

AT HOME Accountability Trailer Bill Language

Section 50216 of the Health and Safety Code is amended to read:

For purposes of this chapter:

(a) "Agency" means the Business, Consumer Services and Housing Agency.

(b) "Applicant" means a city or county, or city and county, designated locally as the "fiscal agent"~~continuum of care, city, county, or tribe~~ or federally recognized tribal government.

(c) "City" means a city or city and county that is legally incorporated to provide local government services to its population. A city can be organized either under the general laws of this state or under a charter adopted by the local voters.

(d) "Big City" means a city that has a population of 300,000 or more, as of January 1, 2020, according to data published on the Department of Finance's internet website.

(e) "Continuum of care" means the same as defined by the United States Department of Housing and Urban Development at Section 578.3 of Title 24 of the Code of Federal Regulations.

(fe) "Coordinated Entry System" means a centralized or coordinated process developed pursuant to Section 578.7 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019, designed to coordinate homelessness program participant intake, assessment, and provision of referrals. In order to satisfy this subdivision, a centralized or coordinated assessment system shall cover the geographic area, be easily accessed by individuals and families seeking housing or services, be well advertised, and include a comprehensive and standardized assessment tool.

(gf) "Council" means the associated staff within the California Interagency Council on Homelessness, formerly known as the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.

(~~gh~~) "Emergency shelter" has the same meaning as defined in subdivision (e) of Section 50801.

(i) "Fiscal Agent" means the designated entity within the county that has been deemed responsible for submitting a countywide or regional local homelessness accountability plan as defined by Section 50220.9 and is responsible for distributing funds to various entities within the county or region in accordance with the plan.

(~~jh~~) "Homeless" has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on January 10, 2019.

(~~ki~~) "Homeless Management Information System" means the information system designated by a continuum of care to comply with federal reporting requirements as defined in Section 578.3 of Title 24 of the Code of Federal Regulations. The term "Homeless Management Information System" also includes the use of a comparable database by a victim services provider or legal services provider that is permitted

by the federal government under Part 576 of Title 24 of the Code of Federal Regulations.

~~(lj) (1) "Homeless point-in-time count" means the most recently available point-in-time count data as reflected in the Annual Homeless Assessment Report released by the United States Department of Housing and Urban Development. 2019 homeless point in time count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations. A jurisdiction may elect to instead use their 2017 point in time count if they can demonstrate that a significant methodology change occurred between the 2017 and 2019 point in time counts that was based on an attempt to more closely align the count with HUD best practices and undertaken in consultation with HUD representatives. A jurisdiction shall submit documentation of this to the agency by the date by which HUD's certification of the 2019 homeless point in time count is finalized. The agency shall review and approve or deny a request described in the previous sentence along with a jurisdiction's application for homeless funding.~~

(2) For purposes of round 4 and all future funding of the program described in Section 50218.7 and 50218.8, "homeless point-in-time count" means the most recent point-in-time count that requires a sheltered and unsheltered count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations completed by all applicants.

~~(mk)~~ "Homeless youth" means an unaccompanied youth between 12 and 24 years of age, inclusive, who is experiencing homelessness, as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)). "Homeless youth" includes unaccompanied youth who are pregnant or parenting.

~~(nl)~~ "Housing First" has the same meaning as in Section 8255 of the Welfare and Institutions Code, including all of the core components listed therein.

~~(om)~~ "Jurisdiction" means a city, city that is also a county, county, continuum of care, or tribe, as defined in this section.

~~(pn)~~ "Navigation center" means a Housing First, low-barrier, service-enriched shelter focused on moving homeless individuals and families into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.

~~(qo)~~ "Program" means the Homeless Housing, Assistance, and Prevention program established pursuant to this chapter.

(1) "Round 1" of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2019.

(2) "Round 2" of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2020.

(3) "Round 3" of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2021.

(4) "Round 4" of the program means the funding allocated under the program with moneys appropriated during the fiscal year beginning on July 1, 2022.

(5) Starting with the fiscal year beginning on July 1, 2023 funding for the program shall be continuously appropriated.

~~(r)~~ "Program allocation" means the portion of program funds available to expand or develop local capacity to address immediate homelessness challenges.

~~(s)~~ "Recipient" means the fiscal agent ~~jurisdiction~~ that receives funds from the council for the purposes of the program.

(t) (1) "Region" means the continuum of care, the counties, and the big cities within the geographic boundaries of a single continuum of care, except as identified in paragraph (2). Region can also mean multiple continuums of care and counties that electively come together to form a regional plan for homelessness. (2) All continuums of care within the County of Los Angeles shall be considered part of a single region, along with the county and big cities within the county.

~~(u)~~ "Tribe" or "tribal applicant" means a federally recognized tribal government located in the State of California pursuant to Section 4103 of Title 25 of the United States Code.

(Amended by Stats. 2021, Ch. 398, Sec. 2. (AB 1220) Effective January 1, 2022.)

Section 50217 of the Health and Safety Code is amended to read:

(a) The Homeless Housing, Assistance, and Prevention program is hereby established for the purpose of providing jurisdictions with ongoing grant funds to support activities that are part of a countywide or regional plan to ~~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.

(b) Upon appropriation by the Legislature, the council shall distribute the following amounts in accordance with this chapter:

(1) For round 1 of the program, six hundred fifty million dollars (\$650,000,000) in the 2019–20 fiscal year.

(2) For round 2 of the program, three hundred million dollars (\$300,000,000) in the 2020–21 fiscal year.

(3) For round 3 of the program, one billion dollars (\$1,000,000,000) in the 2021–22 fiscal year.

(4) For round 4 of the program, one billion dollars (\$1,000,000,000) in the 2022–23 fiscal year.

(5) Starting with the 2023-24 fiscal year, (X) shall be continuously appropriated, and if it is not provided the requirements of this Section 50220.9 will not be enforceable.

(c) The council staff shall administer all aspects of the program. The program shall provide grant funds to a fiscal agent in the county according to the countywide or regional plan. In counties with big cities, two fiscal agents are allowed.~~cities, counties, continuums of care, and tribes.~~

(1) No more than 5 percent of the total allocation for each round of funding shall be used to cover the council's costs of administration of this chapter, including state operations expenditures and activities in support of statewide capacity building for recipients, including providing ongoing training and technical assistance, measuring data and performance, conducting research, and evaluation for funding service delivery demonstration projects.

(A) The council may utilize any unused funds from moneys set aside for program administration to augment existing allocation categories, including bonus funds.

(B) Any unused funds from moneys set aside for program administration remaining by the expenditure deadline for the given appropriation shall be distributed pursuant to existing allocation methodologies.

(d) Contracts entered into or amended shall be exempt from the following:

(1) Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code.

(2) The personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(3) Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and the State Contracting Manual.

(4) Notwithstanding Section 11546 of The Government Code, from review or approval of any division of the Department of Technology, upon approval from the Department of Finance.

(5) From the review or approval of any division of the Department of General Services.

~~(d)~~(e) The council shall 's decision to approve or deny an application and the determination of the amount of funding to be provided shall be final.

(f) If the applicant identifies substantive errors or omissions in their required data submissions, the council may, at its sole discretion, allow jurisdictions to modify or resubmit their data and, if applicable, may allow applicants to modify their outcome goals accordingly.

~~(e)~~(g) The council shall maintain and make available to the public on its internet website records of the following:

(1) The number of applications for program funding received by the council.

- (2) The number of applications for program funding denied by the council.
- (3) The name of each recipient of program funds.
- (4) Each applicant receiving funds pursuant to this chapter shall provide a list of all awards to subrecipients.
- (5) Annual reports filed by recipients pursuant to Sections 50221, 50222, and 50223.

~~(f)~~(h) In administering this chapter, the council shall not be subject to 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).

(Amended by Stats. 2021, Ch. 111, Sec. 5. (AB 140) Effective July 19, 2021.)

Section 50218.8 is added to the Health and Safety Code, to read:

(a) Starting with the 2023-24 fiscal year, (X) shall be continuously appropriated annually to implement this chapter, less the set aside provided for the Council's cost of administration in subdivision (c) of Section 50217, and shall be allocated, as follows:

(1) Not more than 88 percent, or (X), of the funding available pursuant to this section shall be available to applicants that are fiscal agents to implement the Local Homelessness Accountability Plans as defined by Section 50220.9.

(A) The council shall calculate these allocations for the three-year grant cycle based on each countywide or regional plans proportionate share of the state's total homeless population, based on the homeless point-in-time count. The council shall not award more than 43 percent of the allocation made pursuant to this subparagraph to any fiscal agent or agents in one county or region. The Council shall award a minimum of \$500,000 for each countywide plan or for each county within a regional plan.

(B) Distributions from the fiscal agent to subrecipients will be commensurate with the roles and responsibilities that each county, city, continuum of care, or other local entity has within the Local Homelessness Accountability Plan as defined by Section 50220.9.

(2) (A) Except as otherwise provided in subparagraph (C) of paragraph (3), not more than 10 percent, or (X), of the funding available pursuant to this section shall be set aside for awarding bonus funds pursuant to subdivision (g). Bonus funding shall be used toward furthering the goals identified in Local Homelessness Accountability Plans as defined by Section 50220.9.

(B) The council shall determine bonus award allocations to applicants that have met or exceeded goals in reducing homelessness. The bonus funding for

those applicants that have met or exceeded goals in reducing homelessness shall be allocated pursuant to subdivision (g) relative to the total homeless population of all applicants eligible for bonus funding and the proportion of goals met, so that the award allocation is equitable and reasonable for the mix of applicants eligible for bonus funding.

(C) The council shall report to the chairs of the relevant fiscal and policy committees of both houses of the Legislature on the methodology used to determine the allocation of bonus funding within 30 days of making a determination on funding allocations. A report required to be submitted pursuant to this subparagraph shall be submitted in compliance with Section 9795 of the Government Code.

(3) Not more than 2 percent, or (X), of the funding available pursuant to this section shall be available to tribal applicants. Notwithstanding any other provision of this chapter, the funds described in this paragraph shall be allocated as follows:

(A) A tribe may apply for program funds and the council shall make allocations to tribes on the basis of need. Tribes that apply for program funds pursuant to subparagraph (B) shall be allocated funds up to their requested amount, or up to a total of (X) collectively among all tribal applicants. If the total request for funds exceeds this amount, the council shall determine an allocation methodology based on each tribal applicant's proportionate share of need relative to all tribes that submit an application for funding.

(B) A tribal applicant seeking funds pursuant to this section shall submit an application to the council, in the form and manner prescribed by the council, with the following information:

(i) The amount of grant funds the tribe is requesting.

(ii) An explanation of the tribe's local need, including an estimation of the number of people who need homelessness services and the current resources that exist.

(iii) A description of what services on which the tribe plans to spend its grant funds. These activities shall be allowable pursuant to subdivision (e) of Section 50220.7.

(C) Any funds available to tribal applicants pursuant to this paragraph that are unallocated annually, shall be allocated as bonus awards pursuant to paragraph (2).

(D) A tribal applicant is encouraged to partner with counties and other parties drafting the countywide or regional Local Homelessness Accountability Plan.

(b) An applicant applying for funding pursuant to this section shall comply with the requirements set forth in Section 50220.6.

(c) A program recipient shall not use funding from the program allocated under this section to supplant existing local funds for homelessness services under penalty of disallowance or reduction, or both, of future program funds, as determined by the council.

(d) (1) No more than 5 percent, or (X), of the appropriated funds shall be used to cover the council's costs of administration pursuant to section 50217.

(e) A program recipient shall use at least 10 percent of the funds allocated under this section for services for homeless youth populations.

(f) Moneys allocated pursuant to this section shall be expended in compliance with Housing First. Exceptions can be made for sober living programs where alternative low-barrier housing is also available.

(g) (1) (A) If, after two years of an approved application, an applicant is on track to meet one-half of its goals, as approved by the council in the applicant's application, pursuant to subparagraph (E) of paragraph (1) of subdivision (b) of Section 50220.9 that recipient shall be eligible for available bonus funding.

(B) The council shall determine whether a recipient is on track to meet one-half of its outcome goals, as approved by the council in the recipient's application pursuant to subparagraph (F) of paragraph (2) of subdivision (b) of Section 50220.9. The council shall award bonus funding pursuant to this section as soon as data becomes available. The total bonus funding awarded pursuant to this subparagraph shall not exceed one half of the total available from section 50218.8.

(C) If, after three years of an approved application, an applicant has met one-half of its goals, as approved by the council in the applicant's application, pursuant to subparagraph (E) of paragraph (1) of subdivision (b) of Section 50220.9 that recipient shall be eligible for available bonus funding.

(D) Applicants that do not earn bonus funds in the first two years are eligible to earn bonus funding in the third year if they meet one-half of their goals.

(E) The council shall determine whether a recipient has met one-half of its outcome goals, as approved by the council in the recipient's application pursuant to subparagraph (F) of paragraph (2) of subdivision (b) of Section 50220.9. The council shall award bonus funding pursuant to this section as soon as data becomes available.

(2) The council may provide exceptions to the requirement to meet outcome goals pursuant to paragraph (1) if the applicant demonstrates there were factors outside of the applicant's control that prevented the applicant from meeting its goals such as natural disasters or public health emergencies, changes in statewide or local market construction costs, or restrictions imposed by state and federal law.

(3) The process described in paragraph (1) shall be repeated upon approval of the three-year plan described in Section 50220.9.

Section 50220.6 of the Health and Safety Code is amended to read:

(a) Notwithstanding any law, a recipient that enters into an agreement as set forth in paragraph (10) of subdivision (a) of Section 50219, paragraph (7) of subdivision (b) of Section 50225.5, clause (iii) of subparagraph (B) of paragraph (3) of subdivision (b) of Section 50220.7, ~~and~~ subparagraph (C) of paragraph (3) of subdivision (b) of Section 50220.8 and subparagraph (C) of paragraph (3) of subdivision (b) of Section 50220.9 shall provide data elements, including, but not limited to, health information, in a manner consistent with federal law, to the statewide ~~Homeless Management Information System~~ Homeless Data Integration System ~~when the system becomes available.~~

(b) (1) The council shall specify the form and substance of the required data elements.

(2) The council may, as required by operational necessity, amend or modify data elements, disclosure formats, or disclosure frequency.

(3) Data elements entered in the Homelessness Data Integration System may be used by the council for purposes of researching and evaluating program outcomes.

(c) Any health information provided to, or maintained within, the statewide ~~Homeless Management Information System~~ Homeless Data Integration System shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(d) For purposes of this paragraph, "health information" means "protected health information," as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and "medical information," as defined in subdivision (j) of Section 56.05 of the Civil Code.

(Amended by Stats. 2022, Ch. 28, Sec. 98. (SB 1380) Effective January 1, 2023.)

Section 50220.9 is added to the Health and Safety Code, to read:

(a) (1) The council shall make an application for program allocations available no later than September 30, 2023, and every three years thereafter.

(A) Applicants will be the locally designated fiscal agents for the countywide or regional plan.

(B) Multiple designated fiscal agents are only allowed for overlapping geographic jurisdictions with cities of 300,000 persons or more. Applicants with overlapping geographic jurisdictions must work in close collaboration to develop and submit a joint application for their countywide or regional plan.

(2) Applications shall be due no later than 90 days from the date the council makes the applications available pursuant to paragraph (1). For the first three-year grant cycle, applications shall be due no later than 120 days from the date the council makes the applications available pursuant to paragraph (1).

(3) Within 30 days of receiving an application pursuant to paragraph (2), the council shall either approve the application or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

(A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and stated performance goals.

(B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with evidence-based solutions to reduce homelessness.

(C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective performance standards in accordance with Sections 50221, 50222, and 50223.

(4) An applicant whose application has been returned pursuant to paragraph (3) shall respond to the council's requested amendments and submit a revised application within 45 days. Where the revised application differs from the council's requests, the applicant shall include an explanation of the differences and the rationale for departing from the council's requested amendments.

(5) The council shall have 30 days within which to approve the application if, as amended, it addressed the council's concerns or to provide the grantee with additional guidance and a deadline for further amending to fully address the council's concerns.

(b) To receive a program allocation, an applicant shall submit an application to the council called a Local Homelessness Accountability Plan. A complete application submitted pursuant to this section shall provide the following information, in the form and manner prescribed by the council:

(1) A Local Homelessness Accountability Plan that covers the entire county or region and includes the following, with data updated, consolidated, and amended from the local homelessness action plans included in an application for a previous program allocation pursuant to subparagraph (A) of paragraph (3) of subdivision (b) of Section 50220.7:

(A) A local landscape analysis that assesses the current number of people experiencing homelessness and existing programs and funding which address homelessness within the jurisdiction, utilizing any relevant and available data from the Homeless Data Integration System, the United States Department of

Housing and Urban Development's homeless point-in-time count, continuum of care housing inventory count, longitudinal systems analysis, and Stella tools, as well as any recently conducted local needs assessments.

(B) Identification of the number of individuals and families planned to be served, including demographic information and intervention types provided, and demographic subpopulations that are underserved relative to their proportion of individuals experiencing homelessness in the jurisdiction.

(C) Identification of all funds, including state, federal and local funds, currently being used, and budgeted to be used, to provide housing and homelessness-related services to persons experiencing homelessness or at imminent risk of homelessness, how this funding serves subpopulations, and what intervention types are funded through these resources.

(D) Requirement that the county and any city within the county agree to the following as a condition of receiving the funding described in Section 50217 directly as the fiscal agent or distributed by the fiscal agent, unless responsibilities are otherwise determined locally:

(i) Cities are responsible for siting, funding, and supporting shelters for unsheltered populations within their jurisdiction. Counties are responsible for siting, funding, and supporting shelters for the unsheltered population within the unincorporated areas of the county. Shelter beds needed shall be determined by the concentration of homelessness in each incorporated and unincorporated jurisdiction as measured by the previous three point in time counts.

(ii) Cities are responsible for siting permanent supportive housing within their jurisdiction. Counties are responsible for siting permanent supportive housing within the unincorporated areas of the county.

(iii) Counties are responsible for health and social safety net programs on behalf of the state, including, but not limited to, serving individuals at risk of or experiencing homelessness.

(iv) Counties have the responsibility to provide Medi-Cal specialty mental health and substance use disorder services, including, but not limited to, serving individuals at risk of or experiencing homelessness.

(v) Cities shall be responsible for clean-up and sanitation of encampments within their jurisdiction. Counties shall be responsible for clean-up and sanitation of encampments in unincorporated areas of the county. State and federal governments also have responsibility for clean-up and sanitation of encampments on state-owned properties and federal lands, respectively.

(vi) Clearly delineated responsibilities for cities, counties and/or other entities related to encampment outreach.

(vii) Clearly delineated plan for addressing equity in carrying out the Local Homelessness Accountability Plan, including reducing racial and ethnic disparities identified in HDIS data.

(E) Outcome goals that are specific, ambitious, achievable, and quantifiable to prevent and reduce homelessness over a three-year period, informed by the findings from the local landscape analysis described in subparagraph (A) of paragraph (1) and the combined jurisdiction's outcome goals specified in previous applications. The outcome goals shall be based on the United States Department of Housing and Urban Development's system performance measures, including:

- (i) Reducing the number of persons experiencing homelessness.
- (ii) Reducing the number of persons who become homeless for the first time.
- (iii) Increasing the number of people exiting homelessness into permanent housing.
- (iv) Reducing the length of time persons remain homeless.
- (v) Reducing the number of persons who return to homelessness after exiting homelessness to permanent housing.
- (vi) Increasing successful placements from street outreach.
- (vii) Homeless Management Information System trackable data goals related to the outcome goals listed above as they apply to underserved populations and populations disproportionately impacted by homelessness.

(F) (i) Each applicant shall determine its outcome goals that build upon combined prior year goals in consultation with the council, and shall not submit its final outcome goals before consultation.

(ii) The council shall assess outcome goals in the application based on the information provided in the local homelessness accountability plan and the applicant's baseline data on the performance metrics described in this paragraph and determine whether the outcome goals adequately further the objectives of reducing and preventing homelessness pursuant to this paragraph, and may request additional documentation, information, or revisions to the outcome goals.

(G) A narrative that includes the following:

(i) An outline of proposed uses of funds requested, including which counties, cities, continuums of care, and other local entities would receive funding as the fiscal agent or subrecipients, and an explanation of how the proposed use of funds will advance the Local Homelessness Accountability Plan and advance

outcome goals described in subparagraph (E) of paragraph (1) of subdivision (b).

(ii) Evidence of connection with the local homeless Coordinated Entry System.

(iii) An agreement to participate in a statewide Homeless Data Integration System, and to enter individuals served by this funding into the local Homeless Management Information System, in accordance with local protocols.

(iv) A description of specific actions the applicant will take to ensure racial and gender equity in service delivery, housing placements, and housing retention and changes to procurement or other means of affirming racial and ethnic groups that are overrepresented among residents experiencing homelessness have equitable access to housing and services.

(v) A description of how the applicant will make progress in preventing exits to homelessness from institutional settings, include plans to leverage funding from mainstream systems for evidence-based housing and housing-based solutions to homelessness.

(vi) Specific and quantifiable systems improvements that the applicant will take to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness, including, but not limited to, the following:

(i) Capacity building and workforce development for the jurisdiction's administering staff and providers, including technical assistance to culturally specific providers.

(ii) Strengthening the data quality of the recipient's Homeless Management Information System.

(iii) Increasing capacity for pooling and aligning housing and services funding from existing, mainstream, and new funding.

(iv) Improving homeless point-in-time counts.

(v) Improving coordinated entry systems to eliminate racial bias or to create a youth-specific coordinated entry system.

(vi) Plans shall include strategies to meet outcome goals pursuant to paragraph (2).

(2) The counties, big cities, and the continuum of care shall collaborate to complete a countywide or regional Local Homelessness Accountability Plan. The county or region shall conduct a public stakeholder process that meets at least two times before completing the Local Homelessness Accountability Plan. The counties, big cities, and continuum of care shall participate in the public stakeholder process and

invite all of the following to contribute to the Local Homelessness Accountability Plan:

(A) People with lived experience of homelessness.

(B) Cities that have a population of 299,999 or less, as of January 1, 2020, according to data published on the Department of Finance's internet website.

(C) Homeless service, housing providers, and housing authorities working in that region.

(D) Local agency and department leaders and staff that impact and are impacted by homelessness, including human services, behavioral health, health care, justice, and education system leaders.

(E) Managed care plans operating in the county or region.

(3) The council shall make available to the fiscal agents funding appropriated for the Homeless Housing, Assistance, and Prevention program (Chapter 6 (commencing with Section 50216)) for the purposes of convening and drafting the Local Homelessness Accountability Plans.

(c) For all public entities that are part of a countywide or regional application and will receive an allocation either directly as the fiscal agent or distributed through the fiscal agent, the application must be agendaized at a regular meeting by the governing body, including receiving public comment, before being submitted to the council.

(d) The council may request additional documentation and information from the applicant during consultation consistent with the requirements of subdivision (b).

(e) (1) Within 30 days of receiving the final applications pursuant to subdivision (b), the council shall either approve the application and issue the notice of award to disburse 50 percent of an applicant's funding or return it to the applicant with written, detailed comments and request one or more of the following specific amendments to the application:

(A) Greater detail on any aspect of the application so that the council can ensure fidelity with the applicant's proposed use of funds and agreed upon measurable outcome goals.

(B) Modifications or provision of additional information on the applicant's proposed funding plan to ensure alignment with the applicant's stated measurable outcome goals and with evidence-based solutions to reduce homelessness.

(C) Any other modifications or provision of information that would allow the council to better monitor and evaluate the applicant's ability to meet objective outcome standards in accordance with Sections 50221, 50222, and 50223.

(2) Upon approval of an application pursuant to this section, the council shall disburse 50 percent of an eligible applicant's total allocation pursuant to subdivision (a) of Section 50218.8.

(f) Except as provided in subdivision (g), a recipient of a program allocation, including tribal recipients, shall expend funds on evidence-based solutions that address and prevent homelessness among eligible populations, including any of the following:

(1) Rapid rehousing, including rental subsidies, move-in expenses, and incentives to landlords, such as security deposits and holding fees.

(2) Operating subsidies in new and existing affordable or supportive housing units, emergency shelters, and navigation centers. Operating subsidies may include operating reserves.

(3) Street outreach to assist persons experiencing homelessness to access permanent housing and services, including case management and housing navigation.

(4) Services coordination, which may include access to workforce, education, and training programs, or other services needed to promote housing stability in supportive housing.

(5) Systems support for activities necessary to create regional partnerships and maintain a homeless services and housing delivery system, particularly for vulnerable populations, including families and homeless youth.

(6) Delivery of permanent housing and innovative housing solutions, including capital for permanent housing that serves people experiencing homelessness and conversion of underutilized buildings such as hotels and motels.

(7) Prevention and shelter diversion to permanent housing, including rental subsidies.

(8) Interim sheltering, limited to newly developed clinically enhanced congregate shelters, new or existing noncongregate shelters, and operations of existing navigation centers and shelters based on demonstrated need. Demonstrated need for purposes of this paragraph shall be based on the following:

(A) The number of available shelter beds in the city, county, or region served by a continuum of care.

(B) The number of people experiencing unsheltered homelessness in the homeless point-in-time count.

(C) Shelter vacancy rate in the summer and winter months.

(D) Percentage of exits from emergency shelters to permanent housing solutions.

(E) A plan to connect residents to permanent housing.

(F) Any new interim sheltering should be low-barrier, comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code, and prioritize interventions other than congregate shelters.

(9) Improvements to existing emergency shelters to lower barriers and increase privacy.

(10) Creating partnerships and collaborative protocols with health care, behavioral health, criminal justice, child welfare, and social service systems to prevent people from exiting those systems into homelessness.

(11) Developing and maintaining the Homelessness Management Information System and coordinated entry system infrastructure, including integration efforts with other complementary public information systems and efforts to address racial equity gaps.

(12) Growing and retaining the homeless services sector workforce and establishment of career pathways to promote employment in homeless response workforce, including strategies specific to support people with lived experience of homelessness.

(13) Resources to advance racial equity in local homeless response systems.

(g) An applicant shall not use or allocate more than 7 percent of a program allocation for administrative costs incurred by any public entity administering a program allocation. For purposes of this subdivision, "administrative costs" does not include staff or other costs directly related to implementing activities funded by the program allocation.

(h) An applicant shall comply with Housing First as provided in Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code. Exceptions can be made for sober living programs where alternative low-barrier housing is also available.

(i) Notwithstanding Section 27011 of the Government Code, or any other law governing the deposit of funds in the county treasury, a county may accept a deposit into the county treasury funds from any source for the purpose of administering a project, proposal, or program under this chapter.

(j) For purposes of Section 1090 of the Government Code, a representative of a county serving on a board, committee, or body with the primary purpose of administering funds or making funding recommendations for applications pursuant to this chapter shall have no financial interest in any contract, program or project voted on by the board, committee or body on the basis of the receipt of compensation for holding public office or public employment as a representative of the county.

(k) The council and applicants shall post final applications to their respective internet websites within 30 days of disbursement to the applicants.

(l) (1) A fiscal agent and subrecipients shall contractually obligate not less than 75 percent, and shall expend not less than 50 percent, of the initial program allocations made to it pursuant to paragraph (2) of subdivision (e) within two years of the allocation.

(2) Upon demonstration by the fiscal agent and other public entities that it has complied with the requirement to contractually obligate and expend a minimum amount of its initial allocation pursuant to paragraph (1), and is making progress in implementing the plan outlined in the Local Homelessness Accountability Plan, as determined by the council pursuant to this section, the council shall disburse to that fiscal agent the remaining 50 percent of its total allocation pursuant to subdivision (a) of Section 50218.8.

(3) If an applicant or subrecipient has contractually obligated less than 75 percent of an allocation made pursuant to paragraph (2) of subdivision (e), or less than 50 percent of that amount is expended, after two years, the council shall offer technical assistance to the applicant and subrecipient. If it is determined that the issue cannot be resolved in a reasonable timeframe, as defined by the council, the council shall not contractually obligate or expend any remaining portion of its allocations to the subrecipient, and the council shall not allocate the subrecipients share of the remaining 50 percent of its total allocation, unless both of the following occur:

(A) The applicant submits an alternative disbursement plan for the subrecipient that includes an explanation for the delay.

(B) The council approves the alternative disbursement plan submitted pursuant to subparagraph (A).

(4) After three years from the initial allocation, an applicant shall return unencumbered funds that have not been expended pursuant to an alternative disbursement plan approved pursuant to subparagraph (B) of paragraph (3), to be allocated as bonus awards by the council to eligible recipients in accordance with subdivision (g) of Section 50218.8.

(5) Applicants or subrecipients that do not meet the requirements of paragraph (1) shall not be eligible for bonus funding awarded pursuant to subdivision (g) of Section 50218.8.

(m) (1) If, after two years of an approved application, an applicant is on track to meet one-half of its goals, as approved by the council in the applicant's application, pursuant to subparagraph (E) of paragraph (1) of subdivision (b) that recipient shall be eligible for the bonus funding, as provided in subdivision (g) of Section 50218.8. If, after three years of an approved application, an applicant has met one-half of its goals, as approved by the council in the applicant's application, pursuant

to subparagraph (E) of paragraph (1) of subdivision (b) that recipient shall be eligible for the bonus funding, as provided in subdivision (g) of Section 50218.8..

(2) Applicants that are not on track to meet half of their goals after two years of an approved application shall accept technical assistance from council staff pursuant to Section 50223. Applicants that have not met one-half of their goals after three years of an approved application shall be subject to additional oversight from council staff pursuant to Section 50223.

(n) If the funding described in Section 50217 is not allocated by the state or is reduced from the initial amount identified for the three-year grant, the requirements in this section are not required and local entities cannot be held accountable to goals and responsibilities set in the Local Homelessness Accountability Plan.

(o) The council may request additional information from applicants, as needed, to meet other applicable reporting or audit requirements.

(p) In addition to requirements in Section 50222, the council may monitor the expenditures and programmatic activities of an applicant, as the council deems necessary, to ensure compliance with program requirements and adequate progress towards meeting outcome goals.

(q) The council may, as it deems appropriate or necessary, request the repayment of program funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.

(r) Any remaining amounts of program allocation funds, including bonus funds, not expended five years after allocation, shall revert to, and be paid and deposited in, the General Fund.

Section 50221 of the Health and Safety Code is amended to read:

(a) After receiving program funds, ~~an applicant-recipient~~, by ~~January~~ March 31 of the year following receipt of the funds and annually on that date thereafter ~~until all funds have been expended~~, shall submit a report to the council on a form and method provided by the council, that includes all of the following, as well as any additional information the council deems appropriate or necessary:

(1) An ongoing tracking of the specific uses and expenditures of any program funds broken out by eligible uses listed, including the current status of those funds.

(2) The number of homeless individuals served by the program funds in that year, and a total number served in all years of the program, as well the homeless population served.

(3) The types of housing assistance provided, broken out by the number of individuals.

(4) Outcome data for an individual served through program funds, including the type of housing that an individual exited to, the percent of successful housing exits, and exit types for unsuccessful housing exits.

~~(b) No later than January 1, 2026, each applicant that receives a round 1 program allocation shall submit to the council a final report in a format provided by the council, as well as detailed uses of all program funds.~~

(be) The council shall post this information to its internet website within 30 days of receipt and provide notice to the Senate Housing Committee, Assembly Housing and Community Development Committee, and the appropriate Fiscal Committees.

(Amended by Stats. 2021, Ch. 111, Sec. 11. (AB 140) Effective July 19, 2021.)

Section 50222 of the Health and Safety Code is amended to read:

(a) Beginning in 2021, in addition to the data required on the report under Section 50221, applicants shall provide the following information for both rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework, as established by the council:

(1) Data collection shall include, but not be limited to, information regarding individuals and families served, including demographic information, information regarding partnerships among entities or lack thereof, and participant and regional outcomes.

(2) The performance monitoring and accountability framework shall include clear metrics, which may include, but are not limited to, the following:

(A) The number of individual exits to permanent housing, as defined by the United States Department of Housing and Urban Development, from unsheltered environments and interim housing resulting from this funding.

(B) Racial equity, as defined by the council in consultation with representatives of state and local agencies, service providers, the Legislature, and other stakeholders.

(C) Any other metrics deemed appropriate by the council and developed in coordination with representatives of state and local agencies, advocates, service providers, and the Legislature.

(3) Data collection and reporting requirements shall support the efficient and effective administration of the program and enable the monitoring of jurisdiction performance and program outcomes.

(b) Based on the data collection, reporting, performance monitoring, and accountability framework established by the council pursuant to subdivision (a), all recipients of a program allocation, no later than January 1 of the year following

receipt of funds, and annually on that date thereafter until all funds have been expended, shall submit a report to the council in a format provided by the council.

~~(c) No later than January 1, 2027, each recipient that receives a round 2 program allocation shall submit to the council a final report in a format provided by the council, as well as detailed uses of all program funds.~~

~~(cd)~~ Data collection and data sharing pursuant to this chapter shall be conducted and maintained in accordance with all applicable state and federal privacy and confidentiality laws and regulations.

~~(de)~~ The client information and records of services provided pursuant to this chapter shall be subject to the requirements of Section 10850 of the Welfare and Institutions Code and shall be exempt from inspection under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Part 1 of the Government Code).

~~(ef)~~ Notwithstanding any other law, data collected through the administration and operation of this chapter shall be captured based on the Homeless Management Information System data standards set forth by the United States Department of Housing and Urban Development and by any other means specified by the council, and may be shared with other programs to maximize the efficient and effective provision of public benefits and services, and to evaluate this chapter or its impact on other public benefit and services programs.

(Amended by Stats. 2021, Ch. 615, Sec. 264. (AB 474) Effective January 1, 2022. Operative January 1, 2023, pursuant to Sec. 463 of Stats. 2021, Ch. 615.)

Section 50223 of the Health and Safety Code is amended to read:

(a) Beginning with round 3 of the program, in addition to the data required under Sections 50221 and 50222, applicants shall provide the following information for all rounds of program allocations through a data collection, reporting, performance monitoring, and accountability framework, as established by the council:

(1) (A) Data on the applicant's progress towards meeting their outcome goals, which shall be submitted annually on ~~December 31~~March 31 of each year through the duration of the program.

(B) In the submission of data following the first year of an approved application, If the applicant has not made significant progress toward their outcome goals, the applicant shall submit a description of any barriers that may prevent goals from being achieved in three years and possible solutions to those barriers.

(C) Applicants that are not on track to meet one-half of its goals after two years of an approved application ~~do not demonstrate significant progress toward their outcome goals~~ shall accept technical assistance from the council, and ~~may also be required to limit the allowable uses of these program funds, as determined by the council.~~

(D) Applicants that do not meet one-half of its goals after three years of an approved application may be subject to a corrective action plan that the council develops containing benchmarks for systems improvements for the fiscal agent and subrecipients.

(E) The council may provide exceptions to the requirement to meet outcome goals pursuant to paragraph (1) if the applicant demonstrates there were factors outside of the applicant's control that prevented the applicant from meeting its goals such as natural disasters or public health emergencies, changes in statewide or local market construction costs, or restrictions imposed by state and federal law.

~~(2) (A) A quarterly fiscal report of program funds expended and obligated in each allowable budget category approved in their application for program funds:~~

~~(B) If the applicant has not made significant progress toward their outcome goals, then the applicant shall report on their outcome goals in their quarterly report.~~

~~(23) The council shall compile and post a statewide report that aggregates each applicant's outcome goals into a single statewide set of metrics.~~

~~(b) No later than October 1, 2026, each recipient that receives a round 3 program allocation shall submit to the council a final report in a format provided by the council, as well as detailed uses of all program funds.~~

~~(c) No later than October 1, 2027, each recipient that receives a round 4 program allocation shall submit to the council a final report in a format provided by the council, as well as detailed uses of all program funds.~~

(Added by Stats. 2021, Ch. 111, Sec. 12. (AB 140) Effective July 19, 2021.)

Section 8257.3 is added to the Welfare and Institutions Code, to read:

(a) In consultation with counties, big cities, continuums of care, the Department of Health Care Services, the Department of Social Services, and the Department of Housing and Community Development, the council shall create a unified funding application aligning the timeline and application requirements for state homelessness prevention programs and three-year cycle for the Local Homelessness Accountability Plans as defined by Section 50220.9. The unified funding application shall not alter the program requirements or entities that are eligible to apply for this funding. The council shall report to the Assembly Committees on Housing and Community Development and Human Services and the Senate Committees on Housing and Human Services on any statutory changes needed to enact the unified funding application, no later than June 30, 2024.

(b) Funding programs this section impacts include the following:

- (1) The Homeless Housing, Assistance, and Prevention program (Chapter 6 (commencing with Section 50216)).
- (2) The Encampment Resolution Funding program (Chapter 7 (commencing with Section 50250)).
- (3) The Family Homelessness Challenge Grants and Technical Assistance program (Chapter 8 (commencing with Section 50255)).
- (4) The program referred to as Homekey, as described in Section 50675.1.1.
- (5) The Community Care Expansion program (Chapter 20 (commencing with Section 18999.97) of Part 6 of Division 9 of the Welfare and Institutions Code).
- (6) The Behavioral Health Bridge Housing program (Provision 17 of Item 4260-101-0001 of the Budget Act of 2022).