AMENDED IN ASSEMBLY JANUARY 12, 2021

CALIFORNIA LEGISLATURE-2021-22 REGULAR SESSION

No. 71

Introduced by Assembly Members-Luz Rivas and Chiu Luz Rivas, Bloom, Chiu, and Wicks (Coauthor: Assembly Member Quirk-Silva)

December 7, 2020

An act to amend Section 23151 of, and to add Sections 17087.7 and 25110.1 to, the Revenue and Taxation Code, and to amend Sections 8255 and 8257 of, to add Sections 8257.1, 8257.2, 8258, and 14133.5 to, and to add Chapter 5.2 (commencing with Section 13050) to Part 3 of Division 9 of, the Welfare and Institutions Code, relating to homelessness. homelessness, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 71, as amended, Luz Rivas. Statewide homelessness solutions program. Homelessness funding: Bring California Home Act.

(1) The Personal Income Tax Law, in conformity with federal income tax law, generally defines gross income as income from whatever source derived, except as specifically excluded, and provides various exclusions from gross income. Existing federal law, for purposes of determining a taxpayer's gross income for federal income taxation, requires that a person who is a United States shareholder of any controlled foreign corporation to include in their gross income the global low-taxed income for that taxable year, as provided.

This bill, for taxable years beginning on or after January 1, 2022, would include a taxpayer's global low-taxed income in their gross income for purposes of the Personal Income Tax Law, in modified conformity with the above-described federal provisions. The bill would

exempt any standard, criterion, procedure, determination, rule, notice, or guideline established or issued by the Franchise Tax Board to implement its provisions from the rulemaking provisions of the Administrative Procedure Act.

The Corporation Tax Law imposes, among other taxes, taxes according to or measured by the net income of the taxpayer for the taxable year at a rate of 8.84%, or 10.84% for financial institutions, but not less than the minimum franchise tax of \$800, as specified.

This bill, for taxable years beginning on or after January 1, 2022, and with respect to taxpayers with taxable income under the Corporation Tax Law greater than \$5,000,000 for the taxable year, would increase these tax rates from 8.84% to 9.6%, or 10.84% to 11.6% for financial institutions, unless the minimum franchise tax is greater.

The Corporation Tax Law, when the income of a taxpayer subject to tax under that law is derived from or attributable to sources both within and without the state, generally requires that the tax be measured by the net income derived from or attributable to sources within this state, as provided. Notwithstanding this requirement, the Corporation Tax Law authorizes a qualified taxpayer, as defined, to elect to determine its income derived from or attributable to sources within this state pursuant to a water's-edge election, as provided. Existing law requires that a water's-edge election be made by contract with the Franchise Tax Board, with an initial term of 84 months, except as specified, and provides for annual renewal of that contract unless the taxpayer provides written notice of nonrenewal at least 90 days before the renewal date.

This bill would require that a taxpayer that makes a water's-edge election under these provisions take into account 50% of the global low-taxed income and 40% of the repatriation income of its affiliated corporations, as those terms are defined. The bill would allow a taxpayer, for calendar year 2022 only, the opportunity to revoke a water's-edge election. The bill would prohibit the total of all business credits, as defined, from reducing the additional tax liability added by this bill's provisions by more than \$5,000,000, as provided. The bill would exempt any standard, criterion, procedure, determination, rule, notice, or guideline established or issued by the Franchise Tax Board to implement its provisions from the rulemaking provisions of the Administrative Procedure Act.

This bill would state the intent of the Legislature that any revenue resulting from the above-described changes to the Personal Income Tax Law and the Corporation Tax Law be used for purposes of the Bring California Home Act, as described below.

-Existing

(2) Existing law requires the Governor to create the Homeless Coordinating and Financing Council-(referred to as "the coordinating eouncil") and to appoint up to 19 members of that council, as provided. (council). Existing law specifies the duties of the coordinating council, including creating partnerships among state agencies and departments, local government agencies, and specified federal agencies and private entities, for the purpose of arriving at specific strategies to end homelessness. The Personal Income Tax Law and the Corporation Tax Law impose taxes upon taxable income for the taxable year, as specified. Existing law requires the Governor to appoint up to 19 members of the council, including representatives from specified state agencies and departments, and a formerly homeless person and a formerly homeless youth who both live in California, and requires the Senate Committee on Rules and the Speaker of the Assembly to each appoint one member to the council from 2 different stakeholder organizations.

This bill would state the intent of the Legislature to enact legislation to create a comprehensive, statewide homelessness solutions program. This bill would create the Bring California Home Fund in the State Treasury for the purpose of providing at least \$2,400,000 annually to fund a comprehensive, statewide homeless solutions program upon appropriation by the Legislature. The bill would require the Bring California Home Fund to contain revenues derived from specified ehanges to the Personal Income Tax Law or the Corporation Tax Law that are enacted on or after the effective of the date of this bill.

This bill would delete the provisions relating to the appointment authority of the Governor and the Legislature, and would instead restructure the council, including requiring the council to be composed of prescribed individuals, including the directors of specified state agencies and departments, such as the State Department of Public Health. The bill would require the council to seek guidance from, and meet with, an advisory committee composed of specified individuals, including a survivor of gender-based violence who formerly experienced homelessness and a formerly homeless person who lives in California.

This bill would require the council, its technical services provider, or an entity with which the council contracts to identify, analyze, and collect various data in regards to homelessness in this state, including identifying state programs that provide housing or housing-based

services to persons experiencing homelessness, as provided. The bill would require the council to report on this information to specified committees of the Legislature by July 31, 2022. The bill would require the council to seek technical assistance offered by the United States Department of Housing and Urban Development, if available, for purposes of conducting this statewide needs and gaps analysis. The bill would require a state department or agency with a member on the council to assist in data collection for the analysis by responding to data requests within 180 days, as specified.

The bill would require the council to convene a funder's workgroup, composed of specified individuals, including staff of the council and staff working for agencies or departments represented on the council, to accomplish prescribed goals, and would authorize that workgroup to invite philanthropic organizations focused on ending homelessness, reducing health disparities, ending domestic violence, or ensuring Californians do not exit foster care or incarceration to homelessness to participate in specific meetings. The bill would require the workgroup to perform specified duties, including collaborating with state agency staff to develop a universal application for developers, service providers, and other entities to apply to agencies and departments represented on the council for funding for homeless services and housing, and to coordinate state agencies and departments to reduce the risk of long-term homelessness by developing specific protocols and procedures that accomplish prescribed goals, such as assisting individuals reentering communities from jails and prisons with housing navigation, housing acquisition support, and obtaining permanent housing.

Existing law requires agencies and departments administering state programs to collaborate with the council to adopt guidelines to revise or adopt guidelines and regulations to incorporate core components of Housing First, as provided. Existing law defines "state programs" for these purposes to mean any programs a California state agency or department funds, implements, or administers for the purpose of providing housing or housing-based services to people experiencing homelessness or at risk of homelessness, but excludes federally funded programs with inconsistent requirements or programs that fund emergency shelters.

This bill would delete the exclusion for programs that fund emergency shelters from this definition of "state programs," thereby expanding the scope of programs required to incorporate core components of Housing First, as described above. (3) Existing law establishes, among various other programs intended to address homelessness in this state, the Homeless Housing, Assistance, and Prevention program for the purpose of providing 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. Existing law provides for the allocation of funding under the program among continuums of care, cities, and counties in 2 rounds, the first of which is administered by the Business, Consumer Services, and Housing Agency and the second of which is administered by the coordinating council.

This bill would enact the Bring California Home Act, which would establish the Bring California Home Fund in the State Treasury and continuously appropriate moneys in that fund for the purpose of implementing that act. The bill would require the Controller to annually transfer specified amounts, determined as provided by the Franchise Tax Board based on the above-described changes made by this bill to the Personal Income Tax Law and the Corporation Tax Law, to the Bring California Home Fund. The bill would require the council and the Department of Housing and Community Development (HCD) to jointly administer the fund pursuant to a memorandum of understanding, as provided. The bill would require that recipients and subrecipients under the program ensure that any expenditure of moneys allocated to them serve the eligible population, unless otherwise expressly provided in the bill. The bill would define various terms for these purposes.

The bill would require the council to administer allocations to counties and continuums of care that apply jointly and to large cities, and would require HCD to administer allocations to developers, as provided. The bill would require HCD to allocate \$400,000,000 to developers and require the council to set aside \$200,000,000 for bonus awards, as provided. Of the remaining amount in the fund, the bill would require the council to allocate 60% to counties and continuums of care applying jointly and 40% to large cities, in accordance with a specified formula and subject to certain requirements. The bill would establish eligibility criteria for a county and continuum of care or a large city to receive an allocation under these provisions and specify the eligible uses for those moneys. The bill would exempt specified activities by a large city under the program relating to the development of a low barrier interim

intervention, affordable housing project, or supportive housing project from the California Environmental Quality Act. The bill, upon the request of a jointly applying county and continuum of care, would require the State Department of Social Services to act as a fiscal agent for the county and continuum of care, as provided. The bill would require HCD to allocate moneys to developers in the same manner as deferred payment loans provided under the Multifamily Housing Program, subject to certain requirements, including a requirement that HCD ensure that at least 25% of the moneys allocated under these provisions be awarded to projects located in unincorporated areas and cities that are not large cities. The bill would require that any project that uses funds received under the program for the purposes specified in connection with the allocations made by HCD be allowed as a permitted use, within the zone in which the structure is located, and not be subject to a conditional use permit, discretionary permit, or any other discretionary review or approval.

The bill would require the council and HCD to allocate available funding in 2-year cycles, with the first round allocated no later than March 31, 2023, and to develop a simple application that an eligible entity may use to apply for funding, as well as common standards for recipients to monitor, report, and ensure accountability, provide services, and subsidize housing. The bill would require the council and each recipient to establish performance outcomes for the initial cycle and to establish outcome goals before each subsequent grant cycle, as provided, and require the council to award bonus funding to a recipient, if the recipient has achieved those performance outcomes, or reduce or deny that bonus funding the if the recipient has not achieved those performance outcomes.

The bill, except as otherwise provided, would require each recipient to contractually obligate 100% of the amount allocated to it within 3 years, for the first grant cycle, or 1 year, for each subsequent cycle, and to expend the entirety of that amount within 4 years, for the first grant cycle, or 2 years, for each subsequent cycle. If a county and continuum of care or a large city fails to comply with these deadlines, uses moneys allocated to it for an unauthorized purpose, or fails to apply for an allocation within the initial award cycle, the bill would require the council to either select an alternative entity to administer the recipient's allocation in accordance with specified requirements or solely establish performance outcomes and program priorities for that recipient jurisdiction and work with local, regional, or statewide entities

to administer the allocation on behalf of the recipient. If a developer fails to comply with these deadlines, the bill would require that the moneys awarded to that recipient revert to the fund.

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The bill would require each recipient to annually report to the council and HCD specified information relating to allocations made under these provisions. The bill would require the council to conduct regular monitoring and audits of the activities and outcomes of recipients that are joint county-continuum of care applicants or large cities. No later than January 1, 2024, and every 5th January 1 thereafter, the bill would require the council to evaluate the outcomes of this program and submit a report, containing specified information, to specified committees of the Legislature. The bill would require the council and HCD to each establish an advisory committee to inform state and local policies, practices, and programs with respect to the experiences of specified demographic groups experiencing homelessness.

(4) Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services pursuant to a schedule of benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions.

By January 1, 2025, this bill would require the department to seek federal approval for a Medi-Cal benefit to fund prescribed services, including housing navigation and housing acquisition support services, for beneficiaries experiencing homelessness, to convene a stakeholder advisory group representing counties, health care consumers, and homeless advocates in developing this plan, to work with counties to determine an effective process for funding the state's share of the federal medical assistance percentage, and to pursue philanthropic funding to carry out the administrative duties related to these provisions. The bill would authorize the department to use up to 20% of the county-continuum allocation from the Bring California Home Fund, as described above, to pay for the state's federal medical assistance percentage associated with this benefit.

Vote: majority $\frac{2}{3}$. Appropriation: no-yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17087.7 is added to the Revenue and 2 Taxation Code. to read:

1 17087.7. (a) For taxable years beginning on or after January

2 1, 2022, Section 951A of the Internal Revenue Code, relating to

3 Global intangible low-taxed income, as enacted by the federal Tax

4 *Cuts and Jobs Act of 2017 (Public Law 115–97), shall apply, except*

5 as otherwise provided.

6 (b) Section 951A of the Internal Revenue Code, relating to 7 Global intangible low-taxed income, is modified as follows:

8 (1) If a taxpayer that is not a C corporation has income under

9 Section 951A of the Internal Revenue Code, which is formally 10 derived from a corporation that is part of a combined reporting

11 group doing business in this state and has made a water's-edge

12 election under Section 25110, 50 percent of that income shall be

13 apportioned to this state using the same apportionment factor as14 is used for the combined reporting group.

15 (2) Section 951A of the Internal Revenue Code shall not apply 16 if either of the following applies:

17 (A) The taxpayer is not a C corporation and the income under 18 Section 951A of the Internal Revenue Code is formally derived 19 from a corporation that is part of a combined reporting group 20 doing business in this state that does not make a water's-edge 21 election under Section 25110.

(B) The taxpayer is not a C corporation and the income under
Section 951A of the Internal Revenue Code is formally derived
from a corporation that is not part of a combined reporting group
doing business in this state.

(c) If a taxpayer has income under Section 951A of the Internal
Revenue Code, relating to Global intangible low-taxed income,
included in its gross income pursuant to this section, the taxpayer
may submit a petition to the Franchise Tax Board for alternative

30 apportionment pursuant to Section 25137.

(d) Any standard, criterion, procedure, determination, rule,
notice, or guideline established or issued by the Franchise Tax
Board to implement this section is hereby exempted from the
rulemaking provisions of the Administrative Procedure Act
(Chapter 3.5 (commencing with Section 11340) of Part 1 of

36 Division 3 of Title 2 of the Government Code).

37 (e) The provisions of this section are severable. If any provision

38 of this section or its application is held invalid, that invalidity shall

39 not affect other provisions or applications that can be given effect

40 *without the invalid provision or application.*

(f) It is the intent of the Legislature that the revenue, if any,
resulting from application of this section in any taxable year
beginning on or after January 1, 2022, be used for purposes of the
Bring California Home Act (Chapter 5.2 (commencing with Section
13050) of Part 3 of Division 9 of the Welfare and Institutions
Code).

7 SEC. 2. Section 23151 of the Revenue and Taxation Code is 8 amended to read:

9 (a) With the exception of banks and financial 23151. 10 corporations, every corporation doing business within the limits of this state and not expressly exempted from taxation by the 11 12 provisions of the Constitution of this state or by this part, shall 13 annually pay to the state, for the privilege of exercising its 14 corporate franchises within this state, a tax according to or 15 measured by its net income, to be computed at the rate of 7.6 16 percent upon the basis of its net income for the next preceding 17 income year, or if greater, the minimum tax specified in Section 18 23153.

(b) For calendar or fiscal years ending after June 30, 1973, the
rate of tax shall be 9 percent instead of 7.6 percent as provided by
subdivision (a).

(c) For calendar or fiscal years ending in 1980 to 1986, inclusive,the rate of tax shall be 9.6 percent.

(d) For calendar or fiscal years ending in 1987 to 1996,
inclusive, and for any income year beginning before January 1,
1997, the tax rate shall be 9.3 percent.

(e) For any income year beginning on or after January 1, 1997,
and before the income year identified in subparagraph (A) of
paragraph (1) of subdivision (f), the tax rate shall be 8.84 percent.
The change in rate provided in this subdivision shall be made
without proration otherwise required by Section 24251.

32 (f) (1) For the first taxable year beginning on or after January

1, 2000, the tax imposed under this section shall be the sum ofboth of the following:

(A) A tax according to or measured by net income, to be
computed at the rate of 8.84 percent upon the basis of the net
income for the next preceding income year, but not less than the
minimum tax specified in Section 23153.

39 (B) A tax according to or measured by net income, to be 40 computed at the rate of 8.84 percent upon the basis of the net

- income for the first taxable year beginning on or after January 1, 1
- 2 2000, but not less than the minimum tax specified in Section 23153.
- 3 (2) Except as provided in paragraph (1), for taxable years
- 4 beginning on or after January 1, 2000, and before January 1, 2022,
- 5 the tax imposed under this section shall be a tax according to or
- measured by net income, to be computed at the rate of 8.84 percent 6 7 upon the basis of the net income for that taxable year, but not less
- 8 than the minimum tax specified in Section 23153.
- 9 (g) (1) For taxable years beginning on or after January 1, 2022,
- 10 the tax imposed under this section shall be a tax according to or
- measured by net income, to be computed at the following rate, as 11
- 12 applicable, upon the basis of the net income for that taxable year,
- 13 or if greater, the minimum tax specified in Section 23153:
- 14 (A) If the taxpayer has taxable income greater than five million 15 dollars (\$5,000,000) for the taxable year, 9.6 percent.
- (B) If the taxpayer has taxable income less than or equal to five 16 17 million dollars (\$5,000,000) for the taxable year, 8.84 percent.
- 18 (2) It is the intent of the Legislature that the revenue, if any,
- resulting from application of this subdivision in any taxable year 19
- beginning on or after January 1, 2022, be used for purposes of the 20
- 21 Bring California Home Act (Chapter 5.2 (commencing with Section
- 22 13050) of Part 3 of Division 9 of the Welfare and Institutions 23 Code).
- 24 SEC. 3. Section 25110.1 is added to the Revenue and Taxation 25 *Code, to read:*
- 26 25110.1. (a) A taxpayer that makes a water's-edge election 27 shall take into account 50 percent of the global intangible 28 low-taxed income, but not the apportionment factors, of its 29 affiliated corporations.
- 30 (b) A taxpayer that makes a water's-edge election shall take 31 into account 40 percent of the repatriation income, but not the 32 apportionment factors, of its affiliated corporations.
- 33 (c) Any taxpayer that includes repatriation income may choose 34 to apportion 14 percent of that income to California or use the 35 apportionment factor otherwise calculated for the combined group for that taxable year.
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- 37 (d) For purposes of calculating dividends to be eliminated from
- 38 the income of the recipient under Section 25106 or any other law, 39 global intangible low-taxed income included by reason of
- 40 subdivision (a) shall be treated in the same manner as income
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included by reason of clause (ii) of subparagraph (A) of paragraph
 (2) of subdivision (a) of Section 25110.

3 (e) Any taxpayer that includes repatriated income under 4 subdivision (b) shall be entitled to a credit for any taxes already 5 paid on the repatriated income by reason of Section 24411 or any 6 other law. The credit allowed by this subdivision shall be 7 calculated by multiplying the final tax liability of the taxpayer for 8 the taxable year in which tax was paid on repatriation income by 9 a fraction not to exceed one, the numerator of which is the 10 repatriation income of that corporation for that taxable year and 11 the denominator of which is the total taxable income of that 12 corporation for that taxable year. 13 (f) Notwithstanding Section 25111, any taxpayer that has made 14 a water's-edge election under Section 25110 shall be permitted, 15 for calendar year 2022 only, an opportunity to revoke this election.

(g) (1) Notwithstanding any provision of this part or Part 10.2 16 17 (commencing with Section 18401) to the contrary, for taxpavers 18 not required to be included in a combined report under Section 19 25101 or 25110, or taxpayers not authorized to be included in a 20 combined report under Section 25101.15, the total of all business 21 credits otherwise allowable, under any provision of Chapter 2 22 (commencing with Section 17041) of Part 10, including the 23 carryover of any business credit under a former provision of that 24 chapter, but not including the credit permitted by subdivision (e), 25 for the taxable year shall not reduce the additional tax liability 26 added by subdivision (a), (b), or (c) by more than five million 27 dollars (\$5,000,000).

28 (2) Notwithstanding any provision of this part or Part 10.2 29 (commencing with Section 18401) to the contrary, for taxpavers 30 required to be included in a combined report under Section 25101 31 or 25110, or taxpayers authorized to be included in a combined 32 report under Section 25101.15, the total of all business credits 33 otherwise allowable under any provision of Chapter 2 34 (commencing with Section 17041) of Part 10, including the 35 carryover of any business credit under a former provision of that 36 chapter, but not including the credit permitted by subdivision (e), 37 by all members of the combined report shall not reduce the 38 aggregate amount of the additional tax liability of all members of 39 the combined report added by subdivision (a), (b) or (c) by more 40 than five million dollars (\$5,000,000).

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(3) Any amounts included in an election pursuant to Section 2 6902.5, relating to an irrevocable election to apply credit amounts 3 under Section 17053.85, 17053.95, 17053.98, 23685, 23695, or 4 23698 against qualified sales and use tax, as defined in Section 5 6902.5, shall not be included in the five million dollar (\$5,000,000) *limitation set forth in paragraphs (1) and (2).* 6 7 (4) Notwithstanding any provision of this part or Part 10.2 8 (commencing with Section 18401), the credit amount described in 9 paragraph (3) shall be applied after any business credits, subject to the limitations specified in paragraph (1) or (2), as applicable, 10 are applied. (h) Any standard, criterion, procedure, determination, rule, 12 13 notice, or guideline established or issued by the Franchise Tax Board to implement this section is hereby exempted from the 14 15 rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of 16 17 Division 3 of Title 2 of the Government Code). (i) For purposes of this section, all of the following apply. 18 19 (1) "Affiliated corporation" means a corporation that is a 20 member of a commonly controlled group, as defined in Section 25105. (2) "Business credit" means a credit allowable under any 22 provision of Chapter 2 (commencing with Section 17041) of Part 23 10, other than the following credits: 24 25 (A) The credit allowed by Section 17052, relating to credit for earned income. 26 27 (B) The credit allowed by Section 17052.1, relating to credit 28 for a young child. 29 (C) The credit allowed by Section 17052.6, relating to credit 30 for household and dependent care. (D) The credit allowed by Section 17052.25, relating to credit 32 for adoption costs. 33 (E) The credit allowed by Section 17053.5, relating to renter's

- 34 tax credit. 35 (F) The credit allowed by Section 17054, relating to credit for 36 personal exemption.
- 37 (G) The credit allowed by Section 17054.5, relating to credit
- 38 for qualified joint custody head of household and a qualified 39 *taxpayer with a dependent parent.*

1 *(H) The credit allowed by Section 17054.7, relating to credit* 2 *for qualified senior head of household.*

3 (I) The credit allowed by Section 17058, relating to credit for 4 low-income housing.

5 (*J*) The credit allowed by Section 17061, relating to refunds 6 pursuant to the Unemployment Insurance Code.

7 (3) "Global intangible low-taxed income" has the same meaning 8 as defined by Section 951A of the Internal Revenue Code, as

9 enacted by the Tax Cuts and Jobs Act (Public Law 115-97), relating

10 to global intangible low-taxed income, but not taking into account

11 any subtractions made pursuant to Section 1.951A-2(c)(7) of Title

12 26 of the Code of Federal Regulations.

13 (4) "Repatriation income" means income that was deemed 14 repatriated under Section 965(a) of the Internal Revenue Code,

15 as amended by the Tax Cuts and Jobs Act (Public Law 115-97),

16 relating to treatment of deferred foreign income as subpart F

17 income, as included in a taxpayer's federal return by operation

18 of the payment schedule of Section 965(h) of the Internal Revenue

19 Code, as amended by the Tax Cuts and Jobs Act (Public Law

20 115-97), relating to election to pay liability in installments.

21 (*j*) The provisions of this section are severable. If any provision

22 of this section or its application is held invalid, that invalidity shall

not affect other provisions or applications that can be given effect
without the invalid provision or application.

(k) It is the intent of the Legislature that the revenue, if any,
resulting from application of this section in any taxable year

27 beginning on or after January 1, 2022, be used for purposes of the

28 Bring California Home Act (Chapter 5.2 (commencing with Section

29 13050) of Part 3 of Division 9 of the Welfare and Institutions
30 Code).

31 SEC. 4. Section 8255 of the Welfare and Institutions Code is 32 amended to read:

33 8255. For purposes of this chapter:

34 (a) "Coordinating council" means the Homeless Coordinating35 and Financing Council established pursuant to Section 8257.

36 (b) "Core components of Housing First" means all of the 37 following:

38 (1) Tenant screening and selection practices that promote 39 accepting applicants regardless of their sobriety or use of

40 substances, completion of treatment, or participation in services.

1 (2) Applicants are not rejected on the basis of poor credit or

2 financial history, poor or lack of rental history, criminal convictions

3 unrelated to tenancy, or behaviors that indicate a lack of "housing4 readiness."

5 (3) Acceptance of referrals directly from shelters, street outreach,

6 drop-in centers, and other parts of crisis response systems7 frequented by vulnerable people experiencing homelessness.

8 (4) Supportive services that emphasize engagement and problem
9 solving over therapeutic goals and service plans that are highly
10 tenant-driven without predetermined goals.

(5) Participation in services or program compliance is not acondition of permanent housing tenancy.

(6) Tenants have a lease and all the rights and responsibilities
of tenancy, as outlined in California's Civil, Health and Safety,
and Government codes.

16 (7) The use of alcohol or drugs in and of itself, without other17 lease violations, is not a reason for eviction.

18 (8) In communities with coordinated assessment and entry 19 systems, incentives for funding promote tenant selection plans for supportive housing that prioritize eligible tenants based on criteria 20 21 other than "first-come-first-serve," including, but not limited to, 22 the duration or chronicity of homelessness, vulnerability to early 23 mortality, or high utilization of crisis services. Prioritization may include triage tools, developed through local data, to identify 24 25 high-cost, high-need homeless residents.

(9) Case managers and service coordinators who are trained in
and actively employ evidence-based practices for client
engagement, including, but not limited to, motivational
interviewing and client-centered counseling.

30 (10) Services are informed by a harm-reduction philosophy that

31 recognizes drug and alcohol use and addiction as a part of tenants'

32 lives, where tenants are engaged in nonjudgmental communication

33 regarding drug and alcohol use, and where tenants are offered 34 education regarding how to avoid risky behaviors and engage in

35 safer practices, as well as connected to evidence-based treatment

36 if the tenant so chooses.

37 (11) The project and specific apartment may include special

38 physical features that accommodate disabilities, reduce harm, and

39 promote health and community and independence among tenants.

1 (c) "Homeless" has the same definition as that term is defined 2 in Section 91.5 of Title 24 of the Code of Federal Regulations.

3 (d) (1) "Housing First" means the evidence-based model that 4 uses housing as a tool, rather than a reward, for recovery and that 5 centers on providing or connecting homeless people to permanent 6 housing as quickly as possible. Housing First providers offer 7 services as needed and requested on a voluntary basis and that do 8 not make housing contingent on participation in services.

9 (2) (A) "Housing First" includes time-limited rental or services 10 assistance, so long as the housing and service provider assists the 11 recipient in accessing permanent housing and in securing 12 longer-term rental assistance, income assistance, or employment. 13 (B) For time-limited, supportive services programs serving 14 homeless youth, programs should use a positive youth development 15 model and be culturally competent to serve unaccompanied youth 16 under 25 years of age. Providers should work with the youth to 17 engage in family reunification efforts, where appropriate and when 18 in the best interest of the youth. In the event of an eviction, 19 programs shall make every effort, which shall be documented, to link tenants to other stable, safe, decent housing options. Exit to 20 21 homelessness should be extremely rare, and only after a tenant 22 refuses assistance with housing search, location, and move-in 23 assistance.

24 (e) "State programs" means any programs a California state 25 agency or department funds, implements, or administers for the 26 purpose of providing housing or housing-based services to people 27 experiencing homelessness or at risk of homelessness, with the 28 exception of federally funded programs with requirements 29 inconsistent with this-chapter or programs that fund emergency 30 shelters. chapter. 31 (f) "State-funded institutional setting" includes, but is not

31 (j) State-Jundea Institutional setting includes, but is not
 32 limited to, a justice, juvenile justice, child welfare, and health care
 33 setting.

34 SEC. 5. Section 8257 of the Welfare and Institutions Code is 35 amended to read:

36 8257. (a) The Governor shall create a Homeless Coordinating37 and Financing Council.

38 (b) The council shall have all of the following goals:

39 (1) To oversee implementation of this chapter.

1 (2) To identify mainstream resources, benefits, and services that 2 can be accessed to prevent and end homelessness in California.

3 (3) To create partnerships among state agencies and departments,

4 local government agencies, participants in the United States
5 Department of Housing and Urban Development's Continuum of

6 Care Program, federal agencies, the United States Interagency7 Council on Homelessness, nonprofit entities working to end

8 homelessness, homeless services providers, and the private sector,

9 for the purpose of arriving at specific strategies to end 10 homelessness.

(4) To promote systems integration to increase efficiency and
 effectiveness while focusing on designing systems to address the
 needs of people experiencing homelessness, including
 unaccompanied youth under 25 years of age.

(5) To coordinate existing funding and applications for
competitive funding. Any action taken pursuant to this paragraph
shall not restructure or change any existing allocations or allocation
formulas.

19 (6) To make policy and procedural recommendations to 20 legislators and other governmental entities.

(7) To identify and seek funding opportunities for state entities
that have programs to end homelessness, including, but not limited
to, federal and philanthropic funding opportunities, and to facilitate
and accordinate these state entities' efforts to obtain that funding

and coordinate those state entities' efforts to obtain that funding.
(8) To broker agreements between state agencies and
departments departments, and between state agencies and
departments and local-jurisdictions jurisdictions, to align and
coordinate resources, reduce administrative burdens of accessing

existing resources, and foster common applications for services,operating, and capital funding.

(9) To serve as a statewide facilitator, coordinator, and policy
development resource on ending homelessness in California.

(10) To report to the Governor, federal Cabinet members, andthe Legislature on homelessness and work to reduce homelessness.

35 (11) To ensure accountability and results in meeting the 36 strategies and goals of the council.

37 (12) To identify and implement strategies to fight homelessness38 in small communities and rural areas.

39 (13) To create a statewide data system or warehouse that collects

40 local data through Homeless Management Information Systems,

1 with the ultimate goal of matching data on homelessness to 2 programs impacting homeless recipients of state programs, such

3 as-Medi-Cal the Medi-Cal program (Chapter 7 (commencing with

4 Section 14000) of Part 3 of Division 9) and CalWORKs (Chapter

5 2 (commencing with Section 11200) of Part 3 of Division 9).

6 (14) Setting To set goals to prevent and end homelessness among 7 California's youth.

8 (15) Working To work to improve the safety, health, and welfare 9 of young people experiencing homelessness in the state.

10 (16) Increasing To increase system integration and coordinating

11 efforts to prevent homelessness among youth who are currently

12 or formerly involved in the child welfare system or the juvenile 13 justice system.

14

(17) Leading To lead efforts to coordinate a spectrum of funding, 15 policy, and practice efforts related to young people experiencing

16 homelessness.

17 (18) Identifying To identify best practices to ensure homeless 18 minors who may have experienced maltreatment, as described in 19 Section 300, are appropriately referred to, or have the ability to

20 self-refer to, the child welfare system.

21 (c) (1) The Governor shall appoint up to 19 members of the 22 council as follows:

23 (c) (1) The council shall be composed of all of the following 24 members:

25 (A) The Secretary of Business, Consumer Services, and 26 Housing, or the secretary's designee, who shall serve as chair of 27 the council.

28 (B) A representative from the Department The Director of 29 Transportation.

30 (C) A representative from the Department The Director of 31 Housing and Community Development.

32 (D) A representative of the State Department of The Director 33 of Social Services.

34 (E) A representative of the The Executive Director of the 35 California Housing Finance Agency.

36 (F) A representative of the State Department of The Director 37 of Health Care Services.

(G) A representative of the Department The Director of Veterans 38 39 Affairs.

- 1 (H) A representative of the *The Secretary of the* Department of 2 Corrections and Rehabilitation.
- 3 (I) A representative from the The Executive Director of the
- 4 California Tax Credit Allocation Committee in the Treasurer's 5 office.
- 6 (J) The Director of the State Department of Public Health. 7 (J)
- 8 (K) A representative of the Victim Services Program within the
- 9 Division of Grants Management within the Office of Emergency
- 10 Services. This person shall be appointed by the Director of the
- 11 Office of Emergency Services.
- 12 (K)
- 13 (L) A representative from the State Department of Education.
- 14 This person shall be appointed by the Superintendent of Public15 Instruction.
- 16 (L)
- 17 (M) A representative of the state public higher education system 18 who shall be from one of the following:
- 19 (i) The California Community Colleges.
- 20 (ii) The University of California.
- 21 (iii) The California State University.
- 22 (2) The council shall regularly seek guidance from, and meet
- with, an advisory committee that reflects racial and genderdiversity, and shall include all of the following:
- 24 *diversity, and* 25 (M)
- 26 (A) A formerly homeless person who lives in California.

27 (N)

- (B) A formerly homeless youth who lives in California.
- 29 (C) A survivor of gender-based violence who formerly 30 experienced homelessness.
- 31 (O) Two representatives
- 32 (D) Representatives of local agencies or organizations that
- participate in the United States Department of Housing and Urban
 Development's Continuum of Care Program.
- 35 (P) State advocates or other members of the public or state
 36 agencies, at the Governor's discretion.
- 37 (2) The Senate Committee on Rules and the Speaker of the
- 38 Assembly shall each appoint one member to the council from two
- 39 different stakeholder organizations.

1 (E) Stakeholders with expertise in solutions to homelessness 2 and best practices from other states. 3 (F) Representatives of committees on African Americans, youth, 4 and survivors of gender-based violence. 5 (3) The council may, at its discretion, At its discretion, the council may invite stakeholders, individuals who have experienced 6 7 homelessness, members of philanthropic communities, and experts 8 to participate in meetings or provide information to the council. 9 (d) The council shall hold public meetings at least once every 10 quarter. 11 (e) The members of the council shall serve at the pleasure of 12 the appointing authority. 13 (f)14 (e) Within existing funding, the council may establish working 15 groups, task forces, or other structures from within its membership or with outside members to assist it in its work. Working groups, 16 17 task forces, or other structures established by the council shall 18 determine their own meeting schedules. 19 (g) 20 (f) The members of the council shall serve without 21 compensation, except that members of the council who are, or 22 have been, homeless may receive reimbursement for travel, per 23 diem, or other expenses. 24 (h)25 (g) The Business, Consumer Services, and Housing Agency 26 shall provide staff for the council. 27 (i)28 (h) The members of the council may enter into memoranda of 29 understanding with other members of the council to achieve the 30 goals set forth in this chapter, as necessary, in order to facilitate 31 communication and cooperation between the entities the members

- 32 of the council represent.
- 33 (j)

34 *(i)* There shall be an executive director of the council under the 35 direction of the Secretary of Business, Consumer Services, and

36 Housing.

37 (k)

38 (j) The council shall be under the direction of the executive

39 director and staffed by employees of the Business, Consumer

40 Services, and Housing Agency.

1 2	SEC. 6. Section 8257.1 is added to the Welfare and Institutions Code, to read:
$\frac{2}{3}$	8257.1. (a) The coordinating council, the coordinating
4	council's technical service provider, or an entity the coordinating
5	council contracts with for this purpose, shall do all of the
6	following:
7	(1) Identify programs in the state that provide housing or
8	housing-based services to persons experiencing homelessness and
9	describe all of the following for each program, to the extent that
10	data is available:
11	(A) The amount of funding the program receives each year and
12	funding sources for the program.
13	(B) The number of persons the program serves each year,
14	disaggregated by race, gender, and age range.
15	(C) Limitations, if any, on the length of stay for housing
16	programs and length of provision of services for service programs.
17	(D) Limitations, if any, on the length of stay for housing
18	programs and duration of provision of services for service
19	programs.
20	(\breve{E}) Specific subpopulations served and limits on eligibility for
21	services.
22	(F) Referral and prioritization protocols.
23	(G) If applicable, reasons for the unavailability of data.
24	(2) Identify the total number and type of subsidized beds or units
25	of permanent housing for people experiencing homelessness
26	statewide.
27	(3) Analyze the need for supportive housing, rapid rehousing,
28	and affordable housing for people experiencing homelessness.
29	(4) Analyze the need for services, and the type of services
30	needed, to assist people experiencing homelessness to find housing,
31	move into housing, remain stably housed, and grow income.
32	(5) Identify the number of and types of interim interventions
33	available to persons experiencing homelessness. The data
34	described in this paragraph shall also include, but is not limited
35	to, all of the following:
36	(A) The number of year-round shelter beds.
37	(B) The average length of stay in or use of interim interventions.
38	(C) The exit rate from an interim intervention to permanent
39	housing.

(6) Analyze the need for additional interim interventions and
 funding needed to create these interventions, taking into
 consideration the ideal length of stay set by the United States
 Department of Housing and Urban Development.
 (7) Identify or estimate the total number of people discharged

from state-funded institutional settings who fall into homelessness within 72 hours of discharge, disaggregated by race and gender.

8 If data are unavailable, the entity conducting the analysis may

9 extrapolate from national, local, or statewide estimates on the

10 number or percentage of people discharged from specific

11 institutional settings into homelessness.

12 (8) Collect data on the numbers and demographics of persons

13 experiencing homelessness, including, but not limited to, a

14 quantification of the racial and ethnic disparities in the homeless

15 population relative to the general population, to the extent data

- 16 *is available, in all of the following circumstances:*
- 17 (A) As a young adult.
- 18 (B) As an unaccompanied minor.
- 19 (C) As a single adult.

20 (D) As an adult over 50 years of age.

21 (E) As a survivor of gender-based violence.

(F) As a veteran.

23 (G) As a person on parole or probation.

24 *(H)* As a member of a family.

25 (I) As a single adult or family experiencing chronic patterns of 26 homelessness.

(J) As a person living with serious mental illness or a substanceuse disorder.

29 (*K*) As a member of the lesbian, gay, bisexual, transgender, and 30 queer (LGBTQ) community.

31 (L) As a parenting youth.

32 (9) Collect data on exits from homelessness to housing,

33 including, but not limited to, the number of people moving into

34 permanent housing and the type of housing being accessed, the

35 type of interventions people exiting homelessness received, if any,

36 and racial and gender characteristics of people accessing each

37 type of housing and receiving each type of intervention.

38 (10) Assess a sampling of data provided by local jurisdictions

39 regarding the number of people experiencing homelessness who

40 accessed interim interventions, including, but not limited to,

1 shelters, recuperative care, and motels and hotels, in response to

2 the COVID-19 pandemic, and the number of people who were able
3 to access permanent housing on or before the expiration of interim

4 assistance, disaggregated by race and gender.

5 (11) Create a financial model that will assess needs for investment in capital, in operating supports in project-based 6 7 housing, in rental assistance with private-market landlords, and 8 in services costs for purposes of moving persons experiencing 9 homelessness into permanent housing. The financial model shall include an explanation of how these investments will affirmatively 10 reduce and close any racial disparities identified in the homeless 11 12 population.

13 (b) (1) To conduct the needs and gaps analysis required by 14 subdivision (a), the coordinating council or other entity conducting 15 the analysis shall evaluate data from agencies and departments with representatives on the council, statewide and local homeless 16 17 point-in-time counts and housing inventory counts, data from housing exits, data from local gaps and needs analyses from 18 19 geographically diverse communities, and available statewide 20 information on the number or rate of persons exiting state-funded 21 institutional settings into homelessness.

(2) If specific data are unavailable, the coordinating council
or other entity conducting the analysis may calculate estimates
based on national or local data. The coordinating council or other
entity shall only use data that meets either of the following
requirements:

(A) The data is from an evaluation or study from a third-party
evaluator or researcher and is consistent with data from
evaluations or studies from other third-party evaluators or
researchers.

(B) An agency of the federal government cites and refers to the
data as evidence-based.

(3) The coordinating council or other entity conducting the
analysis may extrapolate data from a geographically diverse
sampling of local data analyses to inform the statewide analysis.

36 (c) The coordinating council shall report on the final needs and 37 gaps analysis by July 31, 2022, to the Assembly Committee on

38 Housing and Community Development, the Assembly Committee

39 on Budget, Senate Committee on Housing, and Senate Committee

40 on Budget and Fiscal Review. The report submitted pursuant to

this paragraph shall comply with Section 9795 of the Government 1 2 Code. 3 (d) The coordinating council shall seek technical assistance 4 offered by the United States Department of Housing and Urban 5 Development, if available, for the purpose of conducting the 6 statewide needs and gaps analysis required by this section. 7 SEC. 7. Section 8257.2 is added to the Welfare and Institutions 8 Code, to read: 9 8257.2. (a) Notwithstanding any other law, for purposes of 10 designing, collecting data for, and approving the needs and gaps analysis described in Section 8257.1, a state department or agency 11 12 that has a member on the coordinating council shall, within 180 13 days of a request for data pertaining to that state department or agency, provide to the coordinating council, or the entity 14 15 conducting the analysis, the requested data, including, but not 16 limited to, the number or rate of persons exiting state-funded 17 institutional settings into homelessness. 18 (b) The state department or agency shall remove any personally 19 identifying information provided pursuant to subdivision (a), if any. For purposes of this subdivision, "personally identifying 20 21 information" has the same meaning as defined in Section 1798.79.8 22 of the Civil Code. 23 SEC. 8. Section 8258 is added to the Welfare and Institutions 24 Code, to read: 25 8258. (a) The council shall convene a funder's workgroup to 26 accomplish the goals of this chapter. The workgroup shall include staff of the council, staff working for agencies or departments 27 28 represented on the council, and representatives on the committees 29 created pursuant to subdivision (1) of Section 13056. The funder's 30 workgroup may invite philanthropic organizations focused on 31 ending homelessness, reducing health disparities, ending domestic 32 violence, or ensuring Californians do not exit foster care or 33 incarceration to homelessness to participate in specific meetings. 34 (b) The funder's workgroup shall do all of the following: 35 (1) Align all request for proposals, all-county letters, and notices 36 of funding proposals with standards following evidence-based 37 housing and housing-based service models. 38 (2) Coordinate, as appropriate, with staff in the Governor's 39 office to solicit monetary donations or in-kind donations from 40 businesses, nonprofit organizations, or individuals for the purpose 98

1 of encouraging innovation in ending homelessness and augmenting

2 funding for evidence-based housing and services.

3 (3) Work collaboratively with county associations, and staff

4 from county and state departments, including the Department of

5 Corrections and Rehabilitation and the State Department of Health

6 Care Services, to establish discharge protocols and a process for

7 agencies and departments to collectively identify and assist

8 individuals exiting state-funded institutions, including, but not

9 limited to, people leaving prisons, state-funded hospitals or nursing

10 homes, and foster care, who are at risk of homelessness, along 11 with procedures or programs for state agencies and departments

11 with procedures of programs for state agencies and departin 12 to implement to prevent discharges into homelessness.

(4) Collaborate with existing state agency staff to develop a
universal application for developers, service providers, local
government agencies, and other entities to apply to agencies and
departments represented on the council for funding for services
and housing for persons experiencing homelessness.

18 (5) Examine and promote racially equitable and 19 gender-equitable policies for departments and agencies that 20 provide housing and services to individuals experiencing 21 homelessness.

(c) The workgroup shall coordinate relevant state agencies and
 departments to reduce the risk of long-term homelessness by
 developing specific protocols and procedures that accomplish all
 of the following:

(1) (A) Ensure that survivors of domestic violence, sexual
assault, and exploitation experiencing homelessness have access
to housing navigation, housing acquisition support, and programs
funded under this chapter that are specifically designed to meet
their needs.

(B) The services described under subparagraph (A) shall be
provided by, or in consultation with, domestic violence counselors,
as defined in Section 1037.1 of the Evidence Code, and provided
in compliance with all applicable state and federal confidentiality
laws.

(2) Assist individuals reentering communities from jails and
 prisons with housing navigation, housing acquisition support, and
 obtaining permanent housing.

39 (3) Assist young adults exiting foster care and former foster 40 youth with housing navigation, obtaining permanent housing,

1 accessing legal assistance, and navigating available public benefits 2 that they may be entitled to receive. 3 (4) Assist people exiting hospitals, nursing homes, and state 4 hospitals for people with mental illness to obtain permanent 5 housing, or, if an individual needs care and supervision, licensed 6 residential facilities. 7 (5) Connect older adults to programs and services that assist 8 independent living, including the assisted living waiver program, 9 as described in Section 14132.26, in-home supportive services, as 10 described in Article 7 (commencing with Section 12300) of Chapter 11 3 of Part 3 of Division 9, Program of All-Inclusive Care for the 12 Elderly (PACE) services, as described in Chapter 8.75 13 (commencing with Section 14591) of Part 3 of Division 9, and 14 other wraparound and personal care services. 15 SEC. 9. Chapter 5.2 (commencing with Section 13050) is added to Part 3 of Division 9 of the Welfare and Institutions Code, to 16 17 read: 18 19 Chapter 5.2. Bring California Home Act 20 21 13050. This chapter shall be known, and may be cited, as the 22 Bring California Home Act. 23 13051. The Legislature finds and declares all of the following: 24 (a) Homelessness is solvable, and the state has a role to play 25 in rendering homelessness rare, brief, and nonrecurring. In fact, national and other state experiences show that jurisdictions at 26 27 every level, including homeless continuums of care, cities, counties, 28 and the state, must collaborate to achieve advances in reducing 29 and ultimately solving homelessness. 30 (b) In January 2019, an estimated 151,278 people experienced 31 homelessness in California at a single point in time, as reported 32 by the United States Department of Housing and Urban Development. This is the highest number since 2007, and 33 34 represented a 17-percent increase since 2018. Experts predict 35 significant increases in homelessness in 2021 resulting from the 36 COVID-19 economic downturn. 37 (c) African Americans are disproportionately represented among 38 California's homeless population. While 6.5 percent of 39 Californians identify as Black or African American, almost 40 40 percent of the state's homeless population is African American.

1 The rate of homelessness among African Americans is almost twice

2 the rates of poverty among African Americans. Similarly,

3 indigenous populations are over six times more likely to experience

4 homelessness than the general population.

5 (d) Latinx Californians are least likely to access housing and 6 services available in their communities.

7 (e) Women have unique precursors and experiences of homelessness. Domestic violence is a primary cause of 8 9 homelessness for women, and women are more likely to experience 10 domestic violence, sexual assault, and exploitation once they become homeless. Domestic violence is also a common experience 11 12 and cause of homelessness among families, youth, and people who 13 identify as transgender. Survivors of domestic violence, sexual 14 assault, and exploitation are typically underserved in our homeless 15 systems. 16 (f) Research suggests homeless populations are at far greater

17 risk for consequences of COVID-19. Early studies estimated people
18 experiencing homelessness are two to three times as likely to die
19 from COVID-19 than the general population. COVID-19 is putting
20 pressure on local homeless systems to open safe sites for people
21 to shelter, in noncongregant settings, to avoid the spread of
22 COVID-19.

23 (g) Due to the economic impacts of COVID-19, researchers 24 estimate significant increases in homelessness.

(h) COVID-19 has also resulted in increased rates of domestic
violence, putting pressure on domestic violence response systems
to ensure safe housing for survivors.

(i) People living on the streets typically resided in a surrounding

neighborhood prior to falling into homelessness. As examples, 70

30 percent of the people experiencing homelessness in the City and

31 *County of San Francisco lived in the city before becoming homeless*

32 and only 8 percent came from out of state; about 75 percent of the

homeless population of the County of Los Angeles lived in the
 region before becoming homeless; and 73 percent of people
 experiencing homelessness in the County of Tehama were living

36 in the county before becoming homeless.

37 (j) Homelessness often results from institutionalization, and

38 homelessness often also causes a cycle of institutionalization that

39 generates significant public sector costs. Reversing a cycle of

40 institutionalization and homelessness requires collaboration

1 between the state, local governments, and the private sector,

2 including collaboration to prevent discharges from institutional3 settings into homelessness.

4 (k) Almost 30 years of studies consistently prove housing 5 affordable to people experiencing homelessness and without limits 6 on length of stay, referred to as permanent housing, allows people 7 to exit homelessness and remain stably housed. Recent experiences 8 with investment in permanent housing for veterans shows we can 9 reduce homelessness significantly with appropriate levels of 10 investment in permanent housing. Evidence further shows people cannot recover from a serious mental illness, a substance use 11 12 disorder, or a chronic medical condition, or reduce their rate or 13 incidence of incarceration, hospitalization, or institutionalization, 14 unless and until housed. 15 (1) People who move from homelessness to permanent housing

are able to reduce the overall costs of public services. Randomized, 16 17 control-group studies, including studies published in the Journal 18 of the American Medical Association, show that housing with 19 services allows formerly homeless people with serious mental illness to reduce their Medicaid and justice-system costs, often 20 21 equivalent to the costs of housing and services. Providing housing 22 to people experiencing homelessness is also shown to reduce local 23 and state jurisdictions' expenditures on public safety, health care, 24 and sanitation.

25 (m) By creating a Bring California Home Fund, it is the intent 26 of the Legislature to make homelessness rare, brief, and 27 nonrecurrent. Toward this end, it is the intent of the Legislature 28 to create a subsidy program to fill gaps within state's response to homelessness, scale evidence-based solutions while promoting 29 30 innovation to move people quickly into permanent housing, 31 eliminate racial and gender disparities in who becomes homeless 32 and who is able to access housing and housing-based services, 33 establish greater flexibility and a more nimble process in 34 implementing a comprehensive response to homelessness, facilitate 35 critically needed collaboration between different levels of 36 government, align housing and services resources, foster a 37 streamlined process at the local and state levels to fund and build 38 housing opportunities more quickly, and standardize the state's 39 response to homelessness toward a focus on evidence-based

1	housing and housing-based	l services	solutions	through	long-term
2	11 1 1 1	1			

- 2 state and local structural changes.
- 3 (n) It is the intent of the Legislature that racial disparities in
 4 the homeless population be eliminated by December 31, 2032.
- 5 (o) Multinational corporations have been shifting income out 6 of the California corporate tax base for decades. To recapture lost 7 revenue on an ongoing basis, it is the intent of the Legislature to 8 conform to certain provisions of the federal Internal Revenue Code
- 9 governing the taxation of corporations, as provided in the act 10 adding this chapter.
- (p) It is further the intent of the Legislature to return corporate
 tax rates for the wealthiest corporations to historic corporate tax
 rates, as provided in the act adding this chapter, to save the lives
 of people experiencing homelessness and resolve one of the
 greatest moral crises of our state.
- 16 *13052.* (*a*) (*1*) The Bring California Home Fund is hereby 17 created in the State Treasury.
- (2) (A) (i) No later than June 1, 2022, the Franchise Tax Board,
 in consultation with the Department of Finance, shall estimate the
- in consultation with the Department of Finance, shall estimate theamount of revenue that would have resulted if Sections 17087.7
- 21 and 25110.1 of the Revenue and Taxation Code, as added by the
- 22 act adding this chapter, and the amendments to Section 23151 of
- 23 the Revenue and Taxation Code made by the act adding this
- 24 chapter had applied to taxable years beginning on or after January
- 25 1, 2021, and before January 1, 2022, and notify the Controller of
- 26 *that amount.*
- 27 (ii) No later than June 1, 2023, and annually thereafter, the 28 Franchise Tax Board, in consultation with the Department of
- 29 Finance, shall estimate the amount of additional revenue resulting
- 30 from the application of Sections 17087.7 and 25110.1 of the
- 31 Revenue and Taxation Code, as added by the act adding this
- 32 chapter, and the amendments to Section 23151 of the Revenue and
- 33 Taxation Code made by the act adding this chapter for the taxable
- 34 years beginning on or after January 1 of the calendar year
- 35 *immediately preceding the year in which the estimate is made and*
- 36 before January 1 of the year in which the estimate is made and
- 37 notify the Controller of that amount.
- 38 (B) Upon receiving the notifications from the Franchise Tax
- 39 Board pursuant to subparagraph (A), the Controller shall transfer
- 40 an amount, equal to the amount estimated by the Franchise Tax
 - 98

Board in those notifications, from the General Fund to the Bring
 California Home Fund.

3 (3) In addition to the moneys made available pursuant to 1/2

4 paragraph (2), moneys in the fund may include, but are not limited

5 to, moneys transferred from other state sources, private or

6 philanthropic donations, and any recoveries or reversions resulting7 from activities pursuant to this chapter.

b) Notwithstanding Section 13340 of the Government Code, *moneys in the fund are continuously appropriated to the Homeless*

10 Coordinating and Financing Council and the Department of

11 Housing and Community Development solely for the purpose of 12 implementing and administering this chapter.

13 (c) (1) The Homeless Coordinating and Financing Council and 14 the Department of Housing and Community Development shall 15 work collaboratively pursuant to a memorandum of understanding to carry out the functions and duties of this chapter and to address 16 17 their respective and shared responsibilities in implementing, 18 overseeing, and evaluating this chapter. The council and the 19 department shall leverage the programmatic and administrative expertise of relevant state agencies, as that term is defined in 20 21 Section 11000 of the Government Code, in implementing the 22 program. 23 (2) No later than March 31, 2022, the council and the

department shall submit a copy of the final memorandum of understanding to the Senate Committee on Budget and Fiscal Review and the Assembly Committee on Budget. The copy of the final memorandum of understanding required to be submitted to committees of the Legislature pursuant to this paragraph shall be submitted in compliance with Section 9795 of the Government

30 *Code*.

31 (d) In implementing this chapter, the council shall establish a 32 division to implement the auditing, monitoring, technical

33 assistance, administration, and training activities described in this

34 chapter that is separate from the coordinating activities of the

35 council described in Section 8257.

36 (e) Notwithstanding any other law, nonstate moneys
37 appropriated from the fund that are not encumbered or liquidated

38 *shall revert to the fund.*

39 *13053.* For purposes of this chapter:

1 (a) "Affordable housing" means multifamily rental housing 2 receiving public subsidy that allows extremely, extremely low 3 income households, extremely low income households, and very 4 low income households occupying that housing to pay no more 5 than 30 percent of their household income on rent. (b) "Agency" means the California Health and Human Services 6 7 Agency. 8 (c) "Area median income" means the median family income of 9 a geographic area of this state, determined in accordance with Section 50093 of the Health and Safety Code. 10 (d) "Continuum of care" has the same meaning as defined by 11 the United States Department of Housing and Urban Development 12 at Section 578.3 of Title 24 of the Code of Federal Regulations. 13 (e) "Coordinated entry system" means a centralized or 14 15 coordinated process developed pursuant to Section 576.400 or 578.7, as applicable, of Title 24 of the Code of Federal 16 17 Regulations, as that section read on January 1, 2020, designed to 18 coordinate program participant access, assessment, prioritization, 19 and referrals. For purposes of this chapter, a centralized or coordinated assessment system shall cover the geographic area. 20 21 be easily accessed by individuals and families seeking housing or 22 services, be well advertised, and include a comprehensive and 23 standardized assessment tool. However, the assessment tool may vary to assess the specific needs of an identified population. The 24 25 centralized or coordinated assessment system shall also specify 26 how it will address the needs of individuals or families who are 27 fleeing, or attempting to flee, domestic violence, dating violence, 28 sexual assault. or stalking. 29 (f) "Council" means the Homeless Coordinating and Financing 30 Council. (g) "Department" means the Department of Housing and 31 32 Community Development. 33 (h) "Diversion" means services to connect individuals and 34 families to alternate housing arrangements, case management 35 services, and financial assistance to divert the household from 36 shelter use and into permanent housing, including, but not limited

37 to, housing arrangements with friends or family.

38 (*i*) "Eligible population" means persons experiencing

39 homelessness and persons exiting rapid rehousing, transitional 40

housing, or an institutional setting who are homeless or were

homeless before their entry and have no other housing options
 upon exit without assistance.

3 (j) "Extremely, extremely low income households" means 4 persons and families whose household income does not exceed 20 5 percent of the area median income, as adjusted for family size and 6 revised annually.

7 (k) "Extremely low income households" has the same meaning
8 as defined in Section 50106 of the Health and Safety Code.

9 (1) "Fund" means Bring California Home Fund created 10 pursuant to Section 13052.

11 (m) "Gender-based violence" includes domestic violence, dating 12 violence, sexual assault, stalking, human trafficking, and 13 commercial sexual exploitation. The term acknowledges that the 14 majority of victims of gender-based violence are women or 15 female-identified people.

16 (*n*) "Holding fees" and "vacancy costs" mean payments to 17 private-market landlords as incentives to hold a housing unit as 18 available to an eligible participant while the participant or 19 landlord are waiting for approval to rent the housing unit

19 *landlord are waiting for approval to rent the housing unit.*

20 (o) "Homeless," "homelessness," "imminent risk of 21 homelessness," and "chronically homeless" have the same

22 meanings as those terms are each defined in Section 578.3 of Title

23 24 of the Code of Federal Regulations, as that section read on
24 January 1, 2021.

25 (p) "Homeless Management Information System" or "HMIS" 26 means the information system designated by a continuum of care 27 to comply with federal reporting requirements as defined in Section 28 578.3 of Title 24 of the Code of Federal Regulations, as that section 29 read on January 1, 2021. The term "Homeless Management 30 Information System" or "HMIS" also includes the use of a 31 comparable database by a victim services provider or legal 32 services provider that is permitted by the United States Department of Housing and Urban Development under Part 576 of Title 24 of 33 34 the Code of Federal Regulations, as that part read on January 1, 35 2021. 36

36 (q) "Homeless youth" means an unaccompanied youth between
37 12 and 24 years of age, inclusive, who is experiencing
38 homelessness, as defined in subsection (2) of Section 725 of the
39 federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec.

40 *11434a*(2)).

1 (r) Subject to paragraph (1) of subdivision (t), "Housing First"

2 means adhering to the core components specified in Section 8255,
3 except that recipients may fund recovery housing if the tenant

4 chooses to live in an abstinence-based setting over a harm

5 reduction setting and the housing otherwise complies with all other

6 core components of Housing First described in Section 8255,

7 including requirements that tenants have leases, that they are not

8 evicted for relapse or failure to participate in services, and that

9 they are provided services to relocate to housing offering a harm

10 reduction model if they choose to live in such housing.

(s) "Housing navigation" means services that assist program
participants with locating permanent housing with private market
landlords or property managers who are willing to accept rental
assistance or operating subsidies for the program participants to

15 assist those program participants in obtaining local, state, or

16 federal assistance or subsidies; completing housing applications

17 for permanent housing or housing subsidies and, when applicable,

18 move-in assistance; and obtaining documentation needed to access

19 permanent housing and rental assistance or subsidies.

20 (t) "Interim intervention" means a safe place to live that is low

21 *barrier but does not qualify as permanent housing and includes,*

22 but is not limited to, emergency shelters, navigation centers, motel

23 vouchers, recovery-oriented interim interventions, Project Roomkey

24 or Project Homekey sites used as interim housing, a cabin or 25 similar communities, and recuperative or respite care, as those

terms may be defined under any other applicable local, state, or

27 federal program. For purposes of this subdivision, an interim

28 *intervention shall be deemed to be "low barrier" if all of the* 29 *following apply:*

(1) The interim intervention is a Housing First, service-enriched
intervention focused on moving people into permanent housing
that provides temporary living facilities while case managers
connect individuals experiencing homelessness to permanent
housing, income, public benefits, and health services.
Notwithstanding subdivision (r), for purposes of interim
interventions "Housing First" shall not require a lease.

37 (2) The interim intervention utilizes best practices to reduce
38 barriers to entry, including, but not limited to, allowing partners
39 and older minors, unless the interim intervention is a
40 population-specific site; allowing pets; allowing storage of

possessions; allowing residents to engage in treatment for
 substance use disorders including medications for addiction
 treatment; offering services to connect persons to permanent
 housing; providing privacy; and providing linkage to a coordinated
 entry system.

6 (3) The interim intervention offers a harm reduction approach,
7 except where tenants request an abstinence-based model.

8 (4) The interim intervention has a system for entering 9 information regarding client stays, demographics, income, and 10 exit destination though a local HMIS or similar system.

(u) "Large city" means a city or city and county, whether
general law or chartered, with a population of 300,000 or greater
based on the most recent American Community Survey.

(v) "Master leasing" means that a single lease covers multiple
properties leased from a landlord or property manager to a
recipient or subrecipient that the recipient or subrecipient sublets
to program participants. The single lease shall comply with all
applicable provisions of this chapter and be subject to the rights
and responsibilities of tenancy under the laws of this state.

20 (w) "Multifamily rental housing" means an improvement on 21 real estate consisting of one or more buildings that contain five 22 or more residential rental units.

(x) "Operating subsidy" means a subsidy that allows an
individual or household to occupy a new or existing permanent
housing or supportive housing project while paying no more than
30 percent of their income on rent. An "operating subsidy" may
include a capitalized operating subsidy reserve for at least 17
years.

(y) "Participant" or "tenant" mean a person or household that
is a member of the eligible population and receives assistance
under this chapter.

(z) "Permanent housing" means a structure or set of structures
with no limit on length of stay, even if accompanied by time-limited
rental subsidy, that is subject to applicable landlord-tenant law
and has no requirement to participate in supportive services as a
condition of access to or continued occupancy in the housing.

(aa) "Point-in-time count" has the same meaning as defined in
Section 578.3 of Title 24 of the Code of Federal Regulations, as

39 that section read on January 1, 2021.

(ab) "Populations who face barriers to accessing housing"
include, but are not limited to, all of the following:

3 (1) Survivors of gender-based violence.

4 (2) Persons who are at least 50 years of age and are 5 experiencing homelessness or exiting nursing care with nowhere 6 to go upon exit.

7 (3) Persons with high-acuity chronic medical or behavioral
8 health conditions experiencing homelessness or who were homeless
9 when admitted to an institutional setting or who have nowhere to

10 *live upon discharge from an institutional setting.*

(4) Persons exiting justice settings who were homeless when
incarcerated or who have a history of homelessness prior to
incarceration and have nowhere to live upon discharge.

(ac) "Prevention and problem-solving" and "rapid resolution"
mean using targeted person-centered, short-term housing or
services approaches to assist households who are at imminent risk
of homelessness or have recently fallen into homelessness to
maintain their current housing or identify an immediate and safe

19 *housing alternative within their social network.*

(ad) "Program" means the Bring California Home Program
established and implemented in accordance with this chapter.

22 (ae) (1) "Rare, brief, and nonrecurrent" means strategies to

23 help the state and communities build lasting systems addressing

24 the immediate crisis of homelessness that are able to respond to

25 housing instability and homelessness quickly and efficiently.

(2) Making homelessness "rare" means incorporating strategies
for system building, partnerships with mainstream systems, and
diversion and prevention strategies.

29 (3) Making homelessness "brief" means leveraging strategies

30 to support comprehensive outreach, low barrier emergency shelter,

coordinated entry systems, and swift connections to permanent
 housing, with Housing First practices underpinning every element

33 of the response.

34 (4) Making homelessness "nonrecurring" means people exit to

permanent housing stably and successfully and do not return tohomelessness, as they are able to use housing as a platform for

37 accessing services that allow them to stabilize and thrive.

38 (af) "Reasonable rent" means an amount of rental payments

39 that does not exceed two times the fair market rent and is consistent

40 with the market rent in the community in which the multifamily

rental housing is located. For purposes of this subdivision, "fair
 market rent" means the rent, including the cost of utilities, as
 established by the United States Department of Housing and Urban

4 Development pursuant to Parts 888 and 982 of Title 24 of the Code

4 Development pursuant to Faris 666 and 962 of fille 24 of the Code

5 of Federal Regulations, as those parts read on January 1, 2021,
6 for units by number of bedrooms, that must be paid in the market

7 area to rent privately owned, existing, decent, safe, and sanitary

8 rental housing of nonluxury nature with suitable amenities.

9 (ag) "Recipient" means a large city, developer, or county that 10 applies jointly with a continuum of care and receives funds under 11 the program, as applicable.

(ah) "Recovery housing" means housing geared toward 12 13 individuals who choose to live in an abstinence-only environment over a harm reduction model, while learning how to sustain 14 15 long-term recovery from substance use disorders, that allows for medications for addiction treatment, that provides housing 16 17 navigation services to tenants who wish to leave recovery housing 18 for a harm reduction model, and that otherwise follows the core 19 components of Housing First described in Section 8255 and the 20 provisions of this chapter.

(ai) "Rental assistance" means a tenant-based rental subsidy
provided to a landlord or property manager to assist a tenant in
paying the difference between 30 percent of the tenant's household
income and the reasonable rent for the multifamily rental housing

25 unit, as determined by the recipient.

(aj) "Severe rent burden" means a condition in which a person
or family pays more than 50 percent of their total household
income, as reported by the American Community Survey.

(ak) "Shared housing" means a type of permanent housing inwhich tenants have their own lease, with all of the rights and

31 responsibilities of tenancy under the laws of this state, and may

32 share occupancy of that permanent housing with one or more other

33 tenants, or share use of either or both a kitchen and a bathroom

with one or more other tenants, subject to the applicable conditionsspecified in this chapter.

36 (al) "Subrecipient" means a unit of local government or a 37 private nonprofit organization that the recipient determines is

38 qualified to undertake the eligible activities for which the recipient

39 seeks funds under the program, and that enters into a contract

with the recipient to undertake those eligible activities in 1 2 accordance with the requirements of the program. 3 (am) "Supportive housing" means permanent housing that is 4 occupied by an eligible tenant and that is linked to onsite or offsite 5 tenancy transition services and tenancy sustaining services that assist the supportive housing tenants in retaining housing, 6 7 improving residents' health status, and maximizing residents' 8 ability to live and, when possible, work in the community. 9 "Supportive housing" includes associated facilities if used to provide services to housing residents. 10 (an) "Tenancy acquisition services" means staff dedicated to 11 engaging property owners to rent housing units to the eligible 12 population through rental assistance. 13 14 (af) "Tenancy sustaining services" means, using evidence-based 15 service models, any of the following: (1) Early identification and intervention of behaviors that may 16 17 *jeopardize housing security.* (2) Education and training on the rights and responsibilities of 18 19 the tenant and the landlord. 20 (3) Coaching on developing and maintaining key relationships 21 with landlords or property managers. (4) Assistance in resolving disputes with landlords and 22 23 neighbors to reduce the risk of eviction. 24 (5) Advocacy and linkage with community resources to prevent 25 eviction when housing may become jeopardized. 26 (6) Care coordination and advocacy with health care 27 professionals. 28 (7) Assistance with a housing recertification process. (8) Coordinating with the tenant to review and update a housing 29 30 support and crisis plan. (9) Training in being a good tenant and lease compliance. 31 32 (10) Benefits advocacy. 33 (11) Evidence-employment services. 34 (12) Services connecting individuals to education. 35 (13) Any other service that supports individuals and families to promote housing stability, foster community integration and 36 37 inclusion, and develop natural support networks and that are offered through a trauma-informed, culturally-competent approach. 38 39 (ao) "Tenancy transition services" means using evidence-based 40 service models to provide any of the following:

1 (1) Screening and assessing the tenant's preferences and 2 barriers to successful tenancy.

3 (2) Developing an individualized housing support plan that 4 includes motivational interviewing and goal setting.

5 (3) Assistance with the housing application and search process.

6 (4) Identifying resources to cover expenses for move-in and 7 furniture costs.

8 (5) Ensuring that the living environment is safe and ready for 9 move-in.

10 (6) Assisting and arranging for the details of the move.

11 (7) Developing a housing support crisis plan that includes

12 prevention and early intervention when housing is jeopardized.

13 (8) Engagement services.

(9) Any other evidence-based services that an individual tenant
may require to move into permanent housing.

(ap) "Very low income households" has the same meaning as
defined in Section 50105 of the Health and Safety Code.

18 *13054.* (*a*) Notwithstanding any other law and to the extent 19 allowable under federal law, assistance, services, or supports

received pursuant to this chapter are not income of the participant
 for purposes of determining eligibility for, or benefits pursuant to,

21 *Jor purposes of acternating engineering jor, or benefits pursuant to,* 22 *any public assistance program. Participation in other benefits or*

23 housing or housing-based services programs shall not disqualify

24 a person or household from being a participant for purposes of

25 housing or services funded pursuant to this chapter.

26 (b) The provisions of this chapter are severable. If any provision

27 of this chapter or its application is held invalid, that invalidity

28 shall not affect other provisions or applications that can be given

29 effect without the invalid provision or application.

30 *13055.* (a) The council shall administer allocations from the

31 fund to counties and continuums of care that apply jointly pursuant

32 to Section 13058 and to large cities that apply pursuant to Section

13059. The department shall administer allocations to developers
 pursuant to Section 13060. The council and the department shall

35 administer the fund and allocate the moneys in the fund as follows:

36 (1) The council and the department may expend up to 5 percent

37 of the moneys available in the fund in any calendar year for

38 purposes of administering the program, including for ongoing

39 technical assistance and training to recipients and measuring data

40 *and performance*.

1 (2) The department shall allocate four hundred million dollars 2 (\$400,000,000) pursuant to Section 13060.

3 (3) The council shall set aside two hundred million dollars
4 (\$200,000,000) for bonus awards to recipients, as provided in
5 subdivision (e) of Section 13056.

6 (4) (A) The council shall allocate the remaining amount in the 7 fund after the allocations made pursuant to paragraphs (1) through 8 (3), inclusive, as follows:

9 (i) Sixty percent of the amount described in this paragraph to 10 counties and continuums of care applying jointly, pursuant to 11 Section 13058.

(ii) Forty percent of the amount described in this paragraph tolarge cities, pursuant to Section 13059.

14 (B) The council shall allocate funding to eligible recipients in

accordance with this paragraph that apply and meet the applicablethreshold requirements under Section 13058 or 13059, as

17 applicable, according to the following formula:

18 *(i)* The council shall afford 70 percent weight based on the 2019

19 homeless point-in-time count conducted by the United States20 Department of Housing and Urban Development for the relevant

21 *jurisdiction*.

(ii) The council shall afford 30 percent weight based on the
 number of extremely low income households who are severely rent
 burdened in the relevant jurisdiction, based on the most recent

24 Durdened in the relevant jurisdiction, based on the most received 25 American Community Survey at the time of the application.

(b) Each recipient and subrecipient shall ensure that any
expenditure of moneys allocated to it pursuant to this chapter
serves the eligible population, unless otherwise expressly provided
in this chapter.

30 13056. (a) In allocating moneys under the program, the council
31 and the department shall comply with the following:

(1) No later than September 1, 2022, the council shall develop
guidelines and draft notices of funding availability or requests for
proposal, and the department shall adopt any necessary changes
to existing guidelines, in accordance with the rulemaking
provisions of the Administrative Procedure Act (Chapter 3.5
(commencing with Section 11340) of Part 1 of Division 3 of Title
2 of the Government Code).

39 (2) No later than January 1, 2023, and no later than March 1
40 of each year thereafter, the council shall issue award notices.

1 (3) No later than March 31, 2023, and no later than April 1 of 2 every other year thereafter, the council shall allocate all available 3 funding for each two-year cycle.

4 (4) The council and the department shall issue a notice of 5 funding availability or request for proposal, as applicable, on a 6 consistent basis every two years.

(b) (1) The council and the department shall develop a simple 7 8 application that an entity eligible to receive an allocation under 9 this chapter may use to apply for that allocation and, consistent 10 with the requirements of this chapter, common standards for 11 recipients to monitor, report, and ensure accountability, provide 12 services, and subsidize housing. The council and the department 13 shall, to the extent feasible and consistent with the requirements 14 of this chapter, ensure that the common standards are the same 15 or similar for each applicant.

(2) To the extent feasible, the council and the department shall
work with the agency to connect services available under other
programs, including, but not limited to, services provided under
the Medi-Cal Act (Chapter 7 (commencing with Section 14000)),

20 to housing opportunities created through the fund.

(c) The council shall issue applications for allocations to
counties and continuums of care, pursuant to Section 13058, and
to large cities, pursuant to Section 13059, on the same date and
subject to the same deadlines. The council shall require that
recipients under Sections 13058 and 13059, as applicable, provide
the following information in their applications:

27 (1) The expected outcomes, numeric goals, and performance 28 measures established through consultation between the applicant and council staff pursuant to subdivision (g), as well as a 29 30 description of policy changes the applicant will take to ensure 31 racial and gender equity in service delivery, housing placements, 32 and housing retention and changes to procurement or other means 33 of affirming racial and ethnic groups that are overrepresented 34 among residents experiencing homelessness have equitable access 35 to housing and services.

36 (2) A description of the specific actions, including funding
37 allocations, that will be taken to affirmatively eliminate gender
38 disparities in accessing homeless systems.

39 (3) Evidence that the applicant will adhere to Housing First in40 housing and housing-based services programs.

1 (4) Specific roles and responsibilities for each local agency, 2 continuum of care, and providers, including roles and 3 responsibilities in implementing systems improvements.

4 (5) A description of how the applicant will prevent returns to 5 homelessness among the eligible population.

6 (6) Goals for cross-agency collaboration, including 7 demonstration of collaboration between large cities, counties, and 8 continuums of care, to foster evidence-based solutions to 9 homelessness, and plans for making the applicants capital projects 10 viable through collaboration with other applicants and funders.

11 (7) An identification of the agency or agencies that will 12 administer the funding, ensuring agencies have relevant 13 experience.

(8) In the case of a joint application by a county and a
continuum of care pursuant to Section 13058, a description of how
the recipient will align and leverage state funding with existing
resources to create a flexible pool of funds.

18 (9) In the case of a joint application by a county and a 19 continuum of care pursuant to Section 13058, a description of how 20 the applicant will prevent exits to homelessness from institutional

settings, including plans to scale funding from mainstream systems

22 for evidence-based housing and housing-based solutions to 23 homelessness.

(10) A description of how an applicant pursuant to Section
13058 will provide incentives to cities within its territory to enact,

26 or how an applicant pursuant to Section 13059 will enact, land

27 use changes to streamline approval of supportive and affordable28 housing and low-barrier shelters.

(11) Ways in which the applicant will include people with lived
 expertise of homelessness in planning and decisionmaking.

31 (12) Processes to include youth and adults with lived expertise

32 of homelessness in decisionmaking, which may include, but is not

be limited to, planning and program delivery, advisory boards,and technical assistance.

35 (*d*) (1) Based on the statewide needs and gaps analysis 36 conducted pursuant to Section 8257.1, the council shall establish

37 performance outcomes to make homelessness rare, brief, and

38 nonrecurring, and develop guidelines, with stakeholder input, to

39 include criteria in setting state and recipient performance outcome

goals, informed by United States Department of Housing and
 Urban Development system performance measures.

3 (2) The council shall consult with applicants to identify 4 ambitious and achievable performance outcomes that are 5 measurable and consistent with United States Department of 6 Housing and Urban Development performance standards. The 7 council shall work with applicants to achieve more challenging 8 outcomes for each progressive grant cycle.

9 (3) Applicants shall demonstrate an intent to apply before 10 engaging in consultation with the council pursuant to paragraph 11 (2), and may submit an application once the council approves the

12 applicant's performance outcomes.

(4) Based on criteria in guidelines and data of needs in the
recipient's jurisdiction, the council and each recipient shall
establish the performance outcomes for the initial cycle within the
first year of award. These performance outcomes may include
systems changes to help the recipient meet subsequent performance
outcomes and reductions in the number of people living in

19 unsheltered settings.
20 (5) The council and each recipient shall establish outcome goals

21 *before each subsequent grant cycle, as follows:*

(A) Performance outcomes in subsequent cycles shall include,at minimum, the following:

(i) A specified reduction in the number of people experiencinghomelessness.

(ii) Specific outcomes for more equitably serving populations
 overrepresented among the eligible population.

(iii) Specified reductions in racial and gender disparities among
 people experiencing homelessness in subsequent grant cycles.

30 (B) Other performance outcomes may include, but are not 31 limited to, the following:

32 (i) A minimum number of people experiencing homelessness

33 who are diverted from a homeless shelter or who have successfully
34 accessed permanent housing during the relevant period.

(ii) Minimum reductions in people becoming homeless, including
 targeted homelessness prevention and reductions in returns to
 homelessness.

(iii) A minimum number of people exiting homelessness during
 the relevant period.

1 *(iv)* Commitments of funding to solve homelessness from existing

2 resources used to address mental illness, substance use, medical

3 *care, the justice system, and child welfare involvement within the* 4 *jurisdiction.*

5 (v) Meaningful commitments of local housing and homeless 6 services funding toward solving homelessness.

(vi) Memoranda of understanding for interjurisdictional
collaboration, with specific agreements to meet performance
standards.

10 (e) The council shall establish a process and guidelines for

11 awarding bonus funding to recipients under Sections 13058 and

12 13059, from the moneys described in paragraph (3) of subdivision
13 (a) of Section 13055, in accordance with the following:

(1) (A) The council shall award bonus funding to each recipient
in the first two-year cycle of the recipient's award.

16 (B) A recipient shall use bonus funding awarded pursuant to 17 this paragraph for the following purposes:

18 *(i) Conducting or working with a technical assistance provider*

19 to conduct or update a countywide homeless gaps and needs 20 analysis.

21 *(ii) Capacity building and workforce development for the* 22 *jurisdiction's administering staff and providers.*

(iii) Funding gaps in existing evidence-based programs serving
 people experiencing homelessness.

(iv) Investing in data systems to meet reporting requirementsor strengthen the recipient's HMIS.

(v) Creating a mechanism for pooling and aligning housing and
services funding from existing, mainstream, and new funding.

(vi) Strengthening existing interim interventions to ensure those
systems operate safely in the wake of COVID-19 and other public

31 *health crises.*

32 (vii) Improving homeless point-in-time counts.

(viii) Improving coordinated entry systems or creating a
 youth-specific coordinated entry system.

(ix) Funding capitalized operating subsidy reserves in capital
 projects, if the jurisdiction does not require the above systems
 improvements.

38 (2) (A) If, after the first or a subsequent grant cycle, as

39 applicable, a recipient has achieved the performance outcomes

approved by the council pursuant to subdivision (d) for that cycle,
 the council shall award bonus funding in the next award cycle.

3 (B) A recipient may use bonus funding awarded pursuant to 4 this paragraph for any purpose, consistent with the following 5 requirements:

6 (i) The recipient shall use the bonus funding awarded pursuant 7 to this paragraph to serve the eligible population or people at 8 imminent risk of homelessness, as defined in this chapter.

9 (ii) The recipient shall report to the council on the use of bonus 10 funding awarded pursuant to this paragraph and request approval 11 from the council for that use.

(iii) The recipient may only use bonus funding for the purpose
reported pursuant to clause (ii) if the council approves that use of
funding. The council shall approve a requested use of funding if,
in the council's judgment, the recipient's proposed use would
further the purposes of this chapter.

17 (3) If, by a date determined by the council at the end of the first 18 or a subsequent grant cycle, as applicable, a recipient has failed 19 to achieve the outcomes approved by the council pursuant to subdivision (d) for that cycle, the council shall reduce or denv 20 21 bonus funding to that recipient in the next award cycle. Any moneys 22 dedicated for bonus funding pursuant to paragraph subdivision 23 (a) of Section 13055 that is not awarded to a recipient in any award 24 cycle for failure to achieve outcomes, as provided in this 25 paragraph, shall revert to the fund and the council shall allocate 26 those moneys as bonus funds to other recipients that have met their 27 approved outcomes in accordance with this subdivision. 28 (f) The council shall work closely with recipients under Sections

29 13058 and 13059 to provide technical assistance to those recipients

and their subrecipients in complying with the requirements of this

31 chapter and achieving the performance standards approved by

32 the council pursuant to subdivision (d). Technical assistance under

33 this subdivision shall include, but is not limited to, all of the 34 following:

(1) Using data to develop a systems model that identifies
investments needed for evidence-based interventions to impact
system flow and exits to permanent housing, based on a gaps and
needs analysis.

39 (2) Working regionally to scale up housing and services 40 interventions.

1 (3) Adopting Housing First core components.

2 (4) Reducing racial disparities in homelessness and racial and

3 gender disparities in access to housing and services.

4 (5) Creating a flexible subsidy pool or other mechanism that

5 aligns housing and services funding, including funding under this6 chapter, as well as existing funding under mainstream programs.

7 (6) Meeting United States Department of Housing and Urban
8 Development performance metrics and standards for reductions
9 in homelessness.

10 (g) The council and the department shall develop quality 11 standards with which each recipient shall comply. These quality 12 standards shall include, but are not limited to, the following:

(1) Each unit of new construction or rehabilitated through
capital funding or operating reserves shall include a bathroom in
each unit and either a kitchenette in each unit or an accessible,
shared kitchen space accessible to all tenants, except that, in the
case of acquisition and rehabilitation of single-room occupancy
settings, each housing unit shall be equipped with a bathroom in

19 the unit or a shared bathroom and kitchen easily accessible to the 20 tenants.

21 (2) (A) For rental assistance provided to private market or 22 nonprofit landlords, the following shall apply:

23 (i) Except as otherwise provided in clause (ii), each housing

unit shall include a bathroom and an easily accessible kitchen orkitchenette.

(ii) If the tenant resides in a single-room occupancy setting,
each housing unit shall be equipped with either a bathroom within

the unit or a shared bathroom and a shared kitchen that is easilyaccessible to tenants.

- 30 (B) For purposes of this paragraph, the council shall develop 31 standards for a kitchen or kitchenette to be deemed easily 32 accessible consistent with the requirements of this chapter.
- 33 (3) Shared housing units funded under the program shall be 34 subject to the following restrictions:

(A) Before referring a tenant to shared housing, the referring
 entity shall consider the following:

37 *(i)* Any functional limitations of the tenant.

38 (ii) Whether the proposed housing configuration may put the

39 tenant at risk of gender-based violence, consistent with training

40 on gender-based violence.

(B) Referrals to shared housing shall be consistent with tenant
 choice in whether to participate in shared housing and with whom

- 3 the tenant will reside in that shared housing.
- 4 (C) A provider of shared housing shall offer services appropriate

5 to meet the needs of tenants living in that shared housing, including

6 services in mitigating conflicts between tenants and services
7 helping tenants move to other housing options, according to tenant
8 choice.

9 (D) For all shared housing units, each participant, other than 10 a participant who is a minor accompanied by an adult or two adult

11 participants who constitute a single household, shall be offered

12 their own bedroom with a door that has a functioning lock and be

13 required to sign a separate lease agreement.

14 (4) Supportive housing funded under the program shall comply15 with the following requirements:

(A) A majority of the services shall be provided onsite, and any
offsite services shall be easily accessible to tenants through
transportation.

(B) Each tenant shall have a tenancy support specialist that the
tenants knows, with a specialist-to-tenant ratio that is consistent
with best practices for the population served.

22 (h) (1) (A) Except as otherwise provided in subparagraph (B), 23 each recipient shall expend moneys allocated to it under the

program according to the following schedule:
(i) For the first award cycle, the recipient shall contractually
obligate 100 percent of the amount allocated to it pursuant to this
chapter within three years, and expend the entirety of that amount

28 within four years, of entering into the initial grant agreement.

29 (ii) For each award cycle after the first award cycle, each

30 recipient shall contractually obligate 100 percent of the amount

31 allocated to it pursuant to this chapter within one year, and expend

32 *the entirety of that amount within two years.*

33 (B) Notwithstanding the time periods specified in subparagraph

34 (A), moneys used to provide a capitalized operating subsidy reserve

35 for permanent housing shall be expended over a period of at least36 17 years.

(2) In the case of a recipient that is a developer receiving an

38 allocation pursuant to Section 13060, if the recipient fails to

39 obligate or expend that allocation within the time periods specified

1	in paragraph (1), any moneys awarded to the recipient shall revert
2	to the fund.

3 (3) (A) In the case of a recipient that is a county and continuum

4 of care applying jointly pursuant to Section 13058 or a large city

5 applying pursuant to Section 13059, if a recipient fails to obligate

6 or expend moneys allocated to it, uses grant moneys allocated to

7 it under this chapter for a purpose not authorized under the 8 program, or fails to apply for an allocation of grant funds within

8 program, or fails to apply for an allocation of grant funds within9 the initial award cycle under the program, the council shall do

10 *either of the following:*

(i) Select an alternative entity to administer that recipient's
allocation through a competitive application process, in
accordance with the requirements of subparagraph (C).

(ii) Solely establish the performance outcomes and program
priorities for the recipient jurisdiction, consistent with the
requirements and purposes of this chapter, and work with local,
regional, or statewide public entities to administer the recipient's
allocation on behalf of the recipient.

19 (B) If the council determines that there is no alternative entity

that can effectively administer a recipient's allocation, any moneys
 previously allocated to that recipient and not expended shall revert

to the fund for further allocation to other recipients in accordancewith this chapter.

(C) An alternative entity selected pursuant to clause (i) of
subparagraph (A) shall be a public entity or a nonprofit entity
with relevant experience.

(D) (i) An alternative entity selected pursuant to clause (i) of
subparagraph (A) shall administer a recipient's allocation
pursuant to this paragraph for a minimum of two grant cycles after
entering into a grant agreement.

(ii) After the second grant cycle administered by an alternative
entity, the council may reinstate the original recipient to administer
moneys allocated in subsequent grant cycles if, in the council's
judgment, the recipient has demonstrated the capability to
effectively administer those moneys consistent with the purposes
of this chapter. The council shall develop a process by which a
recipient may seek reinstatement pursuant to this clause.

38 (i) The council shall establish a process for awarding recipients

39 under Sections 13058 and 13059 grants in subsequent years in

40 *accordance with the following:*

1 (1) To the extent feasible, each recipient under Sections 13058 2 and 13059 shall continue to receive annual allocations on a 3 consistent date selected by the council that aligns favorably with 4 other, similar allocations of state moneys, including, but not limited 5 to, allocations of tax credits by the California Tax Credit Allocation 6 Committee. 7 (2) If a city that is not a large city at the time of the initial 8 allocation subsequently becomes a large city and meets the 9 threshold criteria under the program after the first year of 10 allocations pursuant to this chapter, the council shall revise the

amount of annual allocations to recipients under Section 13059
at least 180 days, but no more than one year, after the date on

which the city establishes eligibility under this chapter. Consistent
with the requirements of this chapter, the council may establish a

15 revised formula that minimizes the impact on existing recipients.

(j) If deemed appropriate or necessary, the council shall request
the repayment of funds from a recipient or pursue any other
remedies available by law for failure to comply with the
requirements of this chapter.

(k) The council shall identify any properties, including blighted
or vacant properties, that may be converted to permanent housing,
and work to acquire or secure these properties in coordination
with recipients.

(1) The council and the department shall each establish an
advisory committee to inform state and local policies, practices,
and programs, which shall include individuals with relevant lived
experiences, with respect to the following:

28 (1) The experiences of African Americans and other
29 overrepresented racial and ethnic groups experiencing
30 homelessness.

(2) The experiences of women and female-identified persons
 experiencing homelessness.

33 (3) The experiences of youth experiencing homelessness,34 including a youth advisory board.

(m) A county and continuum of care applying jointly pursuant
to Section 13058 may elect in the grant agreement to request that
the State Department of Social Services act as a fiscal agent in
contracting with local agencies or nonprofit organizations
providing the housing and housing-based services described in

40 this chapter. If so requested pursuant to this subdivision, the State

1 Department of Social Services shall act as a fiscal agent on behalf

2 of the jointly applying county and continuum of care in exchange

3 for a percentage of the allocation to the county and continuum of

4 care for administrative costs under Section 13058, as determined

5 by the State Department of Social Services.

6 (n) All projects, including interim interventions, funded under

7 the program shall comply with all applicable state laws governing8 building safety and habitability.

9 (o) Each recipient and subrecipient shall comply with the core

10 components of Housing First described in subdivision (b) of Section11 8255.

(p) The council shall not require recipients to submit invoices
for payment, and shall fund the entire grant awarded under
Sections 13058 or 13059, as applicable, within 60 days of notice
of award.

13 of dward.
16 13057. (a) Each recipient shall annually report to the council
17 and the department, in the form and manner prescribed by the
18 council and the department, on the data reported to the United

19 States Department of Housing and Urban Development and, in

20 *addition, the following information:*

(1) The amount of fund moneys expended on each eligible
activity under Section 13058, 13059, or 13060, as applicable, and
the number of people served under the program.

(2) Steps taken to advance racial and gender equity within the
 recipient's programs and services.

26 (3) Steps taken to improve systems serving the eligible 27 population.

(b) The council and department shall seek philanthropic funding
to augment funding for evaluations under this chapter.

30 (c) The council shall conduct regular monitoring and audits of

31 the activities and outcomes of recipients under Sections 13058 and

32 13059. In complying with the requirements of this subdivision, the

33 council shall develop a process for monitoring how recipients are

34 spending allocations and compliance with this chapter and whether

each recipient's activities are resulting in pathways to permanenthousing, permanent housing placements, and permanent housing

37 retention.

38 (d) Notwithstanding Section 10231.5 of the Government Code,

39 no later than January 1, 2024, and every fifth January 1 thereafter,

40 the council shall evaluate the outcomes of the program and submit

1 a report documenting that evaluation to the Assembly Committee

2 on Housing and Community Development and the Senate
3 Committee on Housing in compliance with Section 9795 of the

3 Committee on Housing in compliance with Section 9795 of the 4 Government Code. The evaluation shall include, but not be limited

5 to, the following:

6 (1) Data reported by recipients pursuant to this section, 7 including data on the number of people served and the number of 8 participants accessing permanent housing.

9 (2) The status of coordinated entry systems and training or 10 capacity building programs across a sample of geographically 11 diverse communities.

(3) Innovations developed to reduce exits from institutionalsettings to homelessness and the outcomes of these innovations.

14 (4) The progress of recipient coordination and collaboration15 and housing stability outcomes.

16 (5) Any agreements reached and coordination brokered between 17 jointly applying counties and continuums of care and cities to use 18 funds in a consistent manner, to prioritize specific populations 19 jointly, to scale up interventions by working across regions, and 20 to offer bousing and bousing based services

20 to offer housing and housing-based services.

(6) The extent to which racial and ethnic demographic groups
 of persons overrepresented in the homeless population are served

under the program, including housing opportunities, housingplacements, and housing retention.

(7) The extent to which women and female-identified people are
served under the program, including access to housing
opportunities, housing placements, and housing retention.

(8) To the extent feasible, impacts on other state programs,
including, but not limited to, the utilization of acute care or skilled

30 nursing facilities funded through the Medi-Cal Act (Chapter 7

31 (commencing with Section 14000)), recidivism to prison, and

32 avoidance of foster care placements, as well as reductions or

avoidance of other institutional settings, among the eligiblepopulation.

13058. (a) A county and continuum of care that submit a joint
application and meet the requirements of this section shall be
eligible to receive an allocation of moneys from the fund.

38 (b) A county and continuum of care that jointly receive an

39 allocation pursuant to this chapter may use up to 10 percent of

40 the amount of that allocation for the costs of administering the

1 allocation. For purposes of this subdivision, "costs of 2 administering" do not include costs associated with staffing to 3 provide services, data collection, or reporting or costs to 4 subrecipients to provide housing or services to the eligible 5 population. Recipients shall pay a reasonable administrative rate 6 to all subrecipients.

7 (c) (1) A county and continuum of care applying jointly for an
8 allocation shall provide the following evidence of collaboration
9 to the council:

10 (A) Either of the following:

(i) Evidence that the board of supervisors of the county and the
governing body of the continuum of care each approved the joint
funding plan before the submission of the application.

(ii) A memorandum of understanding between the chief executive
officer, or equivalent officer, of the county and of the continuum
of care that establishes the allocation plan for the use of the moneys
allocated under this chapter.

(B) Evidence of collaborative planning between the county and
the continuum of care, which may include, but is not limited to,
meeting agenda or minutes of the board of supervisors of the
county and the governing body of the continuum of care.

(2) If the geographic area of a continuum of care covers
territory located in more than one county, each of those counties
shall submit a single application that includes a plan outlining the
roles, functions, identified uses, and processes for
cross-jurisdictional housing referrals between each county.

(d) Recipients under this section shall use the allocation of
moneys provided under this chapter for one or more of the
following eligible activities:

30 (1) Rental assistance and master leasing for permanent housing.

31 (2) Operating subsidies for permanent housing.

32 (3) Transitional housing projects serving persons under 25

33 years of age that comply with the core components of Housing
34 First described in subdivision (b) of Section 8255.

35 (4) Incentives to landlords to provide permanent housing, 36 including, but not limited to, payment of security deposits, holding

37 fees, signing bonuses, repairs made in advance of occupancy to

38 ensure compliance with habitability standards, and contractors

39 to assist the landlord in making repairs.

(5) Move-in assistance, including, but not limited to, security
 deposits, utility assistance, furniture, and other household goods.
 (6) Housing navigation, housing acquisition support, housing
 transition, and tenancy support services to help participants move
 into housing and remain stably housed, housing-based employment
 services, and linkages to education.

7 (7) For persons at imminent risk of homelessness, homelessness
8 prevention, problem solving, and other rapid resolution programs
9 to assist these persons in becoming or remaining stably housed,
10 so long as these interventions are targeted to people likely to
11 become homeless, based on data.

(8) Systems improvements, including, but not limited to,
strengthening coordinated entry systems and assessment systems,
collaboration between city and county agencies to coordinate
resources and prevent discharges from institutional settings into
homelessness, and HMIS system and data matching advances.

(9) (A) Subject to subparagraph (B), to provide assistance to
the eligible population or persons residing in supportive housing
who require care and supervision in licensed residential facilities
due to high vulnerability and complex needs, through the

21 nonmedical out of home care rate for individuals without incomes

22 and the enhanced services rates for those with incomes.

(B) The recipient shall use no more than ____ percent of its
allocation for the activities described in this paragraph.

25 (10) (A) Subject to subparagraph (B), one or more of the 26 following:

(i) Shelter diversion and operating support for interiminterventions.

(ii) Safe parking programs, including safe parking programs
 for college students experiencing homelessness.

(iii) Site improvements to congregate shelters or to convert
congregate sites to noncongregate shelter for the purposes of
complying with public health guidance during and after the
COVID-19 pandemic and other future public health emergencies
where public health officials recommend social distancing to
mitigate disease spread.

37 (B) (i) Except as otherwise provided in clause (ii), the recipient

38 shall use no more than 50 percent of its allocation in the first grant

39 cycle, and no more than 30 percent of each subsequent grant cycle,

40 for the activities described in this paragraph.

1 (ii) The council may waive or increase the limitation specified 2 in this subparagraph with respect to the activities described in 3 clause (i) of subparagraph (A) if the recipient demonstrates, to 4 the satisfaction of the council, that the recipient is funding a similar 5 ratio of permanent housing to interim housing units, consistent 6 with data and reflected in the intent of this section and the council's 7 guidelines. 8 (e) During the term of any allocation provided to a county and 9 continuum of care that apply jointly pursuant to this section, the

10 recipient shall do all of the following:

(1) Offer robust services in supportive housing, as well as
housing navigation, housing acquisition support, and housing
transition services, through a standardized contract that the county
and the continuum of care develop in collaboration with homeless
service providers, using evidence-based standards.

16 (2) Funnel resources through a mechanism or develop a 17 mechanism within 180 days of entering into a grant agreement to 18 combine moneys allocated under this chapter with local private 19 and existing local, state, and federal public moneys across the 20 continuum of care, the county, or a multicounty region toward 21 common standards for funding permanent housing, services, and, 22 if necessary, interim interventions.

23 (3) Allocate funding for rental assistance and operating 24 subsidies through an agency with experience administering housing 25 subsidies and recruiting landlords. The agency may be a housing 26 authority formed pursuant to the Housing Authorities Law (Chapter 27 1 (commencing with Section 34200) of Part 2 of Division 24 of the 28 Health and Safety Code), a nonprofit organization, or another 29 public entity that administers other moneys for purposes similar 30 to those described in this chapter.

(4) Adopt, and require any subrecipients to adopt, the core
components of Housing First described in subdivision (b) of Section
8255 for purposes of administering moneys allocated pursuant to
this chapter and implement low-barrier policies for interim
interventions funded under this chapter.

(5) Utilize a process for referral of participants to housing
through a coordinated entry system, or an alternative process that
ensures that persons and areas with the greatest vulnerabilities
receive priority for supportive housing, or, in the absence of an

40 established process, develop a plan for funding systems

improvements to create a system in compliance with this paragraph
 within one year of receiving the allocation, subject to the following:
 (A) If the recipient uses funding to pay for operating or services
 costs of housing converted from existing hotels, motels, or
 apartments, the recipient may continue to house residents of the
 existing property, even if not referred through a coordinated entry
 or similar system.

8 (B) The recipient may use funding to house participants outside 9 of the boundaries of the county or continuum of care, if housing 10 is available, the referral is based on participant choice, and the 11 referring county or continuum of care funds the housing and any 12 necessary services, or the receiving county or continuum of care 13 notifies the referring agency within two weeks of intent to fund the 14 costs of housing and any necessary services.

15 (*C*) To the extent feasible, referrals to housing should take into 16 account participant choice, and services should include efforts to 17 assist people to move into communities in which they are residing,

18 if consistent with participant choice, and where the participant

19 has access to services and community amenities.

20 (6) Use HMIS data for all outcomes reporting.

(7) Establish or use an existing process for training services
 and property management staff in evidence-based and best
 practices.

(8) Ensure that survivors of gender-based violence are able toaccess housing and housing-based services.

(9) Prioritize a portion of resources to populations experiencing
 homelessness who face barriers to accessing housing or who make

28 up a disproportionate number of people experiencing homelessness,

29 based on data from a needs and gaps analysis or an amendment

30 updating an existing needs and gaps analysis, consistent with the 31 following:

32 (A) Prioritizing specific populations for resources under this 33 paragraph shall not exclude serving other populations.

34 (B) The recipient shall ensure that prioritization pursuant to

this paragraph does not result in a disproportionate impact on
African American or indigenous populations or other persons of
color.

38 (10) Ensure that at least 10 percent of the amount of allocation

39 it receives under this chapter serves participants who are youth

1	•••••••••••••••••••••••••••••••••••••••
1	experiencing homelessness, in accordance with the following
2	requirements:
3	(A) The continuum of care applying jointly with the county shall
4	ensure that the coordinated entry system used to assess and refer
5	youth to housing created with funding provided under the program
6	includes a youth-specific coordinated entry access point and uses
7	screening and assessment tools that contemplate the specific needs
8	of youth experiencing homelessness.
9	(B) Recipients and subrecipients shall offer supportive services
10	designed to meet the unique needs of youth experiencing
11	homelessness, which may include, but is not limited to, the
12	following:
13	(i) Problem-solving services to maintain existing housing.
14	(ii) Housing navigation and housing acquisition support.
15	(iii) Substance use disorder education, prevention, or treatment
16	services, including group supports.
17	(iv) Access to education and employment assistance, including,
18	but not limited to, literacy and graduation equivalent diploma
19	programs, vocational training, and supports to enroll and
20	participate in institutions providing secondary or postsecondary
21	education, including supports to applying for financial aid.
22	(v) Independent living skill development, economic stability,
23	and mobility services.
24	(vi) Counseling, tenancy support, and case management
25	services.
26	(vii) Screening, assessment, and treatment or referral of
27	behavioral and physical health care services.
28	(viii) Services for pregnant and parenting youth.
29	(ix) Services for lesbian, gay, bisexual, transgender, and
30	questioning youth.
31	(x) Family support, including family reunification, when safe
32	and appropriate, and engagement and intervention, when
33	appropriate.
34	(xi) Family finding services to identify appropriate family
35	members.
36	(xii) Outreach to youth who are experiencing homelessness.
37	(xiii) Legal representation and connection to public benefits for
38	which the unaccompanied homeless youth are eligible or entitled
39	to receive, including foster care.

(C) Providers with which a recipient contracts to provide
 services to youth in accordance with this paragraph shall
 proactively engage youth experiencing homelessness to determine
 which supportive services meet the needs of each participant and,
 if appropriate, the participant's family.

6 (D) Providers with whom recipients contract to provide services 7 to youth shall work with colleges and universities to market 8 programs to students experiencing homelessness.

9 (f) (1) Upon the request of a large city located within a recipient 10 county, that county allocate a portion of the moneys allocated to 11 it under this chapter for support services and operating subsidies 12 for supportive housing units that the large city develops, provided 13 that the county recipient obligates and uses the moneys allocated to it within the time periods specified in subdivision (h) of Section 14 15 13056. The amount provided to a large city pursuant to this paragraph shall not exceed 40 percent of the large city's 16 17 proportionate share of the county's most recent homeless 18 point-in-time count, unless the recipient county, in its discretion, 19 determines that greater amount is appropriate. (2) The recipient county's obligation to fund support services 20

and operating subsidies pursuant to this subdivision shall be proportionate to the share of capital funding used for those

purposes from the total amount allocated to the recipient underthis chapter.

(3) Nothing in this subdivision shall be construed to require a
county or continuum of care to allocate moneys provided under
this chapter to a large city to fund services provided at a new
interim intervention that the city funded or created.

29 (4) Notwithstanding any other provision of this chapter, in

30 committing operating subsidies to a supportive housing project
31 funded by a large city pursuant to this subdivision, a recipient may

32 commit a capitalized operating subsidy reserve that includes at

33 least 17 years for those operating subsidies.

34 13059. (a) A large city that submits an application and meets
35 the requirements of this section shall be eligible to receive an
36 allocation from the fund.

37 (b) A large city that receives an allocation pursuant to this

38 chapter may use up to 10 percent of the amount of that allocation

39 for the costs of administering the allocation. For purposes of this

40 subdivision, "costs of administering" do not include costs

associated with staffing to provide services, data collection, or 1

2 reporting or costs to subrecipients to provide housing or services

3 to the eligible populations. Recipients shall pay a reasonable

4 administrative rate to all subrecipients.

5 (c) Recipients under this section shall use the allocation of 6 moneys provided under this chapter for one or more of the 7 following eligible activities:

8 (1) Operating subsidy reserves, capitalized over at least 17 9 years, for affordable housing projects that serve the eligible 10 population.

(2) Capital funds for development, acquisition, preservation, 11 12 or motel conversion to create either affordable housing or 13 supportive housing for the eligible population.

14 (3) Rental assistance in permanent housing.

15 (4) Transitional housing projects serving persons under 25

years of age that follow the core components of Housing First. 16

17 (5) Prevention and problem-solving.

18 (4) (A) Subject to subparagraph (B), one or more of the 19 following:

(i) Interim interventions based on an annual needs assessment 20

21 and taking into consideration commitments made over the five

22 years prior to the date of the recipient's application to shelter beds 23

that have not yet been constructed or created.

(ii) Site improvements to congregate shelters or to convert 24 25 congregate sites to noncongregate shelters for the purposes of 26 complying with public health guidance during and after the

27 *COVID-19* pandemic and future public health emergencies where

28 social distancing is recommended to mitigate disease spread.

29 (iii) Outreach, engagement, and other services to assist persons 30 in connecting to permanent housing.

31 (iv) Health interventions, including, but not limited to, hygiene 32 centers.

33 (v) Storage of belongings.

34 (vi) Safe parking and overnight, warm places where persons 35 can sleep, including safe parking sites for college students 36 experiencing homelessness.

37 (B) (i) Except as otherwise provided in clause (ii), the recipient

38 shall use no more than 50 percent of its allocation in the first grant

39 cycle, and no more than 35 percent of each subsequent grant cycle,

40 for the activities described in this paragraph.

(ii) The council may waive or increase the limitation specified
in this subparagraph with respect to the activities described in
clause (i) of subparagraph (A) if the recipient demonstrates, to
the satisfaction of the council, that the recipient is funding a similar
ratio of permanent housing to interim housing units, consistent
with local data on need.

7 (d) Any activity approved or carried out or action taken by a 8 large city to lease, convey, or encumber land that the large city 9 owns, any action taken by a large city to facilitate the lease, 10 conveyance, or encumbrance of land that the large city owns, or 11 any action taken by a large city to provide financial assistance in 12 furtherance of providing, or to otherwise approve or construct, a 13 low barrier interim intervention, affordable housing project, or supportive housing project in the large city using moneys allocated 14 15 under this chapter shall not be subject to the California Environmental Quality Act (Division 13 (commencing with Section 16 17 21000) of the Public Resources Code). If the large city takes any 18 action that is exempt from Division 13 (commencing with Section 19 21000) of the Public Resources Code, it shall file a notice of exemption with the Office of Planning and Research and the clerk 20 21 of the county in which the large city is located in the manner 22 specified in subdivisions (b) and (c) of Section 21152 of the Public 23 Resources Code, except that the notice of determination required 24 by that section shall instead specify that the project is not subject 25 to Division 13 (commencing with Section 21000) of the Public 26 Resources Code pursuant to this subdivision. 27 (e) During the term of any allocation provided to a large city 28 that applies pursuant to this section, the recipient shall do all of 29 the following: 30 (1) (A) Refer tenants to supportive housing units through a 31 coordinated entry system, or an alternative process that ensures 32 that persons with the greatest vulnerabilities receive priority. To 33 the extent feasible, referrals shall take into account participant

choice, and referral services shall include efforts to place persons
in a community in which they choose to reside and have access to
community-based services and natural supports.

37 (B) If a recipient uses funding to pay for operating or services 38 costs of housing converted from existing hotels, motels, or

39 apartments, the recipient may continue to house residents of the

1	existing property, even if not referred through a coordinated entry
2	or similar system.
3	(C) A recipient may use funding to house participants outside
4	of the boundaries of the city, provided that housing is available,
5	referral is based on participant choice, and the referring city funds
6	the housing and any necessary services, or the receiving city or
7	county, if within an unincorporated area, notifies the referring
8	agency within two weeks of intent to fund the costs of housing and
9	any necessary services.
10	(D) To the extent feasible, referrals to housing should take into
11	account participant choice, and services should include efforts to
12	assist people to move into communities in which they are residing,
13	if consistent with participant choice, and where the participant
14	has access to services and community amenities.
15	(2) Notwithstanding any inconsistent provision of the Permit
16	Streamlining Act (Chapter 4.5 (commencing with Section 65920)
17	of Division 1 of Title 7 of the Government Code), streamline
18	permitting for projects developed with moneys allocated under
19	this chapter to expedite the permitting and approval process to no
20	more than 180 days and provide other incentives to developers to
21	create affordable housing.
22	(3) Allocate funding through a local competitive application
23	process.
24	(4) Either of the following:
25	(A) Use HMIS data for all outcomes reporting.
26	(B) Use a coordinated entry system to enter and share data
27	across the homelessness system.
28	(5) Prioritize a portion of resources to populations experiencing
29	homelessness who face barriers to accessing housing or who make
30	up a disproportionate number of people experiencing homelessness,
31	based on data from a needs and gaps analysis or an amendment
32	updating an existing needs and gaps analysis, consistent with the
33	following:
34	(A) Prioritizing specific populations for resources under this
35	paragraph shall not exclude serving other populations.
36	(B) The recipient shall ensure that prioritization pursuant to
37	this paragraph does not result in a disproportionate impact on
20	A fair and A second and an indian second a second attend and attend and the second second second second second

African American or indigenous populations or other persons of
 color.

1 (6) Ensure that at least 10 percent of the amount of allocation 2 it receives under this chapter serves participants who are youth 3 experiencing homelessness, in accordance with the following 4 requirements:

5 (A) The large city shall ensure that the coordinated entry system 6 used to assess and refer youth to housing created with funding 7 provided under the program includes a youth-specific coordinated 8 entry access point and uses screening and assessment tools that 9 contemplate the specific needs of youth experiencing homelessness.

10 (B) Recipients and subrecipients shall offer supportive services 11 designed to meet the unique needs of youth experiencing 12 homelessness, which may include, but is not limited to, the 13 following:

14 *(i) Problem-solving services to maintain existing housing.*

15 *(ii) Housing navigation and housing acquisition support.*

(iii) Substance use disorder education, prevention, or treatment
 services, including group supports.

(iv) Access to education and employment assistance, including,
but not limited to, literacy and graduation equivalent diploma
programs, vocational training, and supports to enroll and
participate in institutions providing secondary or postsecondary

22 *education, including supports to applying for financial aid.*

(v) Independent living skill development, economic stability,
and mobility services.

25 (vi) Counseling, tenancy support, and case management 26 services.

(vii) Screening, assessment, and treatment or referral ofbehavioral and physical health care services.

29 (viii) Services for pregnant and parenting youth.

30 *(ix) Services for lesbian, gay, bisexual, transgender, and* 31 *questioning youth.*

32 (*x*) Family support, including family reunification, when safe 33 and appropriate, and engagement and intervention, when 34 appropriate.

35 (*xi*) Family finding services to identify appropriate family 36 members.

37 (xii) Outreach to youth who are experiencing homelessness.

38 (xiii) Legal representation and connection to public benefits for

39 which the unaccompanied homeless youth are eligible or entitled

40 to, including foster care.

1 (C) Providers with which a recipient contracts to provide 2 services to youth in accordance with this paragraph shall 3 proactively engage youth experiencing homelessness to determine 4 which supportive services meet the needs of each participant and, 5 if appropriate, the participant's family. (D) Providers with whom recipients contract to provide services 6 7 to youth shall work with colleges and universities to market 8 programs to students experiencing homelessness. 9 13060. (a) The department shall allocate the amount described in paragraph (2) of Section 13055 in accordance with this section. 10 The department shall allocate those moneys in the same manner 11 as deferred payment loans provided under the Multifamily Housing 12 Program (Chapter 6.7 (commencing with Section 50675) of Part 13 2 of Division 31 of the Health and Safety Code). For purposes of 14 15 distributing grants under this section, to the extent that there is any conflict between the provisions of this chapter and Chapter 16 17 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code, the provisions of this chapter shall 18 19 prevail. 20 (b) The department shall ensure that at least 25 percent of the 21 moneys allocated pursuant to this section are awarded to projects 22 located in unincorporated areas and cities that are not large cities. 23 (c) Moneys allocated pursuant to this section shall be available 24 for development, acquisition, rehabilitation, preservation, motel 25 conversion, and capitalized operating subsidy reserves, in 26 accordance with the following: 27 (1) Funds under this section shall be used to create affordable 28 housing for the eligible population and for target populations with 29 extremely low incomes at imminent risk of homelessness, targeted 30 based on data of likelihood to fall within homelessness. 31 (2) Projects funded under this section shall comply with the 32 quality standards set forth in subdivision (g) of Section 13056. 33 (3) The department shall impose leverage requirements to ensure 34 viability and promote the rapid development of quality housing. 35 However, these leverage requirements shall not factor into a 36 competitive score for the allocation of moneys under this section. 37 (4) A recipient may use moneys allocated under this section for 38 construction financing. 39 (5) Referrals to housing units funded through a grant under this 40 section shall be made through a coordinated entry system.

1 (d) Notwithstanding any other law, any project that uses funds 2 received under this chapter for any of the purposes specified in

3 this section shall be deemed consistent and in conformity with any

4 applicable local plan, standard, or requirement, and allowed as

5 a permitted use, within the zone in which the structure is located,

6 and shall not be subject to a conditional use permit, discretionary

7 permit, or any other discretionary review or approval.

8 SEC. 10. Section 14133.5 is added to the Welfare and 9 Institutions Code, immediately following Section 14133.45, to 10 read:

11 14133.5. (a) By January 1, 2025, the department shall seek 12 federal approval for a Medi-Cal benefit to fund all of the following

13 services for beneficiaries experiencing homelessness:

14 (1) Housing navigation and housing acquisition support 15 services.

16 (2) Tenancy transition services.

17 (3) Tenancy sustaining services.

18 (4) Housing-based employment services.

(b) The department shall convene a stakeholder advisory group
representing counties, health care consumers, and homeless
advocates in developing the plan.

22 (c) The department shall work with counties to determine an 23 effective process for funding the state's share of the federal medical 24 assistance percentage. Pursuant to an agreement with 25 organizations representing California counties, the department 26 may use up to 20 percent of the county-continuum allocation, as 27 set forth under Section 13058, to pay for the state's federal medical 28 assistance percentage associated with the benefit identified in 29 subdivision (a) for Medi-Cal beneficiaries experiencing 30 homelessness. 31 (d) The department shall pursue philanthropic funding to carry

(a) The department shall pursue philaminropic juncing to carry
 out the administrative duties of this section. The Homeless
 Coordinating and Financing Council may allocate a portion of
 the administrative funds, pursuant to paragraph (1) of subdivision
 (a) of Section 13055, to create and pursue the plan in this section,

36 and that portion shall equal no more than 1 percent of the Bring

37 *California Home Fund.*

38 SECTION 1. The Legislature finds and declares all of the
 39 following:

1 (a) In January 2019, an estimated 151,278 people experienced 2 homelessness in California at a single point in time, as reported 3 by the United States Department of Housing and Urban 4 Development. This is the highest number since 2007, and 5 represented a 17-percent increase since 2018. Experts predict 6 significant increases in homelessness in 2021 resulting from the 7 COVID-19 economic downturn. 8 (b) African Americans are disproportionately represented among 9 California's homeless population. While 6.5 percent of Californians 10 identify as Black or African-American, almost 40 percent of the state's homeless population is African-American. Indigenous 11 12 populations are over six times more likely to experience 13 homelessness than the general population. Latinx Californians are least likely to access housing and services available in their 14 15 communities. 16 (c) Research suggests homeless populations are at far greater 17 risk for consequences of COVID-19. Early studies estimated people 18 experiencing homelessness are two to three times as likely to die 19 from COVID-19 than the general population. COVID-19 is putting pressure on local homeless systems to open safe sites for people 20 21 to shelter, in noncongregant settings, to avoid the spread of 22 COVID-19. 23 (d) Homeless is a statewide crisis in California which requires 24 a statewide, comprehensive solution that meets its scale. 25 (e) While California has made significant one-time investments 26 in local homelessness solutions through the successful Home Energy Assistance Program (HEAP), Homeless Housing, 27 28 Assistance, and Prevention (HHAP) Program, and Homekey program, multi-year, predictable investments are needed to support 29 30 a sustained strategy. 31 (f) The state must lead in coordinating with local governments 32 and the private sector to solve homelessness and to prevent 33 discharges from institutional settings into homelessness. 34 (g) It is the intent of the Legislature to enact legislation to create 35 a comprehensive, statewide homelessness solutions program. This 36 program will fill gaps within the state's response to homelessness, 37 scale evidence-based solutions while promoting innovation to 38 move people quickly into permanent housing, establish greater 39 flexibility and a more nimble process in implementing a 40 comprehensive response to homelessness, facilitate critically

- 1 needed collaboration between different levels of government, foster
- 2 a streamlined process at the local and state levels to fund and build
- 3 housing opportunities more quickly, hold local governments and
- 4 the state accountable for achieving results, and focus on
- 5 evidence-based housing and housing-based services solutions and
- 6 long-term state and local structural changes.
- 7 (h) Furthermore, it is the intent of the Legislature that through
- 8 the adoption of these strategies, the state and local governments
- 9 will achieve measurable reductions in homelessness, ensuring that
- 10 it becomes brief, rare, and nonrecurrent.
- 11 (i) Furthermore, it is the intent of the Legislature to enact
- 12 legislation to fund this comprehensive program with new, ongoing
- revenues of at least \$2.4 billion per year from one or more of the
 following sources:
- 15 (1) An increase in the personal income tax on incomes over \$1
 16 million.
- 17 (2) An increase in the corporate income tax to historical rates,
 18 a more progressive corporate income tax, and conformity with the
- 19 federal Tax Cuts and Jobs Act, including the inclusion of Global
- 20 Intangible Low-Taxed Income (GILTI).
- (3) Eliminating or limiting corporate tax loopholes, including
 the water's edge election.
- (4) Marking to market unrealized capital gains and the repeal
 of stepped-up in basis of inherited assets.
- 25 SEC. 2. (a) The Bring California Home Fund is hereby created
- 26 in the State Treasury for the purpose of providing at least two
- 27 million four hundred thousand dollars (\$2,400,000) annually to
- 28 fund a comprehensive, statewide homeless solutions program upon
- 29 appropriation by the Legislature.
- 30 (b) The Bring California Home Fund shall contain revenues
- 31 derived from any of following changes to the Personal Income
- 32 Tax Law (Part 10 (commencing with Section 17001) of Division
- 33 2 of the Revenue and Taxation Code) or the Corporation Tax Law
- 34 (Part 11 (commencing with Section 23001) of Division 2 of the
- 35 Revenue and Taxation Code) that are enacted on or after the
- 36 effective of the date of the act adding this section:
- 37 (1) An increase in the personal income tax on incomes over one
 38 million dollars (\$1,000,000).
- $\frac{1}{20}$
- 39 (2) An increase in the corporate income tax to historical rates,
- 40 a more progressive corporate income tax, and conformity with the
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- 1 federal Tax Cuts and Jobs Act, including the inclusion of Global
- 2 Intangible Low-Taxed Income (GILTI).
- 3 (3) Eliminating or limiting corporate tax loopholes, including
- 4 the water's edge election.
- 5 (4) Marking to market unrealized capital gains and the repeal
- 6 of stepped-up in basis of inherited assets.

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