

## ASSEMBLY THIRD READING

AB 2128 (Haney)

As Amended April 7, 2026

Majority vote

**SUMMARY**

Prohibits "covered housing providers" from establishing or implementing any rules, policies, or procedures that impose term limits or "work requirements" as a condition of initial or continued eligibility for any "covered housing" unless required by federal law.

**Major Provisions**

- 1) Includes the following definitions:
  - a) Defines "covered housing" as a federal housing program administered by the United States Department of Housing and Urban Development (HUD), including, but not limited to, any of the following:
    - i. Project-based rental assistance;
    - ii. Public housing under Section 9 of the United States Housing Act of 1937 (U.S. Housing Act);
    - iii. Section 8 of the U.S. Housing Act, including special purpose vouchers, such as Mainstream Vouchers, Stability Vouchers, the Housing Choice Voucher Homeownership Program, Veteran's Affairs Supportive Housing Vouchers, the Family Unification Program, the Foster Youth to Independence Program, or any other programs established by Section 8 in a federal register notice.
  - b) Defines "covered housing provider" as a public housing authority (PHA), private owner, property manager, or other entity that administers or is subsidized to provide housing through a covered housing program.
  - c) Defines "work requirements" as any requirements to complete work activities, such as working, pursuing education, participating in a work or job training program, volunteering, or doing community service. Specifies work activities include, but are not limited to, work activities defined in federal law.
- 2) Prohibits, unless required by federal law, a covered housing provider from establishing or implementing any rules, policies, or procedures that impose either of the following as a condition of initial or continued eligibility for any covered housing or that impact the amount of the rent subsidy or assistance provided to covered housing tenants:
  - a) Term limits; or
  - b) Work requirements.
- 3) Authorizes a covered housing provider to establish or implement a voluntary employment or job training program if participation does not impact the applicant's or tenant's initial or

continued eligibility for the rent subsidy or assistance or the amount of the rent subsidy or assistance, and the voluntary program has one or more of the following goals for participants:

- a) Increasing personal income;
  - b) Generating financial savings;
  - c) Home ownership;
  - d) Increasing financial well-being and creditworthiness;
  - e) Increasing educational attainment;
  - f) Acquiring job skills; and
  - g) Expanding employment options.
- 4) Specifies that the prohibition in 2) does not apply to a PHA participating in the Moving to Work demonstration that has work requirements or time limits that comply with regulations established by HUD.
- 5) Provides that this bill does not limit or alter the operation of the Family Self-Sufficiency program or the Public Housing Community Service requirement under federal law.

## COMMENTS

*PHAs in California:* PHAs serve as the primary local administrators of federal housing assistance programs under the oversight of HUD. Their core functions include administering rental assistance, determining eligibility and rent contributions, managing waiting lists, overseeing compliance with federal requirements, and, in some cases, owning or preserving affordable housing developments. While PHAs may operate public housing, the most widely used program in the state is the Housing Choice Voucher program, authorized under Section 8 of the U.S. Housing Act. The Housing Choice Voucher program provides tenant-based rental assistance that allows households to rent units in the private market. As of September 2025, 90 PHAs were responsible for administering Housing Choice Voucher programs in the state. According to the Center on Budget and Policy Priorities, over 1 million people in approximately 560,000 California households use federal rental assistance to afford modest housing.

*Proposed federal rule change:* In March 2026, HUD proposed a rule that would give PHAs and certain property owners the option to impose work requirements and time limits on federal housing assistance programs, including public housing and Section 8–related programs. The rule would apply primarily to non-elderly, non-disabled households, and it would allow local agencies to require "work-eligible" adults to participate in employment, job training, education, or similar activities for up to 40 hours per week as a condition of continuing to receive assistance. As currently drafted, the proposal does not mandate these policies nationwide. Instead, the rule would allow PHAs and private property owners participating in federal housing assistance programs to decide whether and how to implement the work requirements. The proposed rule would also allow agencies and owners to set term limits on housing assistance, generally no shorter than two years, after which households could lose assistance and would

need to reapply through standard waiting lists. The rule remains in the proposal stage and is open for public comment before any final action is taken.

*On the brink:* Federal rental assistance programs currently aid nearly 10 million low-income people across the country.<sup>1</sup> Under the existing rules, households may receive assistance for as long as they remain eligible. The proposed rule would allow PHAs to impose a two-year limit on assistance for households that do not include a senior or a person with a disability. While the proposal does not clearly state when the limit would begin, estimates indicate that if it were implemented today, approximately 3.3 million people nationwide would lose assistance. In California, an estimated 306,800 people, including 137,800 children, could lose housing assistance due to the proposed time limits under the federal rule.<sup>2</sup>

*This bill:* This bill prohibits, unless required by federal law, PHAs in California from making term limits and work requirements conditions of initial or continued eligibility for any covered federal housing program. As noted previously, HUD has proposed allowing PHAs across the country to impose term limits as short as two years and work requirements of up to 40 hours per week. The impacts of such changes, if adopted by PHAs, can be most acute in jurisdictions with challenging rental markets. According to the California Housing Partnership's *California's Affordable Housing Needs Report 2026*, renters must earn three times the minimum wage to afford the average rent. Low-income households termed out of participation in housing assistance programs would be at an even greater risk of experiencing homelessness. Research has shown families with children that received time-limited assistance were twice as likely to experience homelessness as those with ongoing assistance over a three-year period. In fact, the same study found that the outcomes of families receiving time-limited assistance resembled the outcomes of families that had received no assistance.<sup>3</sup>

Imposing work requirements can also create practical barriers to compliance with little evidence of their effectiveness. Caregiving responsibilities, health issues, and the availability of child care could further make it difficult for participants to consistently meet required hours. Additionally, PHAs would need to develop systems to track compliance and provide support services, which could create administrative challenges and increase the risk that eligible households lose assistance due to reporting or documentation issues rather than actual noncompliance.

This bill does not prohibit participation in any voluntary employment or job training program. Under this bill, PHAs can still implement voluntary programs focused on increasing personal income, generating financial savings, and increasing educational attainment. PHAs in California can partner with the tenants that they serve without imposing program requirements that have shown to increase low-income households' risks of experiencing homelessness.

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<sup>1</sup> Center on Budget and Policy Priorities. *Policy Basics: Federal Rental Assistance*.  
<https://www.cbpp.org/research/housing/federal-rental-assistance>

<sup>2</sup> Fischer and Gartland, Center on Budget and Policy Priorities. *Rental Assistance Time Limits Would Place More Than 3 Million People – Half of Them Children – at Risk of Eviction and Homelessness*. July 2025.  
<https://www.cbpp.org/research/housing/rental-assistance-time-limits-would-place-more-than-3-million-people-half-of-them#estimated-number-of-people-who-cbpp-anchor>

<sup>3</sup> Gubits *et al.*, "Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families," prepared for the Department of Housing and Urban Development, October 2016,  
<https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>

**According to the Author**

"Housing assistance should be a pathway to stability. At a time when California is already facing a housing affordability crisis and rising homelessness, the federal government is proposing policies that would allow families to lose their homes simply because they can't meet rigid work requirements or arbitrary time limits. These changes don't reflect the reality of people's lives, and they risk pushing our most vulnerable residents further into instability.

AB 2128 draws a clear line by ensuring that access to housing in California remains based on need, not punitive mandates. This bill protects families, seniors, and people with disabilities from losing the housing they rely on, and it affirms a simple principle: we should be working to keep people housed, not creating new barriers that make it easier for them to fall into homelessness."

**Arguments in Support**

According to the National Housing Law Project, "When finalized, the federal rule will permit PHAs and private owners to implement time limits and work requirements that would be administratively burdensome and have a harmful impact on families. PHAs and owners could impose a work requirement of up to 40 hours per week on families to receive housing assistance. This threshold would expose seasonal workers, on-call workers, and those whose employers deliberately limit hours to constant risk of losing their housing. In addition, this would create burdensome reporting requirements that would be difficult for families to navigate and strain the limited resources of PHAs and owners. At the same time, PHAs and owners could mandate that low-income families lose their housing assistance after as little as two years, regardless of whether or not they are working, able to pay market rent, still in need of assistance, or are being exited into homelessness. Time limits would create additional burdens on agencies administering rental assistance and owners of subsidized housing developments, who would be compelled to take on the task of cutting off stably housed families every two years."

**Arguments in Opposition**

None on file.

**FISCAL COMMENTS**

None. This bill is keyed non-fiscal by the Legislative Counsel.

**VOTES****ASM HOUSING AND COMMUNITY DEVELOPMENT: 9-3-0**

**YES:** Haney, Ávila Farías, Caloza, Garcia, Kalra, Lee, Quirk-Silva, Wicks, Wilson

**NO:** Patterson, Ta, Tangipa

**UPDATED**

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