

Date of Hearing: April 23, 2026

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Alex Lee, Chair

AB 1708 (Solache) – As Amended April 6, 2026

SUBJECT: Homeless Housing, Assistance, and Prevention program: round 8: smaller jurisdictions

SUMMARY: Establishes criteria for funding under Round 8 of the Homeless Housing, Assistance, and Prevention program (HHAP) to allow a portion of that funding to be allocated to smaller jurisdictions. Specifically, **this bill:**

- 1) Applies the following to the allocation of funding available under Round 8 of HHAP:
 - a) Defines a “smaller jurisdiction” to mean a city with a population under 300,00.
 - b) Requires a regionally coordinated homelessness action plan to include both of the following components:
 - i) A description of programs and interventions provided by smaller jurisdictions that serve the objectives and goals of HHAP, which shall be informed by coordinated outreach to smaller jurisdictions that includes, but is not limited to, all of the following:
 1. An opportunity for those jurisdictions to identify existing programs, gaps, and financial needs;
 2. Ongoing and documented engagement with those jurisdictions; and,
 3. Opportunities for those jurisdictions to participate in the identification of funding priorities in addition to program identification;
 - ii) An analysis that contains all of the following:
 1. An analysis of how local, state, and federal funding, and funding available under Round 8, can be allocated to support programs identified pursuant to subparagraph i) above;
 2. An analysis of how funding provided by the region will enable smaller jurisdictions to expand or sustain existing state or locally funded projects, partnerships with nonprofits, or partnerships with other small cities; and,
 3. An evaluation of the feasibility of allocating a target percentage of funds to support smaller jurisdictions that is consistent with regional needs, priorities, and available resources.
 - c) Permits a region receiving funding under Round 8 to allocate a portion of that funding to smaller jurisdictions to support specified programs;

- d) Requires a region to establish a transparent and publicly available process through which smaller jurisdictions may apply for or otherwise access funding that includes, but is not limited to, timelines, evaluation criteria, and decisionmaking formulas;
 - e) Requires a smaller jurisdiction to do all of the following to be eligible to receive funding:
 - i) Have a compliant housing element;
 - ii) Have adopted a local encampment policy consistent with administration guidance;
 - iii) Demonstrate how its past actions, programs, and appropriation of funds have served the objectives and goals of the adopted regionally coordinated homelessness action plan and the intent of HHAP to prevent and expeditiously reduce unsheltered homelessness through homelessness prevention activities; and,
 - iv) Adopt a resolution that commits to participating in, and complying with, the regionally coordinated homelessness action plan and directs the mayor to sign the memorandum of understanding that reflects the regionally coordinated homelessness action plan.
- 2) Makes the following legislative findings and declarations:
- a) Rounds 5, 6, and 7 of the Regionally Coordinated Homelessness Housing, Assistance and Prevention Program recognized that smaller jurisdictions that participate in, and commit to complying with, the regionally coordinated homelessness action plan would benefit from an allocation of resources from program funding;
 - b) In Round 6, 30% of the funding was available to continuums of care (CoCs), 42% was available to each city, or a city that is also a county, that has a population of 300,000 or more, and 28% was available to each county; and,
 - c) Cities with a population under 300,000 can play an important role in the development of the regionally coordinated homelessness action plan by identifying local projects and by coordinating the financing of these projects with other sources of local, state, and federal funding.

EXISTING LAW:

- 1) Established HHAP to provide jurisdictions with one-time grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges, informed by a best-practices framework focused on moving homeless individuals and families into permanent housing and supporting the efforts of those individuals and families to maintain their permanent housing. (Health and Safety Code [HSC] § 50216)
- 2) Requires HHAP to be used for evidence-based solutions that address and prevent homelessness among eligible populations, including any of the following:
 - a) Rapid rehousing, including rental subsidies and incentives to landlords, such as security deposits and holding fees;

- b) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves;
 - c) Street outreach to assist persons experiencing homelessness to access permanent housing and services;
 - d) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing;
 - e) 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;
 - f) Delivery of permanent housing and innovative housing solutions, such as hotel and motel conversions;
 - g) Prevention and shelter diversion to permanent housing, including rental subsidies; and,
 - h) 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:
 - i) The number of available shelter beds in the city, county, or region served by a CoC;
 - 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; and,
 - v) A plan to connect residents to permanent housing. (HSC § 50220.7)
- 3) Requires, beginning with the third round of HHAP, applicants to provide the following information for all rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework:
- a) Data on the applicant's progress towards meeting their outcome goals, which must be submitted annually on December 31 of each year through the duration of the program;
 - b) If the applicant has not made significant progress toward their outcome goals, the applicant must submit a description of barriers and possible solutions to those barriers;
 - c) Applicants that do not demonstrate significant progress towards meeting outcome goals must accept technical assistance from the California Interagency Council on Homelessness (Cal ICH), and may also be required to limit the allowable uses of these program funds, as determined by Cal ICH;

- d) A quarterly fiscal report of program funds expended and obligated in each allowable budget category approved in their application for program funds; and,
 - e) If the applicant has not made significant progress toward their outcome goals, then the applicant must report on their outcome goals in their quarterly report. (HSC § 50220.7)
- 4) Establishes Cal ICH, formerly known as the Homelessness Coordinating and Financing Council (HCFC), to oversee and coordinate the implementation of the Housing First guidelines and regulations in California and to identify resources and services that can be accessed to prevent and end homelessness in California. This includes ensuring that local jurisdictions and state agencies align their services with statutory core components that prioritize permanent housing placement without service-participation requirements or other preconditions. (Welfare and Institutions Code § 8255 *et seq.*)

FISCAL EFFECT: Unknown, this bill has not been analyzed by a fiscal committee.

COMMENTS: This analysis only reflects policy issues germane to the Assembly Committee on Human Services.

Background: *The Homeless Housing, Assistance, and Prevention* program is a flexible grant program to address homelessness at the local level. First established in 2019, HHAP provides direct funding to counties, large cities, and CoCs to support regional coordination and expand local capacity to address homelessness through a range of interventions including interim housing, permanent supportive housing, outreach, homelessness prevention, and supportive services. Eligible recipients are the state's 58 counties, 14 cities with populations over 300,000, and 44 CoCs. Currently, only 14 of California's 483 cities have a direct allocation pathway under HHAP.

HHAP was originally administered by Cal ICH, which served as the state's coordinating body across homelessness-related programs and agencies. Beginning with Round 6, administration of HHAP was transferred to the California Department of Housing and Community Development (HCD), with Cal ICH refocused on statewide policy development and coordination. Cal ICH continues to serve as the state's primary coordinating body, but its role has shifted significantly to focus on statewide policy, cross-departmental alignment, and data integration.

Although HHAP administration transferred from Cal ICH to HCD beginning with Round 6, Cal ICH maintains the Homeless Data Integration System, which aggregates Homeless Management Information System (HMIS) data from all HHAP grantees and serves as the primary statewide data infrastructure for tracking homelessness program outcomes. Cal ICH also provides technical assistance to grantees on data and reporting requirements and plays a cross-agency coordinating function that encompasses child welfare, CalWORKs housing, and youth homelessness programs.

Since 2019, the Legislature and the Governor have committed approximately \$5 billion across six rounds of HHAP funding. Funding levels and program requirements have evolved across different rounds. Round 1 was a \$650 million appropriation with limited accountability requirements. Rounds 2 through 4, totaling approximately \$1.95 billion combined, were administered by Cal ICH to strengthen regional planning requirements. Round 5 established the regionally coordinated homelessness action plan framework that requires jurisdictions to apply

as part of a region. Round 6, the most recent completed round, appropriated \$1 billion and was administered by HCD, with enhanced accountability measures including compliant housing element requirements, clawback provisions for underperforming grantees, and mandatory HMIS data reporting.¹

According to Cal ICH's May 2024 *Homeless HHAP Rounds 1-4 Grantee Data Snapshot*, data show that HHAP has produced measurable outcomes. From Rounds 1 through 4, the program funded over 1,559 projects, provided services to over 300,000 people, and placed over 90,000 people into permanent housing. From January 2023 through September 2025, over 100,000 Californians were permanently housed with HHAP support, contributing to a 9% reduction in unsheltered homelessness statewide, the first such reduction in over 15 years.

Round 6 Status. Round 6 of HHAP, funded at \$1 billion, is currently in the awards phase. As of April 2026, HCD has awarded more than \$724 million across 31 of 42 regional applications submitted, with awards announced in three tranches: \$419 million to the Los Angeles, San Diego, and San Francisco regions in January 2026; \$159.3 million to 20 additional regions in March 2026; and \$145.4 million to eight additional regions including Sacramento, Yolo, and Santa Clara in April 2026.²

According to the Legislative Analyst's Office publication on February 18, 2026, *Overview of Homeless Housing, Assistance, and Prevention Program Funding and Accountability*, Round 7 of HHAP has been appropriated at \$500 million in the 2025-26 Budget Act, effective July 1, 2026 which is a 50% reduction from the \$1 billion provided in each of the prior two rounds. The Round 7 appropriation is contingent on grantees meeting enhanced accountability and performance requirements, including maintaining a compliant housing element and adopting encampment policies aligned with Administration guidance. HCD is directed to prepare for Round 7 administration with the goal of making initial disbursements available beginning September 1, 2026, with parameters for the round to be specified through subsequent legislation.

The proposed 2026-27 Governor's Budget maintains the \$500 million Round 7 appropriation, with no new appropriation proposed for Round 8. *This bill* applies to Round 8, which does not yet have an appropriation.

Round 8. The provisions of *this bill* seek to establish a framework for smaller jurisdiction access to Round 8 funding, defined as a city with a population under 300,000.

This bill requires that the Round 8 regionally coordinated homelessness action plan include two components: first, a description of programs and interventions provided by smaller jurisdictions that serve HHAP's objectives, informed by coordinated outreach that gives those jurisdictions an opportunity to identify programs, gaps, and funding needs; and second, an analysis of how local, state, and federal funding can support those programs, how Round 8 funding could enable smaller jurisdictions to expand or sustain existing projects, and an evaluation of the feasibility of allocating a target percentage of funds to smaller jurisdictions consistent with regional needs.

¹ <https://www.hcd.ca.gov/funding/hhap/reporting>

² <https://www.hcd.ca.gov/about-hcd/newsroom/hhap6-awards#:~:text=Today's%20announcement%20awards%20the%20first,expected%20in%20the%20coming%20months.>

Regions receiving Round 8 funding would be allowed, but are not required to, allocate a portion of that funding to smaller jurisdictions. Regions must also establish a transparent, publicly available application process for smaller jurisdictions that includes timelines, evaluation criteria, and decision-making formulas. To be eligible, a smaller jurisdiction must have a compliant housing element, have adopted a local encampment policy consistent with Administration guidance, demonstrate alignment with the regional plan, and adopt a resolution committing to participate in the regionally coordinated action plan

Author’s Statement: According to the Author, “To effectively serve unhoused Californians, we must empower communities with the resources needed to meet this moment with compassion and deliver local solutions. [This bill] would create a clearly defined pathway for cities with populations under 300,000 to access the Homeless Housing, Assistance, and Prevention Grant Program (HHAP) while requiring clear accountability metrics aligned with the state’s goals.

“Currently, only 14 of the state’s 483 cities can access HHAP funding directly. There is no statutory requirement for direct recipients to equitably or meaningfully allocate funds to smaller cities in their region. As a result, many small and mid-sized cities lack a clear pathway to these existing state resources, even as they invest their own limited local dollars to address homelessness. As the state continues to demand meaningful results in addressing homelessness across California, [this bill], offers equitable opportunities for cities of all sizes to access state funding to supplement the work they are already doing to support their unhoused residents.”

Equity Implications: The provisions of *this bill* seek to ensure that the people most in need can access services where they live. Currently, the size of a city determines whether its unhoused residents can access state-funded services in their own community. In smaller cities, individuals experiencing homelessness may find that the nearest HHAP-funded shelter bed, access center, or rapid rehousing program is located in a neighboring larger jurisdiction. By creating a structured pathway for smaller cities to participate meaningfully in the regional homelessness response and access HHAP funding, *this bill* may limit the impact that geography has on determining whether a person can get help.

Double referral: This bill was previously heard in the Assembly Committee on Housing and Community Development on April 15, 2026, and was approved on a 12-0 vote.

Arguments in Support: The League of California Cities, the sponsor of this bill, writes, “According to a 2024 Cal Cities survey, nearly 90% of cities are investing their own general fund revenues to address homelessness, and 60% of cities have been unable to access HHAP funding as subrecipients. Nine in 10 cities are concerned about sustaining existing homelessness services over the long term, and 81% say inconsistent state funding has hindered their ability to address homelessness.

“Cal Cities recognizes the impact of the HHAP program, which has placed more than 90,000 people into permanent housing since 2023. Cities of all sizes have consistently supported sustained funding for HHAP, even though most will never receive program funds, because they recognize its value in reducing homelessness statewide. [This bill] strikes a thoughtful balance, ensuring smaller cities are engaged in the regional process while maintaining local flexibility to allocate funding in ways that support these communities without disrupting existing programs.”

Arguments in Opposition: Opponents of this bill, including Los Angeles Mayor Karen Bass and the Corporation for Supportive Housing, argue that creating a sub-allocation pathway for smaller jurisdictions risks diluting an already reduced pool of funding, increasing administrative burden on CoCs, and encouraging jurisdictional siloing of services that reduces program effectiveness. Mayor Bass's letter notes that in the LA CoC, more than 60% of people experiencing homelessness are located within the City of Los Angeles, and that a requirement to carve out resources for smaller jurisdictions in that context would divert funding from documented need.

RELATED AND PRIOR LEGISLATION:

AB 1220 (Luz Rivas), Chapter 398, Statutes of 2021, renamed the HCFC to Cal ICH, named the Secretary of the California Health and Human Services Agency as a co-chair, reconstituted the Cal ICH membership, and required the Cal ICH to meet at least twice yearly with an advisory committee, among other things.

SB 918 (Wiener), Chapter 841, Statutes of 2018, established the Homeless Youth Act of 2018 to better serve the state's homeless youth population and required the HCFC to take on additional related responsibilities, including setting goals to prevent and end homelessness among youth in the state, defining outcome measures, and gathering data related to those goals.

SB 1380 (Mitchell), Chapter 847, Statutes of 2016, created the HCFC to implement Housing First policies throughout the state.

REGISTERED SUPPORT / OPPOSITION:

Support

League of California Cities (Sponsor)

City of Alameda

City of Albany

City of Arcata

City of Artesia

City of Bellflower

City of Beverly Hills

City of Big Bear Lake

City of Brawley

City of Buellton

City of Buena Park

City of Carlsbad

City of Carpinteria

City of Chula Vista

City of Coachella

City of Delano

City of Diamond Bar

City of Elk Grove

City of Encinitas

City of Eureka

City of Fullerton

City of Garden Grove
City of Grand Terrace
City of Huntington Park
City of Lake Forest
City of Lemon Grove
City of Modesto
City of Mountain View
City of Needles
City of Oceanside
City of Oroville
City of Pacifica
City of Palmdale
City of Palo Alto
City of Paramount
City of Paso Robles
City of Petaluma
City of Pico Rivera
City of Placentia
City of Redondo Beach
City of Rocklin
City of Salinas
City of San Bernardino
City of Santa Barbara
City of Santa Monica
City of Simi Valley
City of South Gate
City of Stanton
City of Temecula
City of Thousand Oaks
City of Torrance
City of Union City
City of Vacaville
City of Ventura
City of Victorville
City of Walnut Creek
City of West Hollywood
City of Westminster
DignityMoves
Los Angeles County Division, League of California Cities
San Bernardino Council of Governments
San Bernardino County Transportation Authority

Opposition:

City of Los Angeles
Los Angeles Homeless Services Authority
Office of Los Angeles Mayor Karen Bass

Oppose Unless Amended

Corporation for Supportive Housing
National Alliance to End Homelessness

Analysis Prepared by: Jessica Langtry / HUM. S. / (916) 319-2089