
THIRD READING

Bill No: AB 1556
Author: Haney (D)
Amended: 8/3/26 in Senate
Vote: 21

SENATE HOUSING COMMITTEE: 10-0, 6/24/26

AYES: Arreguín, Seyarto, Cabaldon, Caballero, Cortese, Durazo, Gonzalez, Grayson, Ochoa Bogh, Padilla

SENATE HEALTH COMMITTEE: 10-0, 7/1/26

AYES: Weber Pierson, Valladares, Caballero, Durazo, Gonzalez, Grove, Menjivar, Padilla, Pérez, Smallwood-Cuevas

NO VOTE RECORDED: Rubio

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 78-0, 5/27/26 - See last page for vote

SUBJECT: Recovery housing: funding

SOURCE: Bay Area Council
Mayor Daniel Lurie, City and County of San Francisco

DIGEST: This bill codifies recovery housing eligibility for state homelessness funds provided the program complies with, among other specifications, the core components of Housing First.

ANALYSIS:

Existing law:

- 1) Defines “recovery housing”, for purposes of specified funding programs administered by the Department of Corrections and Rehabilitation, as meeting the following requirements:

- a) A recovery housing program participant shall sign an agreement upon entry that outlines the roles and responsibilities of both the participant and the program administrator to ensure individuals are aware of actions that could result in removal from the recovery housing program. Violations of the agreement shall not automatically result in discharge from the recovery housing program.
 - b) Efforts to link program participants to alternative housing options, including interim sheltering, permanent housing, or transitional housing, shall be documented. If a recovery housing program participant chooses to stop living in a housing setting with a recovery focus, is discharged from the program, or is removed from housing, the program administrator shall offer assistance accessing other housing and services options, including options operated with harm-reduction principles, and identifying an alternative housing placement.
 - c) The program administrator shall offer program participants who inform the program administrator that they are leaving the program one or more housing or service options, as specified.
 - d) Specified annual reporting to track use of funding, including individuals served, demographics, and outcome data.
- 2) Establishes the California Interagency Council on Homelessness (Cal-ICH) with the purpose of coordinating the state's response to homelessness by utilizing Housing First practices. Requires agencies and departments administering state programs created on or after July 1, 2017, to incorporate the core components of Housing First. Defines "Housing First" to mean the evidence-based model that uses housing as a tool, rather than a reward, for recovery and that centers on providing or connecting homeless people to permanent housing as quickly as possible.
- 3) Defines, among other things, the "core components of Housing First" to mean:
- a) Acceptance of referrals directly from shelters, street outreach, drop-in centers, and other parts of crisis response systems frequented by vulnerable people experiencing homelessness.
 - b) Supportive services that emphasize engagement and problem-solving over therapeutic goals and service plans that are highly tenant-driven without predetermined goals.

- c) Participation in services or program compliance is not a condition of permanent housing tenancy.
 - d) Tenants have a lease and all the rights and responsibilities of tenancy, as specified.
 - e) The use of alcohol or drugs in and of itself, without other lease violations, is not a reason for eviction.
- 4) Establishes the Homeless Housing Assistance and Prevention Program (HHAPP) to provide funds to help local jurisdictions combat homelessness.

This bill:

- 1) Defines “recovery housing” as the same definition in (1) of the existing law section above, except that recovery housing shall extend to all state agency or housing funds for purposes of providing emergency shelter, interim housing, permanent housing, or housing-based services to people experiencing homelessness or at risk of homelessness, as specified. Applicants for state homelessness funding for recovery housing shall demonstrate the availability of a range of interventions within the jurisdiction, including harm-reduction-focused permanent housing.
- 2) Provides that a recovery housing program may be eligible for state funding if it meets all of the following requirements:
 - a) Satisfy the core components of Housing First.
 - b) Use substance use-specific, peer support, and physical design features that support individuals and families on a path to recovery from substance use disorders.
 - 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.
 - f) Unless participation in recovery housing is court ordered, residency is initiated by the tenant or program participant the program participant is

offered at least one harm-reduction housing placement option and the resident chooses a recovery housing program instead of housing offering a harm-reduction approach.

- g) Relapse is not, unless there is another lease violation, grounds for eviction from recovery housing and residents receive relapse support.
- h) Support, and does not prevent or restrict, a resident's access to, or use of, medications prescribed for behavioral or physical health conditions, as specified.
- i) Provide emergency preparedness and overdose prevention and response training to staff and residents and make overdose reversal medication available and readily accessible to staff and residents onsite.
- j) 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, or other similar entity. The return-to-use policy shall include all of the following:
 - i) A clear articulation of the recovery housing's policy on the possession and use of alcohol, cannabis, and other controlled substances.
 - ii) Contact information for treatment providers, mutual aid supports, and recovery coaches that can be contacted for additional support.
 - iii) An explanation that the housing program's standard response to a resident's return to substance use will not be punitive in nature.
 - iv) An explanation of the steps the housing program will take to address a resident's return to use.
 - v) An explanation of actions by the resident that may result in eviction or discharge, including, but not limited to, repeated program violations.
 - vi) An explanation that if a tenant of permanent housing or permanent supportive housing is no longer interested in living in the housing, or is at risk of eviction for violating the lease, the housing program shall allow the resident to reside in the housing until the operator secures the tenant another permanent housing placement option operated with harm-reduction principles that is also permanent housing and provides a

comparable level of supportive services. If the tenant rejects the offer of a housing placement option, the operator may evict the tenant.

- vii) An explanation that if a program participant in an interim recovery housing program is no longer interested in living in the housing, or is at risk of discharge for violating the return-to-use policy, the housing program shall allow the program participant to remain in the residence until the operator secures the program participant placement in interim housing operated with harm-reduction principles that is also interim housing and provides a comparable level of supportive services. If the resident rejects the offer of another housing placement option, the operator may discharge the program participant.
 - k) 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.
 - l) Requires the housing program to meet the requirements for a recovery housing program as defined in existing law.
- 3) Requires, if an unlawful detainer proceeding is initiated for an alleged violation of a lease provision agreement or program requirement, the housing program operator to submit documentation of the alleged lease violation to the local grantor of state funds. The local grantor shall submit a copy of the documentation and a summary of all alleged violations reported pursuant to this provision to the appropriate state agency that administers the housing funds, as specified.
 - 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. The local grantor shall submit a copy of the documentation and a summary of all alleged violations reported pursuant to this provision to the appropriate state agency that administers the housing funds, as specified.
 - 5) Provides that, for purposes of state and federal housing law, including, but not limited to, the federal Fair Housing Act and the federal Americans with Disabilities Act of 1990, a recovery housing program is a housing provider and not a treatment facility solely on the basis of providing nonclinical services.

- 6) Provides that participation in recovery housing programs and eligibility for state or local funding shall not be conditioned on requiring the recovery housing to provide clinical treatment services.

Background

Homelessness: stats and causes. According to the most recent point in time (PIT) count, 187,084 people were experiencing homelessness in California—representing 24% of the nation’s homeless population. Two-thirds of the homeless population in California is unsheltered. Over half (51%) of all unsheltered people in the United States were in California. A lack of affordable housing is the biggest contributor to homelessness. As housing costs continue to rise, rent becomes less affordable for lower-income households, who are forced to live beyond their means (paying more than 30% of income on housing costs) or are pushed out of their homes, leading to rapid increases in homelessness. The need for, and costs of, housing have consistently outpaced the development of affordable housing for over 30 years.

Seeing results. Despite the sobering data, California’s state investments and policy decisions are working. From 2023-2024, the nation as a whole experienced an increase in homelessness eight times larger than the increase in California. During the same period, California had the largest reduction in the number of veterans experiencing homelessness in the nation, with 1,279 fewer veterans experiencing homelessness on a single night in January in 2024 than in 2023 (8% reduction year over year). Furthermore, California had the largest reduction in the number of unaccompanied youths experiencing homelessness in the nation, with 1,121 fewer unaccompanied youth experiencing homelessness on a single night in January 2024 than in January 2023. Additionally, individual jurisdictions reported decrease in homelessness.

According to the UCSF Benioff Homelessness and Housing Initiative (UCSF Benioff), the reason for the reduction in veteran (and likely youth given set-asides for this population in specific programs) homelessness in California is because California has adequately scaled the evidence-based responses which include Housing First, and housing subsidies paired with appropriate services. State funds have also allowed California’s homeless response providers to serve more people than ever before; for example, in 2024, providers served 356,660 Californians, over 20,000 more Californians than in 2023, and in the first half of 2025, providers served 265,716 Californians, including: 176,101 individuals and 88,373 people in families with children, of which 38,496 were unaccompanied youth.

Comments

- 1) *Federal and state guidance regarding recovery housing.* Recovery housing is a model that is abstinence-focused and offers peer supports for people recovering from substance abuse issues. These homes are not licensed or regulated by DHCS or any other state or local government. After treatment for substance abuse, whether by prison, hospital-based treatment programs, or therapeutic communities, many patients return to former high-risk environments or stressful family situations. Returning to these settings without a network of people to support abstinence increases chances of relapse. As a consequence, alcohol and substance use recidivism following treatment is high for both men and women. Recovery housing offers participants an option to live with other abstinence-focused residents while being offered supports through the recovery process.

The U.S. Department of Housing and Urban Development (HUD) guidance for recovery housing or “sober living environment” (e.g., the recovery housing programs contemplated in this bill) emphasizes the Housing First approach, but also recognizes the importance of providing “individual choice to support various paths towards recovery.” Some people pursuing recovery from addiction express a preference for an abstinence-focused residential or housing program where they can live among and be supported by a community of peers who are also focused on pursuing recovery from addiction – environments that are provided by recovery housing programs. However, the HUD guidance states that supporting individual choice must also mean that a community is ensuring that housing options are available for people at all stages of recovery, including people who continue to use drugs or alcohol.¹ In other words, if a person chooses an abstinence-focused/sober living program and relapses, in order to comply with Housing First principles, the relapse alone should not be treated as an automatic cause for eviction or termination. Cal-ICH, the state’s lead entity for coordinating state efforts to prevent and end homelessness, has provided similar guidance on how recovery housing can comply with Housing First core principles.²

¹ “Recovery Housing Policy Brief”. (United States Department of Housing and Urban Development, December 2015). <https://files.hudexchange.info/resources/documents/Recovery-Housing-Policy-Brief.pdf>

² [Housing First and Recovery Housing Cal ICH Guidance](#)

- 2) *If at first you don't succeed...* Despite clear federal and state guidance, the sponsors are seeking statutory changes to allow for recovery housing. The two prior attempts to do this were AB 2893 (Ward, 2024) and AB 255 (Haney, 2025), though only AB 255 reached the Governor's desk. AB 255 was vetoed by the Governor; the veto message noted that recovery housing is already permitted under current law and encouraged the stakeholders to work with his administration moving forward.

This bill attempts to codify the Cal-ICH Recovery Housing guidance by incorporating the 4 key components identified in that guidance (*e.g.*, alignment with housing first principles, person-centered care and harm reduction, participant choice, and eviction protections). It also incorporates critical, evidence-based guardrails designed to keep people stably housed while on the path to recovery; namely, program participants must choose recovery housing, relapse without other lease violations shall not be grounds for eviction, and residents must receive relapse support. Should a resident choose to leave the program or is at risk of eviction, the resident shall reside at the program until another housing placement is secured by the operator. Any eviction proceedings shall be reported to the grantor of the state funds, along with documentation for the alleged violation.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT: (Verified 8/10/26)

Bay Area Council (co-source)

Mayor Daniel Lurie, City and County of San Francisco (co-source)

A New Path (parents for Addiction Treatment & Healing)

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

Community Social Model Advocates, INC.

County Behavioral Health Directors Association, (CBHDA)

Eden Housing

First Responder Wellness

J. Cole Recovery Homes INC.

Recovery in Action

San Francisco Marin Medical Society

Social Science Services, Inc., Dba Cedar House Life Change Center
Young People in Recovery

OPPOSITION: (Verified 8/10/26)

Buccola Family Homeless Advocacy Clinic
Cd11 Coalition for Human Rights
Corporation for Supportive Housing
Drug Policy Alliance
Housing California
Housing Is a Human Right - Orange County
National Alliance to End Homelessness
National Homelessness Law Center
Public Advocates
Western Center on Law & Poverty
Western Regional Advocacy Project

ARGUMENTS IN SUPPORT: According to the author, “[a]lthough 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. AB 1556 recognizes that drug-free recovery housing is a critical component of the Housing First model and ensures these programs can access state funding while maintaining the recovery environments residents and families depend on.”

ARGUMENTS IN OPPOSITION: A coalition of homelessness organizations are opposed unless amended to this bill. They note that recent Cal-ICH guidance already allows the state to fund recovery housing that is consistent with existing California law, making this bill unnecessary. They are also seeking amendments to either codify the guidance directly, or modify the language with specific provisions to ensure consistency with existing Housing First laws.

ASSEMBLY FLOOR: 78-0, 5/27/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra,

Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen,
Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva,
Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo,
Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis,
Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: DeMaio, Celeste Rodriguez

Prepared by: Alison Hughes / HOUSING / (916) 651-4124
8/12/26 16:18:48

**** **END** ****