergency shelter, interim housing, housing, or housing-based services to people experiencing homelessness or at risk of homelessness, with the exception of federally funded programs with requirements inconsistent with HF. [WIC §8255(e) and 8256(a)]

5) Requires the California Department of Corrections and Rehabilitation (CDCR), for programs CDCR administers that fund "recovery housing" for specified parolees, among other things, to perform various tasks, including to ensure "recovery housing" meets specified requirements. Defines "recovery housing" as an SLH and programs that provide housing in a recovery-focused and peer-supported community for people recovering from substance use

issues. Participation is voluntary, unless that participation is pursuant to a court order or is a condition of release for individuals under the jurisdiction of a county probation department or CDCR. [WIC §8256(c)(1), §8256(c)(1)(C), and §8256(c)(3)]

This bill:

1) Requires a "recovery housing" program, in order to be eligible for state funding, to meet all of the following requirements:
   a) Satisfy the core components of HF;
   b) Use substance use-specific, peer support, and physical design features that support individuals and families on a path to recovery from SUDs;
   c) Emphasize abstinence;
   d) Offer tenants permanent housing or program participants interim housing;
   e) Provide nonclinical services that are participant driven and tailored to participant needs and facilitates voluntary access and linkages to licensed treatment providers and services. This paragraph does not authorize a recovery housing program to provide clinical treatment services unless it is separately licensed or certified pursuant to applicable state law;
   f) Unless participation in recovery housing is court ordered, residency is initiated by the tenant or program participant and the tenant, the program participant, or their family is offered at least one harm-reduction housing placement option and the resident or family chooses a recovery housing program instead of housing offering a harm-reduction approach. The harm-reduction housing placement option and the recovery housing program do not have to be available for move in at the same time;
   g) Relapse is not, unless there is another lease violation, grounds for eviction from recovery housing and residents receive relapse support, consistent with the specified return-to-use policy;
   h) Support, and does not prevent or restrict, a resident's access to, or use of, medications prescribed for behavioral or physical health conditions, including, but not limited to, medications prescribed for the treatment of mental health conditions and SUDs, including, but not limited to, alcohol use disorder and opioid use disorder. Medications may include, but are not limited to, buprenorphine, methadone, and naltrexone. The residence does not directly provide or prescribe medications for the treatment of mental health conditions or SUDs unless the entity operating the residence is separately licensed or certified by DHCS or another applicable licensing authority;
   i) Provide emergency preparedness and overdose prevention and response training to staff and residents and makes make overdose reversal medication available and readily accessible to staff and residents onsite;
   j) Have consent and confidentiality protections for its residents consistent with applicable state and federal law, including, but not limited to, the Health Insurance Portability and Accountability Act and federal regulations related to the confidentiality of SUD patient records;
   k) Adopt and maintain a written return-to-use policy that is approved by an organization currently recognized as an affiliate of the National Alliance for Recovery Residences (NARR) for consistency with NARR best practices. The return-to-use policy shall include such things as clear articulation of the recovery housing's policy on the possession and use of alcohol, cannabis, and other controlled substances; contact information for treatment providers, mutual aid supports, and recovery coaches that can be contacted for additional support; an explanation of the steps the housing program will take to address a resident's return to use; and,

l) Disclose applicable rules, behavioral expectations, participation requirements, and program policies to prospective residents or participants through lease agreements, intake materials, resident handbooks, program agreements, or other program documentation, as appropriate.

2) Deems that, for purposes of state and federal housing law (including, but not limited to, the Fair Housing Act and the Americans with Disabilities Act), a recovery housing program is a housing provider and not a treatment facility solely on the basis of providing nonclinical services.

3) Requires, if an unlawful detainer proceeding is initiated for an alleged violation of a lease provision agreement or program requirement, the facility operator to submit documentation of the alleged lease violation to the local grantor of state funds. Requires the local grantor to submit a copy of the documentation and a summary of all alleged violations reported to the appropriate state agency that administers the housing funds, and to include the information in its annual reporting as required by existing program requirements.

4) Requires, if a program participant is discharged for an alleged violation of any program requirement, the facility operator to submit documentation of the alleged violation to the local grantor of state funds. Requires the local grantor to submit a copy of the documentation and a summary of all alleged violations reported to the appropriate state agency that administers the housing funds, and to include the information in its annual reporting as required by existing program requirements.

5) Prohibits participation in recovery housing programs and eligibility for state or local funding from being conditioned on the provision of clinical treatment services by the residence.

6) Defines "recovery housing" as housing in a residence that serves individuals who seek a cooperative living arrangement that supports personal recovery from a SUD and that does not require licensure or does not provide licensable services, pursuant to DHCS's RTF licensing law, who are experiencing, or who are at risk of experiencing, homelessness and who opt into a drug-free environment. Permits "recovery housing" to include, but not be limited to, residential dwellings commonly referred to as "sober living homes," "sober living environments," or "unlicensed alcohol- and drug-free residences."

FISCAL EFFECT: According to the Assembly Appropriations Committee, this bill results in 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 RR 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.

PRIOR VOTES:

Senate Housing Committee:	10 - 0
Assembly Floor:	78 - 0
Assembly Appropriations Committee:	15 - 0
Assembly Health Committee:	16 - 0
Assembly Housing and Community Development Committee:	12 - 0

COMMENTS:

1) *Author's statement.* According to the author, although housing that does not require sobriety works for thousands of people who are not yet ready to enter recovery housing, it does not work for everyone. There are thousands of people who want, and need, to live in a drug-free recovery environment, but access to this type of housing remains limited. As a result, many people are forced to live in housing that is not best suited to their recovery journey, increasing the risk of relapsing, overdose, and homelessness. This bill recognizes that drug-free recovery housing is a critical component of the HF model and ensures these programs can access state funding while maintaining the recovery environments residents and families depend on.

2) *RRs/SLHs.* A 2010 report on the National Institutes of Health (NIH) website, "Sober Living Houses for Alcohol and Drug Dependence: 18-month Outcomes," states that SLHs are not formal treatment programs and are not obligated to comply with state or local regulations applicable to treatment. However, NIH does not provide a formal definition of an SLH. The report also mentions that it is difficult to determine how many SLHs there are in California because they are outside of the purview of state licensing authorities. The NIH report cites the protection that the federal FHA affords SLHs to be located in residentially zoned areas, personal privacy under the Fourth Amendment, and the right of people with disabilities to live together for a shared purpose, such as mutually assisted recovery and maintenance of an abstinent lifestyle.

   According to DHCS's website, some types of residences do not provide alcohol and other drug services and therefore do not require licensure by DHCS, including cooperative living arrangements with a commitment or requirement to be free from alcohol and other drugs, sometimes referred to as RRs, SLHs, transitional housing, or alcohol- and drug-free housing. DHCS states that while SLHs are not required to be licensed by DHCS, they may be subject to other types of permits, clearances, business taxes, or local fees, which may be required by the cities or counties in which they are located. If an SLH is providing licensable services to adults, then it must obtain a valid RTF license. Licensable services can include, but are not limited to, detoxification services, group sessions, individual sessions, one-on-one counseling, educational sessions, or recovery, treatment, or discharge planning. If an SLH is providing just one of the mentioned services, then it should be classified as an RTF and must obtain a license from DHCS.

   DHCS's Drug Medi-Cal Organized Delivery System waiver allows counties to use RRs in their continuum of services if they adhere to the following guidelines: do not provide SUD services that would require licensure by DHCS; all residents of an RR are actively engaged in medically necessary recovery support services to be provided off-site; and, each county develops guidelines for contracted RR providers and provide monitoring and oversight.

3) *HF.* According to Cal-ICH, HF approaches homelessness by providing permanent, affordable housing for families and individuals as quickly as possible, then providing supportive services to prevent their return to homelessness. This strategy is the evidence-based model that focuses on the idea that homeless individuals should be provided shelter and stability before underlying issues can be successfully addressed. Under the HF approach, anyone experiencing homelessness should be connected to a permanent home as quickly as possible, and programs should remove barriers to accessing the housing, like requirements for sobriety or absence of criminal history. It is based on the "hierarchy of need": people

must access basic necessities—like a safe place to live and food to eat—before being able to achieve quality of life or pursue personal goals. HF values choice in not only where to live, but whether to participate in services. This approach contrasts to the "housing readiness" model, which requires people to address predetermined goals before obtaining housing. In other words, housing readiness means housing is earned and can also be taken away, which results in homelessness.

4) *Double referral.* This bill was heard in the Senate Housing Committee on June 24, 2026, and passed with a 10-0 vote.

5) *Prior legislation.* AB 255 (Haney of 2025) would have created a process for abstinence-based housing for people experiencing homelessness to comply with the Core Components of HF and receive up to 10% of state homelessness funding. *AB 255 was vetoed by Governor Newsom who stated in part: "this bill would create a new category of 'supportive recovery residences,' allow up to 10% of state homelessness funds to support them, and set up a new certification and oversight system. Current law already permits local jurisdictions to receive funding within the HF 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 HF, while imposing fees that would not cover implementation costs. I encourage the author and stakeholders to continue working with my Administration to strengthen these options in ways that complement, rather than complicate, the state's approach.*

   AB 2893 (Ward, Haney of 2024) would have established a certification process for supportive community residences, and would have added a standard for supportive community residences that met the state's HF requirements. *AB 2893 was held on the Senate Appropriations Committee suspense file.*

6) *Support.* The Bay Area Council, as a co-sponsor, states recovery housing is an evidence-based intervention for homeless individuals who seek sober environments to support their recovery from addiction. According to Cal-ICH Guidance, existing state law allows for state homeless programs to fund drug-free temporary and permanent housing, known as recovery housing or recovery residences, for people experiencing homelessness or at risk of becoming homeless and who seek drug-free environments. However, neither state law nor the ICH Guidance clearly addresses how providers should respond when a resident of a recovery residence returns to use. This lack of clarity undermines the ability of operators to protect and maintain the sober environments needed and expected by residents and their families. This bill would protect the sober integrity of recovery housing while minimizing returns to homelessness among residents who return to use. This bill will save lives, save money, and save families. San Francisco Mayor Daniel Lurie, also as co-sponsor, states that San Francisco currently has more than 3,600 shelter beds and crisis intervention units, as well as nearly 15,000 units of permanent housing. These exist alongside outreach and prevention initiatives, relocation assistance, emergency housing vouchers, subsidies, and a robust coordinated entry system. Every night, the City puts a roof over the head of approximately 20,000 people, who would otherwise be living on the streets. Mayor Lurie argues that despite the extensive system, it is not enough. Putting an end to homelessness is going to take a multi-faceted approach, so that we can provide every individual with the treatment and housing that they need to recover. Mayor Lurie states that one of his top priorities is to drastically expand the number of shelter beds and crisis interventions in the City so that everyone can get off of the street and into housing. A key piece of this system is abstinence-

based housing for those who are in the midst of their recovery journey. We must expand funding availability for abstinence-based options; we never want someone to worry about jeopardizing their recovery in exchange for a roof over their head.

7) *Opposition.* The Drug Policy Alliance (DPA) appreciates the intent to expand access to abstinence-based recovery housing for individuals who choose that pathway but states that this bill is unnecessary to achieve that goal. Recent guidance from ICH already clarifies that state homelessness funds may be used to support recovery housing that complies with existing California law. As a result, this bill does not create new opportunities for recovery housing that are not already available under current policy. DPA further states this bill risks undermining the evidence-based approaches that have proven most effective at ending homelessness and supporting long-term recovery. Decades of research demonstrate that housing stability is a foundational prerequisite for improved health, behavioral health recovery, and economic self-sufficiency. Housing models that do not condition tenancy on treatment participation or abstinence, coupled with voluntary, person-centered, evidence-based services, consistently produce better outcomes than approaches that make housing contingent on compliance with program requirements. SUDs are chronic health conditions in which return-to-use is often part of the recovery process. DPA further argues policies that make housing contingent on abstinence can result in individuals being discharged or evicted precisely when they are most in need of stability and support. Returning people to homelessness because they experience a symptom of their health condition is ineffective homelessness policy and ineffective drug policy. While recovery housing should remain available for individuals who seek it, state homelessness resources should not be redirected away from approaches with the strongest evidence base for ending homelessness.

8) *Oppose unless amended.* A coalition of housing and homeless advocates state that they appreciate the bill's goal of offering people with SUDs with a choice of abstinence-based recovery housing. However, recent Cal-ICH guidance already allows the state to fund recovery housing that is consistent with existing California law, making this bill unnecessary in achieving this goal. The coalition further argues points made by DPA, the group opposing this bill, stating that this bill is inconsistent with HF and that there are evidence-based models that should be funded over abstinence model. The coalition would like to see the following amendments (Need to check with Housing if their amendments included any of these):
   a) Codify Cal-ICH Guidance;
   b) Remove all provisions that conflict with HF;
   c) Require a substantial majority of funds to go to evidence-based models;
   d) Clarify consistently that, while tenants can be evicted for behaviors that violate a lease, including other tenants' peaceful enjoyment of the property or disruption to the recovery home, tenants cannot be evicted for relapse;
   e) Remove provisions that allow family members to place a tenant in recovery housing, even if against the will of the individual; and,
   f) Clarify all provisions of the return to use policy to ensure tenants cannot be evicted for violations of the policy.

9) *Some remaining confusion.* While this bill was amended after the Senate Housing Committee hearing to use the term "recovery housing" for consistency with Cal-ICH guidance and HF law, the definition for the term duplicates the RR definition in DHCS licensing law. However, there is an existing definition for recovery housing in HF law that more aligns with housing programs in this bill. Further, there are provisions in the bill that confuse DHCS's authority for its RTFs and certified programs, and that require the residence

to ensure patient confidentiality even though the tenant will not be receiving treatment or medical services from the residence.

10) *Amendments.* In order to clarify that recovery housing is just housing and not a provider of SUD or other clinical services, the author may wish to amend this bill to:
   g) Strike the definition of "recovery housing" and instead refer to the definition in HF law;
   h) Strike language permitting recovery housing to provide clinical treatment services if it is separately licensed or certified in accordance with applicable state law, as such a provision would then deem the recovery housing not recovery housing (which by definition does not provide clinical treatment services);
   i) Strike language permitting residences to provide or directly prescribe medications if the entity operating the residence is separately licensed or certified by DHCS or another applicable licensing authority, as a DHCS license or certification does not authorize the provision or prescribing of medications;
   j) Strike the provision requiring the residence to have consent and confidentiality protections for its residents consistent with applicable state and federal law, including, but not limited to, the Health Insurance Portability and Accountability Act and regulations pertaining to the confidentiality of SUD patient records, as these protections are typically required in settings that provide clinical or treatment services; and,
   k) Allow for a return-to-use policy that is approved by any other similar entity as the one named to allow for if the one named ever ceases to exist.

SUPPORT AND OPPOSITION:

Support: Bay Area Council (co-sponsor)
San Francisco Mayor Daniel Lurie (co-sponsor)
A New PATH
California Coalition of Addiction Recovery Advocates
California Consortium of Addiction Programs and Professionals
Circa Behavioral Healthcare Solutions
City and County of San Francisco
Clare|Matrix
Coalition of Advocates for Better Addiction Treatment
Community Social Model Advocates, Inc.
County Behavioral Health Directors Association
DignityMoves
East Bay Leadership Council
Eden Housing
First Responder Wellness
J. Cole Recovery Homes, Inc.
North Bay Leadership Council
Recovery in Action
San Francisco Marin Medical Society
Santa Rosa YIMBY
Social Science Services, Inc.

Oppose: Drug Policy Alliance
Buccola Family Homeless Advocacy Clinic (unless amended)
CD11 Coalition for Human Rights (unless amended)
Corporation for Supportive Housing (unless amended)
Housing California (unless amended)

Public Advocates (unless amended)
National Alliance to end Homelessness (unless amended)
National Homelessness Law Center (unless amended)
Western Center on Law and Poverty (unless amended)
Western Regional Advocacy (unless amended)

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