CONCURRENCE IN SENATE AMENDMENTS
AB 1556 (Haney)
As Amended August 3, 2026
Majority vote

SUMMARY

Codifies recovery housing eligibility for state homelessness funds provided the program complies with, among other specifications, the core components of Housing First.

Senate Amendments

1) Replaces "recovery residence" with "recovery housing."

2) Changes the definition of recovery housing to the definition in existing law.

3) Requires a local grantor to report any alleged lease violations, and times when an unlawful detainer proceeding is initiated, and when a program participant is discharged for an alleged violation, to the state agency that administers the housing funds.

4) Requires applicants for homelessness funding for recovery housing to demonstrate the availability of a range of interventions within the jurisdiction including harm=reduction focused permanent housing.

COMMENTS

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. Housing First is not housing only – people are offered services including mental health support, job training, and substance use treatment that are essential for maintaining long-term stability and preventing returns to homelessness. These supportive services are offered to support people with housing stability and individual well-being, but participation is not required, as services have been found to be more effective when a person chooses to engage. Housing First is a bipartisan, evidence-based approach that was first adopted as federal policy during the George W. Bush Administration. Various studies support the efficacy of Housing First as a policy that ends homelessness. Evidence from a systematic review of 26 studies indicates that Housing First programs decreased homelessness by 88% and improved housing stability by 41%, compared to programs that require treatment first as a condition of housing. Clients in stable housing experienced a better quality of life and showed reduced hospitalization and emergency department use. Three major studies of the Pathways to Housing program – one of the first Housing First programs in the U.S. – found that Housing First programs were more successful in reducing homelessness than abstinence-based programs. 79% of participants remained stably housed at the end of six months in Housing First programs, compared to 27% in the control group. After two years, Housing First participants spent almost no time experiencing homelessness, while participants in the city's residential treatment program spent on average 25% of their time experiencing homelessness. Participants in the Housing First model obtained housing earlier, remained stably housed after 24 months, and reported higher perceived choice than participants in abstinence-based programs. After five years, 88% of Pathways to Housing participants remained housed, compared to only 47% of the residents in the control group. In 2016, the Denver Supportive Housing Social Impact Bond Initiative (Denver SIB), found that people who had experienced long-term homelessness, who struggled with

mental health and substance use and who received supportive housing coupled with Housing First over treatment first spent significantly more time in housing. Most participants stayed housed over the long term, with 86% remaining housed for over one year, 81% for two years, and 77% for three years. Denver SIB also demonstrated that stable, supportive housing can decrease police interactions and arrests and disrupt the homelessness-jail cycle. Denver SIB participants experienced a 34% reduction in police contacts, 40% reduction in arrests, 30% reduction in unique jail stays, and a 27% reduction in total jail days.

Recovery Housing: Under existing law, "recovery housing" or "sober living homes" are residential dwellings that provide cooperative living in a residential dwelling that support an individual's personal recovery from a substance use disorder. These homes are not licensed by DHCS or any other state or local government. Recovery housing, as currently defined under existing law, is not required to comply with Housing First requirements, although some elect to do so. This bill would define recovery residence as a residence that serves individuals experiencing, or who are at risk of experiencing, homelessness and who opt into a drug-free environment. The residence must satisfy the core components of Housing First; use substance use-specific, peer support, and physical design features that support individuals and families on a path to recovery from substance use disorders; emphasize abstinence; and offer tenants permanent or temporary housing. Recovery residences must have a written policy on what actions are taken if a residence returns to substance use. If relapse occurs, residents must be offered the option to move to a harm-reduction modelled housing. If the resident chooses not to move into harm-reduction housing, then the housing operator may move forward with an eviction.

Federal Department of Housing and Urban Development (HUD) Guidance: In 2015 HUD provided guidance to CoCs regarding the expected and effective operation of the subset of HUD-funded recovery housing programs to strengthen performance and improve the achievement of outcomes by these programs. HUD stated its intent was not to require CoCs to fund recovery housing but rather, in deciding whether to fund recovery housing, to consider the local conditions, including the existing housing inventory, the need, and the preferences of people being served. HUD's guidance emphasized the need to provide people the option to choose either recovery housing or a harm-reduction model.

Housing First requires that housing providers follow landlord-tenant laws and that participants have a lease. HUD's guidance for recovery housing maintains this requirement and states that relapse should not be a reason for eviction, and if people are evicted for "behavior that substantially disrupts or impacts the welfare of the recovery community," individuals must be offered a harm-reduction option for housing. This is key to ensuring that people do not fall back into homelessness and waste valuable state and local resources.

California Interagency Council on Homelessness (Cal-ICH) Guidance: Cal-ICH, the state's lead entity for coordinating state efforts to prevent and end homelessness, has provided guidance on how recovery housing can comply with Housing First core principles.[1] The guidance, "Implementing Recovery Housing in Alignment with California Housing First Requirements" published in January 2025, outlines four key principles that offer a roadmap for Recovery

Housing Programs (RHP) serving people experiencing homelessness as they navigate the path to recovery and stable housing:

1) Alignment with Housing First: RHPs must meet the 11 core components of Housing First, including low-barrier access, voluntary services, tenant rights, and equitable screening and referral policies.

2) Person-Centered Care & Harm Reduction: RHPs ensure participants are at the center of their service plans and are referred to the housing and services options that meet their needs. RHPs must accommodate the use of medication-assisted treatment (MAT) and incorporate evidence-based practices such as motivational interviewing and trauma-informed care.

3) Participant Choice: Entry into RHPs must be voluntary (unless court-ordered). Programs must offer alternative housing options for individuals who decline or exit recovery housing.

4) Eviction for Relapse: Programs cannot remove participants solely for substance use. Instead, relapse support should be offered and transitions to other appropriate housing facilitated when necessary.

According to the Author
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. AB 1556 aligns California policy with federal policy briefs by recognizing that drug free housing is a component of the housing first model and should get some statewide funding."

Arguments in Support
The Bay Area Council writes in support, "AB 1556 codifies key elements of the ICH guidance and establishes a clear framework for recovery housing providers to maintain drug-free environments while ensuring residents who return to use remain connected to housing. The bill requires recovery residences to develop a written Return to Use Policy, approved by the National Alliance for Recovery Residences (NARR), and agreed to by prospective residents, which would ensure all residents understand a recovery housing project's drug and alcohol policy, and steps the residence will take to address a return to use."

Arguments in Opposition
According to a coalition of organizations, "Diverting scarce Housing First dollars to models that do not adhere to Housing First principles — especially while CoC funds are under threat — is a disservice to the people we serve and undermines California's capacity to end houselessness in the most effective and cost-effective way. We would not fund a K–12 reading curriculum that empirical evidence shows fails to teach children to read; nor should we fund housing models that lack evidence of producing housing stability using Housing First dollars. Our state must spend every dollar of precious Housing First resources on programs proven to provide unhoused Californians with pathways to stable, affordable, permanent, and dignified homes."

FISCAL COMMENTS

According to the Assembly Committee on Appropriations:

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.

VOTES:

ASM HOUSING AND COMMUNITY DEVELOPMENT: 12-0-0
YES: Haney, Patterson, Ávila Farías, Caloza, Garcia, Kalra, Lee, Quirk-Silva, Ta, Tangipa, Wicks, Wilson

ASM HEALTH: 16-0-0
YES: Bonta, Chen, Addis, Aguiar-Curry, Ahrens, Caloza, Carrillo, Mark González, Johnson, Patel, Patterson, Rogers, Sanchez, Schiavo, Sharp-Collins, Stefani

ASM APPROPRIATIONS: 15-0-0
YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 78-0-2
YES: 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
ABS, ABST OR NV: DeMaio, Celeste Rodriguez

UPDATED

VERSION: August 3, 2026

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