

AMENDED IN ASSEMBLY MAY 4, 2021

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 816

**Introduced by Assembly Members Chiu, Bloom, Bonta, Quirk-Silva,
Santiago, and Wicks**

February 16, 2021

An act to amend Section 11552 of the Government Code, and to add Sections 8257.1 and 8257.2 to, and to add Chapter 6.6 (commencing with Section 8258) to Division 8 of, the Welfare and Institutions Code, relating to homelessness.

LEGISLATIVE COUNSEL'S DIGEST

AB 816, as amended, Chiu. State and local agencies: homelessness plan.

Existing law establishes in state government the Business, Consumer Services, and Housing Agency, comprised of the Department of Consumer Affairs, the Department of Housing and Community Development, the Department of Fair Employment and Housing, the Department of Business Oversight, the Department of Alcoholic Beverage Control, the Alcoholic Beverage Control Appeals Board, the California Horse Racing Board, and the Alfred E. Alquist Seismic Safety Commission.

Existing law requires the Governor to create the Homeless Coordinating and Financing Council (referred to as “the coordinating council”) and to appoint up to 19 members of that council, as provided. 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.

This bill, upon appropriation by the Legislature or upon receiving technical assistance offered by the federal Department of Housing and Urban Development (HUD), if available, would require the coordinating council to conduct, or contract with an entity to conduct, a statewide needs and gaps analysis to, among other things, identify state programs that provide housing or services to persons experiencing homelessness and create a financial model that will assess certain investment needs for the purpose of moving persons experiencing homelessness into permanent housing. The bill would provide that the council's obligation to conduct the statewide needs and gaps analysis is fulfilled if a technical assistance provider from HUD conducts the analysis on behalf of the council. The bill would require the council to work with the technical assistance provider to complete the analysis. The bill would authorize local governments to collaborate with the coordinating council or other entity conducting the analysis upon an appropriation by the Legislature to cover costs of the collaboration or upon provision of technical assistance by HUD. The bill would also require the coordinating council or any other entity conducting the analysis to seek input from the coordinating council's members on the direction of, design of data collection for, and items to be included in the statewide needs and gaps analysis. The bill would require the council to report on the analysis to specified committees in the Legislature by July 31, 2022. The bill would require the coordinating council or other entity conducting the analysis to evaluate all available data, including, among other things, data from other state departments and agencies. The bill would require a state department or agency with a member on the coordinating council to assist in data collection for the analysis by responding to data requests within 180 days, as specified.

This bill would require the Department of Housing and Community Development (department) to set a benchmark goal in reducing homelessness by January 1, 2029, for the state pursuant to the statewide needs and gaps analysis. The bill would require the department to approve or work with local agencies, as defined, to identify, as provided, appropriate benchmark goals to reduce homelessness for each local agency and cities within each local agency. The bill would also require the department to set annual benchmarks to meet these benchmark goals. The bill, on or before January 1, 2023, would require each local agency to submit to the department an actionable county-level plan for meeting specific annual benchmarks, with the goal of achieving the state-identified benchmark goal. The bill would require each city in the

local agency's jurisdiction to participate in the plan, and each local agency would be required to request and actively seek the participation of all homeless continuums of care that serve the local agency's jurisdiction. The bill would require the plan to include, among other things, a description and the amount of all funding sources the local agency, and any incorporated jurisdiction and continuum of care, has earmarked or committed to addressing homelessness, mental illness, and substance abuse within its jurisdiction. The bill would require the state and each local agency to submit an annual progress report to the department that details the progress and implementation of the adopted plan and any amendments proposed to the plan.

This bill would require the department to review submitted plans and provide feedback and recommended revisions. The bill would require the state or a local agency to either adopt those recommended revisions, or adopt findings as to why the recommended revisions are not needed. The bill would require the department to monitor the implementation and progress of state and local agency plans. The bill would require the department to notify the state or the local agency and the inspector general if the agency fails, within a reasonable time, to make progress in accordance with their plan. The bill would provide that an innovative project to test new programs, as described, shall be deemed approved by the department if the department approves a plan or plan amendment with the innovative project and the local agency or city establishes and documents outcomes upon implementation of the project. *The bill would prohibit the department from considering a local agency to be out of compliance for a partner jurisdiction's failure to adopt a plan, if the local agency made at least 3 attempts to partner with the other jurisdiction, or to assist the jurisdiction in formally adopting a plan, as provided.*

This bill would establish an independent state officer, named the Housing and Homelessness Inspector General, within the department. The bill would require the Governor to appoint the Housing and Homelessness Inspector General, subject to confirmation by the Senate. The bill would, on and after January 1, 2023, authorize the inspector general to bring an action against the state, a local agency, or a city that fails to adopt a plan or fails, within a reasonable time, to make progress in accordance with their adopted plan. The bill, if the court finds that the state or applicable local agency or city has not substantially complied, would authorize the Housing and Homelessness Inspector

General to request the court to issue an order or judgment directing the state, local agency, or city to substantially comply, as provided.

The bill would authorize the inspector general to impose a civil penalty on the state, a local agency, or a city that is found to have deliberately and intentionally transported a homeless individual to a different jurisdiction in order to reduce the number of homeless individuals within their jurisdiction, as specified.

By requiring local agencies to submit a county-level plan for meeting specific annual benchmarks relating to homelessness and to develop and implement a homelessness plan to achieve the benchmark goal developed by the department, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

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

1 SECTION 1. The Legislature finds and declares all of the
2 following:
3 (a) As of January 2019, California has had an estimated 151,278
4 people experiencing homelessness on any given day, as reported
5 by Continuum of Care to the United States Department of Housing
6 and Urban Development. This is the highest number since 2007,
7 and represents a 17-percent increase since 2018.
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
11 state’s homeless population is African American, far outpacing
12 the rates of poverty among African Americans in general.
13 Similarly, indigenous populations have rates of homelessness that
14 are several times higher than among people who are ~~white~~, *White*,
15 and rates of homelessness among Latinx communities are rapidly
16 rising.

1 (c) The vast majority of homeless Californians were unsheltered,
2 which is about 71 percent and the highest rate in the nation,
3 meaning that they were living in streets, parks, or other locations
4 not meant for human habitation. In 2018, among homeless veterans,
5 California had the nation’s highest share that are unsheltered (67
6 percent), and among homeless youth, the share that are unsheltered
7 (80 percent) ranked second highest.

8 (d) As local communities work to house the unsheltered, more
9 people are falling into homelessness. Larger urban areas with high
10 numbers of people experiencing homelessness have reported that
11 more people are falling into homelessness than they are able to
12 house.

13 (e) In the City of Oakland, for every one person they are able
14 to house, two more are falling into homelessness.

15 (f) In the County of Los Angeles, despite housing 20,000
16 homeless people in 2018, for every 133 people housed, 150 fall
17 into homelessness per day.

18 (g) In the City and County of San Francisco, for every one
19 person they are able to house, three more fall into homelessness.

20 (h) A growing percentage of the state’s homeless population
21 are seniors who are experiencing homelessness for the first time.
22 Seniors who are on fixed incomes and who are severely rent
23 burdened have no potential for additional income.

24 (i) Once seniors are homeless, their health quickly deteriorates
25 and they use emergency services at a higher rate and face high
26 mortality rates.

27 (j) Fifty percent of seniors who are homeless become homeless
28 after 50 years of age.

29 (k) While comprehensive statewide data is lacking, local surveys
30 indicate that people living on the streets are typically from the
31 surrounding neighborhood. For example, 70 percent of the people
32 experiencing homelessness in the City and County of San Francisco
33 were housed somewhere in the city where they lost housing, while
34 only 8 percent came from out-of-state. In addition, three-quarters
35 of the homeless population of the County of Los Angeles lived in
36 the region before becoming homeless.

37 (l) About 1,300,000 California renters are considered “extremely
38 low income,” making less than twenty-five thousand dollars
39 (\$25,000) per year.

1 (m) In many parts of the state, many lower income residents
2 are severely cost burdened, paying over 50 percent of their income
3 toward housing costs. One small financial setback can push these
4 individuals and families into homelessness.

5 (n) The Legislature has made the following investments in
6 affordable housing and homelessness response:

7 (1) In 2016, the Legislature passed and the voters approved
8 Proposition 63, known as the Mental Health Services Act, which
9 generates two billion dollars (\$2,000,000,000) per year for mental
10 health services that can be used for people experiencing
11 homelessness.

12 (2) In 2017, Senate Bill 2 (Chapter 364 of the Statutes of 2017)
13 established a recording fee for real estate documents that has
14 generated three hundred fifty million dollars (\$350,000,000) per
15 year since its creation. Beginning this year, 70 percent of funds
16 from the recording fee go directly to cities and counties to use to
17 address affordable housing and homelessness.

18 (3) In 2017, the Legislature passed No Place Like Home to
19 authorize the use of two billion dollars (\$2,000,000,000) in
20 Proposition 63 revenues in bonds for supportive housing for
21 chronically homeless individuals with mental illness.

22 (4) In 2018, the Legislature passed and the voters approved
23 Proposition 1, which authorized three billion dollars
24 (\$3,000,000,000) in general fund bonds to increase the supply of
25 affordable housing around the state.

26 (5) Local governments have also passed general obligation
27 bonds to fund affordable housing, supportive housing, and
28 emergency shelters:

29 (A) In 2016, the voters of the City of Los Angeles passed
30 Measure HHH, which authorizes 1.2 billion dollars
31 (\$1,200,000,000) to fund the construction of 10,000 supportive
32 housing units.

33 (B) In 2019, the City and County of San Francisco passed
34 Proposition A, which authorized six hundred million dollars
35 (\$600,000,000) to support the creation of affordable housing.

36 (C) In 2019, the City and County of San Francisco passed
37 Proposition C, which authorizes a tax on gross receipts of business
38 with incomes of fifty million dollars (\$50,000,000) or more to
39 fund affordable housing, supportive housing, and legal assistance
40 programs.

1 (6) The Legislature has also made policy changes to allow for
2 siting and building emergency shelters, affordable housing, and
3 supportive housing:

4 (A) In 2017, the Legislature passed Senate Bill 35 (Chapter 366
5 of the Statutes of 2017), which created a streamlined process for
6 housing developments that include a percentage of affordable
7 housing.

8 (B) In 2018, the Legislature passed Assembly Bill 2162 (Chapter
9 753 of the Statutes of 2018), which established a streamlined
10 process for supportive housing developments.

11 (C) In 2018, the Legislature authorized five hundred million
12 dollars (\$500,000,000) for the Homeless Emergency Aid Program
13 to provide local governments with flexible block grant funds to
14 address their immediate homelessness challenges.

15 (D) In 2019, the Legislature passed Assembly Bill 101 (Chapter
16 159 of the Statutes of 2019), which streamlines navigation centers
17 that provide emergency shelter and services to people experiencing
18 homelessness.

19 (E) In 2019, the Legislature authorized six hundred fifty million
20 dollars (\$650,000,000) for the Homeless Housing, Assistance, and
21 Prevention Program one-time block grant that provides local
22 jurisdictions with funds to support regional coordination and
23 expand or develop local capacity to address their immediate
24 homelessness challenges.

25 (o) State and local government at all levels should be held
26 responsible for responding to homelessness and providing
27 permanent housing for people experiencing homelessness. In order
28 to ensure state and local jurisdictions are making best use of
29 existing resources, and to determine the additional resources needed
30 to substantially reduce unsheltered homelessness in California, the
31 state should work with local communities to determine the
32 appropriate roles of each level of government.

33 (p) To identify the types and levels of interventions the state
34 currently provides, and to arrive at strategies the state will pursue
35 to solve homelessness, the state must conduct a state gaps analysis.
36 The analysis should include an assessment of existing resources,
37 gaps in interventions needed to solve homelessness, and a financial
38 analysis of the costs of filling those gaps at a state level.

1 (q) There are few other areas of important public policy where
2 government efforts to achieve a compelling societal objective are
3 voluntary.

4 (r) The state required the state's utilities and public agencies to
5 meet a timetable for increasing their use of renewable energy, and
6 the state is achieving dramatic results.

7 (s) Government at all levels should be obligated to spend
8 existing resources in the most efficient and expeditious manner to
9 reduce homelessness.

10 SEC. 2. Section 11552 of the Government Code is amended
11 to read:

12 11552. (a) Effective January 1, 1988, an annual salary of
13 eighty-five thousand four hundred two dollars (\$85,402) shall be
14 paid to each of the following:

- 15 (1) Commissioner of Business Oversight.
- 16 (2) Director of Transportation.
- 17 (3) Real Estate Commissioner.
- 18 (4) Director of Social Services.
- 19 (5) Director of Water Resources.
- 20 (6) Director of General Services.
- 21 (7) Director of Motor Vehicles.
- 22 (8) Executive Officer of the Franchise Tax Board.
- 23 (9) Director of Employment Development.
- 24 (10) Director of Alcoholic Beverage Control.
- 25 (11) Director of Housing and Community Development.
- 26 (12) Director of Alcohol and Drug Programs.
- 27 (13) Director of Statewide Health Planning and Development.
- 28 (14) Director of the Department of Human Resources.
- 29 (15) Director of Health Care Services.
- 30 (16) Director of State Hospitals.
- 31 (17) Director of Developmental Services.
- 32 (18) State Public Defender.
- 33 (19) Director of the California State Lottery.
- 34 (20) Director of Fish and Wildlife.
- 35 (21) Director of Parks and Recreation.
- 36 (22) Director of Rehabilitation.
- 37 (23) Director of the Office of Administrative Law.
- 38 (24) Director of Consumer Affairs.
- 39 (25) Director of Forestry and Fire Protection.

- 1 (26) The Inspector General pursuant to Section 6125 of the
- 2 Penal Code.
- 3 (27) Director of Child Support Services.
- 4 (28) Director of Industrial Relations.
- 5 (29) Director of Toxic Substances Control.
- 6 (30) Director of Pesticide Regulation.
- 7 (31) Director of Managed Health Care.
- 8 (32) Director of Environmental Health Hazard Assessment.
- 9 (33) Director of California Bay-Delta Authority.
- 10 (34) Director of California Conservation Corps.
- 11 (35) Director of Technology.
- 12 (36) Director of Emergency Services.
- 13 (37) Director of the Office of Energy Infrastructure Safety.
- 14 (38) The Housing and Homelessness Inspector General.
- 15 (b) The annual compensation provided by this section shall be
- 16 increased in any fiscal year in which a general salary increase is
- 17 provided for state employees. The amount of the increase provided
- 18 by this section shall be comparable to, but shall not exceed, the
- 19 percentage of the general salary increases provided for state
- 20 employees during that fiscal year.
- 21 SEC. 3. Section 8257.1 is added to the Welfare and Institutions
- 22 Code, to read:
- 23 8257.1. (a) Upon appropriation by the Legislature, or upon
- 24 receiving technical assistance offered by the federal Department
- 25 of Housing and Urban Development, if available, the coordinating
- 26 council, or an entity the council contracts with for this purpose,
- 27 shall do all of the following:
- 28 (1) Conduct a statewide needs and gaps analysis that will do all
- 29 of the following:
- 30 (A) Identify programs in the state that provide housing or
- 31 services to persons experiencing homelessness and describe all of
- 32 the following for each program to the extent that data is available:
- 33 (i) The amount of funding the program receives each year and
- 34 funding sources for the program.
- 35 (ii) The number of persons the program serves each year,
- 36 disaggregated by race and gender.
- 37 (iii) The types of housing and services provided to the persons
- 38 the program serves each year, disaggregated by race and gender.
- 39 (iv) Limitations, if any, on the length of stay for housing
- 40 programs and length of provision of services for service programs.

- 1 (v) If applicable, reasons for the unavailability of data.
- 2 (B) Identify the total number and type of permanent housing
3 beds, units, or opportunities available to persons experiencing
4 homelessness statewide and in geographically diverse regions
5 across the state.
- 6 (C) Analyze the need for permanent housing opportunities,
7 including, but not limited to, supportive housing, rapid rehousing,
8 and affordable housing.
- 9 (D) Analyze the need for services to assist persons in exiting
10 homelessness and remaining housed.
- 11 (E) Identify the number of and types of interim interventions
12 available to persons experiencing homelessness in geographically
13 diverse regions across the state. The data shall also include, but is
14 not limited to, all of the following:
- 15 (i) The number of year-round shelter beds.
- 16 (ii) The average length of stay in or use of interim interventions,
17 to the extent data is available.
- 18 (iii) The exit rate from an interim intervention to permanent
19 housing, to the extent data is available.
- 20 (F) Analyze the need for additional interim interventions and
21 funding needed to create these interventions, taking into
22 consideration the ideal length of stay in or use of the intervention.
- 23 (G) Identify state-funded institutional settings that discharge
24 persons into homelessness, and the total number of persons
25 discharged into homelessness from each of those settings, to the
26 extent data is available, disaggregated by race and gender. If data
27 is unavailable, the entity conducting the analysis may extrapolate
28 from national, local, or statewide estimates on the number or
29 percentage of people discharged from specific institutional settings
30 into homelessness.
- 31 (H) Collect data on the numbers and demographics of persons
32 experiencing homelessness, including, but not limited to, a
33 quantification of the racial and ethnic disparities in the homeless
34 population relative to the general population and, to the extent data
35 is available, race and gender demographics, in all of the following
36 circumstances:
- 37 (i) As a young adult.
- 38 (ii) As an unaccompanied minor.
- 39 (iii) As a single adult experiencing chronic homelessness and
40 nonchronic homelessness.

- 1 (iv) As an adult over 50 years of age.
2 (v) As a domestic violence survivor.
3 (vi) As a veteran.
4 (vii) As a person on parole or probation.
5 (viii) As a member of a family experiencing either chronic or
6 nonchronic patterns of homelessness.
- 7 (I) Collect data, to the extent data is available, on exits from
8 homelessness to housing, including, but not limited to, the number
9 of people moving into permanent housing and the type of housing
10 being accessed, the type of interventions people exiting
11 homelessness received, if any, and racial and gender characteristics
12 of people accessing each type of housing and receiving each type
13 of intervention.
- 14 (J) To the extent data is available, assess a sampling of data
15 provided by local jurisdictions regarding the number of people
16 experiencing homelessness who accessed interim interventions,
17 including, but not limited to, shelters, recuperative care, and motels
18 and hotels, in response to the COVID-19 pandemic, and the number
19 of people who were able to access permanent housing on or before
20 the expiration of interim assistance. The assessment shall include
21 the number and racial identification of people experiencing
22 homelessness who sheltered in place or were quarantined during
23 the COVID-19 pandemic and the number and racial identification
24 of people experiencing homelessness who were able to access
25 permanent housing on or before the expiration of temporary
26 assistance, as well as the type of housing accessed.
- 27 (K) Create a financial model that will assess needs for
28 investment in capital, in operating supports in project-based
29 housing, in rental assistance with private-market landlords, and in
30 services costs for purposes of moving persons experiencing
31 homelessness into permanent housing. The financial model shall
32 include an explanation of how these investments will affirmatively
33 reduce and close any racial disparities identified in the homeless
34 population.
- 35 (2) (A) For purposes of collecting data to conduct the analysis
36 pursuant to paragraph (1), evaluate all available data, including,
37 but not limited to, data from agencies and departments other than
38 the council, statewide and local homeless point-in-time counts and
39 housing inventory counts, and available statewide information on

1 the number or rate of persons exiting state-funded institutional
2 settings into homelessness.

3 (B) To the extent specific data is unavailable for purposes of
4 subparagraph (A), the council may calculate estimates based on
5 national or local data. The council shall only use data that meets
6 either of the following requirements:

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

10 (ii) A federal agency cites and refers to the data as
11 evidence-based.

12 (3) Seek input from the council's members on the direction of,
13 design of data collection for, and items to be included in the
14 analysis conducted pursuant to paragraph (1).

15 (b) The council's obligation to conduct the statewide needs and
16 gaps analysis under subdivision (a) shall be fulfilled if a technical
17 assistance provider from the federal Department of Housing and
18 Urban Development conducts the analysis on behalf of the council.
19 The council shall work with the technical assistance provider to
20 complete the analysis.

21 (c) For purposes of collecting data pursuant to paragraph (1) of
22 subdivision (a), and upon appropriation pursuant to subdivision
23 (a) to fund costs or upon the provision of technical assistance by
24 the federal Department of Housing and Urban Development, a
25 local government may collaborate with the coordinating council
26 or the entity conducting the statewide analysis to do both of the
27 following:

28 (1) If available, share existing data from local gaps or needs
29 analyses to inform statewide data.

30 (2) Provide data for conducting needs analyses in a sampling
31 of up to six geographically diverse regions to inform statewide
32 data. The council or other entity conducting the statewide analysis
33 may extrapolate data from these local data analyses to inform the
34 statewide analysis.

35 (d) The council shall report on the final needs and gaps analysis
36 by July 31, 2022, to the Assembly Committee on Housing and
37 Community Development, the Assembly Committee on Budget,
38 Senate Committee on Housing, and Senate Committee on Budget
39 and Fiscal Review. The report submitted pursuant to this paragraph
40 shall comply with Section 9795 of the Government Code.

1 (e) For purposes of this section, all of the following definitions
2 apply:

3 (1) “Chronic homelessness” has the same definition as that in
4 Section 578.3 of Title 24 of the Code of Federal Regulations, as
5 that section read on January 1, 2020.

6 (2) “Council” or “coordinating council” shall mean the Homeless
7 Coordinating and Financing Council, as created pursuant to Section
8 8257.

9 (3) “Interim interventions” include, but are not limited to,
10 year-round shelter beds, recuperative care beds, and motel
11 vouchers.

12 (4) “State-funded institutional settings” include, but are not
13 limited to, justice, juvenile justice, child welfare, and health care
14 settings.

15 (5) “Young adult” means a person 18 to 24 years of age,
16 inclusive.

17 SEC. 4. Section 8257.2 is added to the Welfare and Institutions
18 Code, to read:

19 8257.2. (a) Notwithstanding any other law, for purposes of
20 designing, collecting data for, and approving the needs and gaps
21 analysis described in Section 8257.1, a state department or agency
22 that has a member on the coordinating council shall, within 180
23 days of a request for data pertaining to that state department or
24 agency, provide to the council, or the entity conducting the
25 analysis, the requested data, including, but not limited to, the
26 number or rate of persons exiting state-funded institutional settings
27 into homelessness.

28 (b) The state department or agency shall remove any personally
29 identifying data provided pursuant to subdivision (a), if any.

30 (c) For purposes of this section, the following definitions apply:

31 (1) “Personally identifying information” has the same meaning
32 as that in Section 1798.79.8 of the Civil Code.

33 (2) “State-funded institutional settings” include, but are not
34 limited to, justice, juvenile justice, child welfare, and health care
35 settings.

36 SEC. 5. Chapter 6.6 (commencing with Section 8258) is added
37 to Division 8 of the Welfare and Institutions Code, to read:

CHAPTER 6.6. HOUSING AND HOMELESSNESS INSPECTOR
GENERAL

8258. For purposes of this chapter:
(a) “Department” means the Department of Housing and Community Development.

(b) “Inspector general” means the Housing and Homelessness Inspector General.

(c) “Local agency” means a county or city and county.

(d) “State department or agency” means state agency or department that has a representative on the Homeless Coordinating and Financing Council, as created pursuant to Section 8257.

8258.1. (a) There is in state government an independent officer, named the Housing and Homelessness Inspector General, within the department.

(b) The inspector general shall be appointed by, and hold office at the pleasure of, the Governor. The appointment of the inspector general is subject to confirmation by the Senate.

(c) The inspector general shall receive an annual salary as set forth in Section 11552 of the Government Code.

(d) The inspector general shall have all of the following responsibilities:

- (1) Oversee the implementation of this chapter.
- (2) Monitor the implementation and progress of state plans and local agency plans adopted pursuant to Section 8258.3.
- (3) Provide technical assistance to the state, local agencies, and cities in complying with this chapter.
- (4) Audit the state, local agencies, and cities to determine compliance with adopted plans.
- (5) Bring actions against the state, local agencies, and cities to compel compliance with their respective adopted plans pursuant to Section 8258.3.
- (6) Investigate complaints and issue civil penalties pursuant to Section 8258.5.

8258.2. (a) It is the intent of the Legislature that the state, each local agency, and each city shall aim to reduce homelessness in their jurisdiction by 90 percent by December 31, 2029, based on the 2019 homeless point-in-time count pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations.

1 (b) It is the intent of the Legislature that racial disparities in the
2 homeless population be eliminated by December 31, 2029.

3 (c) It is the intent of the Legislature that the inspector general’s
4 decision that a local agency’s or city’s good standing status may
5 influence future funding decisions related to housing and
6 homelessness to that jurisdiction.

7 (d) It is the intent of the Legislature that the state, a local agency,
8 or a city is only accountable under this chapter for reducing
9 homelessness to the extent that it has available resources to address
10 homelessness, and that the local agency or city should not be
11 required to expend additional funds not contained in its actionable
12 plan in order to meet the benchmark goal set by the department.

13 8258.3. (a) (1) The department shall, based on the gap analysis
14 conducted pursuant to Section 8257.1, set a benchmark goal to
15 reduce homelessness for the state. The department shall, based on
16 the plan required under subdivision (b) of this section, approve or
17 work with local agencies to identify appropriate benchmark goals
18 to reduce homelessness for each local agency and cities within
19 each local agency. These benchmark goals shall establish both of
20 the following by December 31, 2029, and be based on the 2019
21 homeless point-in-time count pursuant to Section 578.3 of Title
22 24 of the Code of Federal Regulations:

23 (A) The minimum number of people experiencing homelessness
24 who are diverted from a homeless shelter or who have successfully
25 accessed permanent housing during the relevant period.

26 (B) The minimum reductions in people becoming homeless,
27 including targeted homelessness prevention and reductions in
28 returns to homelessness, during the relevant period.

29 (2) The department shall establish annual benchmarks for each
30 local agency and city subject to the requirements of paragraph (1)
31 of subdivision (b) and the state.

32 (b) (1) On or before ~~January~~ July 1, 2023, each local agency
33 shall submit to the department an actionable county-level plan for
34 meeting specific annual benchmarks, with the goal of achieving
35 the benchmark goal set pursuant to subdivision (a). Each city in
36 the local agency’s jurisdiction shall participate in the county-level
37 plan, and the local agency shall request and actively seek the
38 participation of all homeless continuums of care that serve the
39 local agency’s jurisdiction. *The plan shall provide that counties*
40 *are responsible if one or more cities elect not to participate, or if*

1 *a city or homeless continuum of care does not formally adopt a*
2 *local homelessness plan.*

3 (2) The plan described in paragraph (1) shall include all of the
4 following:

5 (A) A gaps analysis, conducted by the local agency or a
6 homeless continuum of care that serves the local agency, that
7 assesses key indicators of homeless system performance, including
8 estimates of inflow into homelessness, exits to permanent housing,
9 length of time of homelessness, rate of returns to homelessness,
10 and other federal Department of Housing and Urban Development
11 System Performance Measures, disaggregated by race, and that
12 quantifies the need for interim, affordable, rapid rehousing, and
13 supportive housing interventions, and the associated costs for those
14 interventions, to achieve a 90-percent reduction in population-level
15 homelessness by December 31, 2029.

16 (B) A description of any racial and ethnic disparities among the
17 homeless population relative to the general population, and a
18 description of the specific actions that will be taken to affirmatively
19 eliminate these disparities by December 31, 2029.

20 (C) A description and the amount of all funding sources that
21 the local agency, and any incorporated jurisdiction and continuum
22 of care within the local agency, has earmarked or committed to
23 addressing homelessness, mental illness, substance use, medical
24 care, justice system needs, and child welfare within their
25 jurisdiction.

26 (D) The estimated amount of additional funding needed to meet
27 the homelessness reduction goal described in subdivision (a).

28 (E) Timelines for the state or local agency to utilize the funding
29 identified in subparagraph (C).

30 (F) Specific actions that the local agency, cities in the local
31 agency's jurisdiction, and the homeless continuum of care that
32 serves the local agency will take to meet the goal established in
33 subdivision (c), taking into account funding limitations in
34 subparagraph (D) and the housing market in the local agency's
35 area, by reducing the number of individuals who are experiencing
36 homelessness in the relevant jurisdiction by moving individuals
37 into permanent housing and ensuring the adequate provision of
38 related social services to achieve and maintain that housing.

39 (G) Specific roles and responsibilities that each local agency,
40 city, and homeless continuum of care will assume to meet the

1 benchmark goal established in subdivision (a), to ensure
2 collaboration, leverage resources, and avoid the duplication of
3 services and efforts. Identifying roles may include roles in siting
4 housing and establishing zoning, funding affordable and supportive
5 housing, funding rapid rehousing, funding interim interventions,
6 funding services, establishing and running coordinated entry
7 systems, promoting health and services access, and establishing
8 protocols to avoid discharges from institutional systems into
9 homelessness.

10 (H) A plan may identify innovative projects to test new policies
11 or programs that are designed to help the local agency meet its
12 benchmark goal by reducing costs, leveraging additional resources,
13 or increasing performance, such as by increasing housing exits,
14 reducing returns to homelessness, and reducing the length of time
15 experiencing homelessness.

16 (3) Each participating local agency's, city's, and homeless
17 continuum of care's governing body shall approve, by resolution
18 or, in the case of a homeless continuum of care, by another method
19 in accordance with the continuum of care's bylaws or governance
20 procedures, the county-level plan required by paragraph (1).

21 (4) A local agency may use or incorporate an existing gaps or
22 needs analysis or plan to fulfill the requirements of paragraphs (1)
23 and (2), if approved, pursuant to the procedure described in
24 paragraph (3), by each participating jurisdiction's and homeless
25 continuum of care's governing body, and if entered into no earlier
26 than three years prior to submission to the department.

27 (5) The state and each local agency shall submit an annual
28 progress report to the department that details the progress and
29 implementation of the adopted plan and any amendments proposed
30 to the plan. Amendments to a plan shall be reviewed by the
31 department pursuant to subdivision (c).

32 (c) (1) Upon receipt of a plan adopted pursuant to subdivision
33 (b), the department shall review the plan and provide feedback
34 and recommended revisions to the state or local agency.

35 (2) If the department sends recommended revisions to the state's
36 or local agency's plan, the state or applicable local agency shall
37 either adopt the recommended revisions, or adopt findings as to
38 why the revisions are not needed.

39 (d) (1) The department shall monitor the progress of the state
40 and each local agency required to adopt and implement a plan

1 pursuant to subdivision (b). If the department determines that the
2 state or a local agency has not adopted an actionable plan pursuant
3 to subdivision (b), or has failed within a reasonable time after
4 adoption of a plan to make progress in accordance with that plan,
5 the department shall notify the state or local agency and the
6 inspector general that the state or local agency is not in substantial
7 compliance with subdivision (b). *The department shall not consider*
8 *a local agency to be out of compliance for a partner jurisdiction's*
9 *failure to adopt a plan, so long as that local agency made at least*
10 *three attempts to partner with the other jurisdiction, or to assist*
11 *the jurisdiction in formally adopting a plan, but was unsuccessful*
12 *in doing so.*

13 (2) If new resources are identified in a progress report submitted
14 pursuant to paragraph (5) of subdivision (b), the department may
15 revise a benchmark goal established pursuant to subdivision (a).

16 (3) An innovative project, as described in subparagraph (H) of
17 paragraph (2) of subdivision (b), shall be deemed approved by the
18 department if the department approves a plan or plan amendment
19 with the innovative project and the local agency or city establishes
20 and documents outcomes upon implementation of the project.

21 8258.4. (a) (1) On or after January 1, 2023, the inspector
22 general may bring an action against the state, a local agency, or a
23 city to compel compliance with Section 8258.3 pursuant to Section
24 1085 of the Code of Civil Procedure.

25 (2) In determining whether to bring an action, the inspector
26 general shall consider, among other considerations, all of the
27 following:

28 (A) The number of people experiencing homelessness who are
29 now living in permanent housing due to the actions or inactions
30 of the city, local agency, or state.

31 (B) The number of people entering homelessness, as measured
32 by the homeless point-in-time count.

33 (C) The number of people diverted from the homeless system.

34 (D) Whether actions taken are consistent with evidence-based
35 or best practices as the primary indicators of benchmark goal
36 compliance.

37 (3) In determining whether to bring an action, the inspector
38 general may also consider the state's or local agency's
39 demonstrated progress or good faith efforts toward progress in
40 achieving the HUD System Performance Measures.

1 (b) An action against the state pursuant to this section shall be
2 brought in the Superior Court of the County of Sacramento. An
3 action against a local agency pursuant to this section shall be
4 brought in the superior court for that local agency, and an action
5 brought against a city pursuant to this section shall be brought in
6 the superior court for the local agency in which the city is located.

7 (c) (1) If the inspector general finds that court action is
8 warranted, the inspector general shall present findings around
9 responsibility of a city, local agency, or state, and identify
10 requested remedies for the court to consider.

11 (2) If, in an action brought pursuant to this section, the court
12 finds that the state or applicable local agency or city has not
13 substantially complied with Section 8258.3, the court may issue
14 an order or judgment directing the state, local agency, or city to
15 substantially comply with this section by taking any of the
16 following actions:

17 (A) In the case of a state, local agency, or city that has failed to
18 adopt an actionable plan within the time period specified in
19 subdivision (b) of Section 8258.3, adopt a plan in accordance with
20 this section.

21 (B) Direct the state, local agency, or city to dedicate the
22 resources identified in the plan, consistent with applicable state or
23 federal law, to move people experiencing homelessness into
24 permanent housing and to provide adequate interim housing.

25 (C) Direct the local agency or city to coordinate with the state
26 or other local agencies to reduce the number of individuals who
27 are experiencing homelessness.

28 (D) Direct the local agency or city to pool resources identified
29 in the plan, consistent with applicable state or federal law, with
30 the resources of other jurisdictions in order to address regional
31 challenges to reducing homelessness.

32 (E) Require jurisdictions within local agencies to rezone sites
33 to permit the construction of housing and emergency shelters.

34 (F) Order a jurisdiction to otherwise comply with the roles
35 identified in subdivision (b) of Section 8258.3.

36 (3) The remedies available to a court that finds that the state or
37 applicable local agency or city has not substantially complied with
38 Section 8258.3 shall be limited to those described in paragraph
39 (1).

1 (4) If the court issues an order or judgment pursuant to paragraph
2 (1), it shall retain jurisdiction for no more than 24 months to ensure
3 that its order or judgment is carried out.

4 (5) If the department approves a local agency's or city's plan
5 to pursue an innovative program pursuant to subparagraph (H) of
6 paragraph (2) of subdivision (b) of Section 8258.3, the inspector
7 general and court shall not pursue any action described in paragraph
8 (1) due to that program's failure to meet anticipated goals for up
9 to 18 months after the program implementation. If, after 18 months,
10 an innovative program is deemed unsuccessful in achieving
11 benchmarks, the local agency or city operating the program shall
12 have up to six additional months to close, repurpose, or reallocate
13 funding intended for the program, which shall be reflected in the
14 annual report.

15 (6) An order or judgment of the court pursuant to paragraph (1)
16 may be reviewed in the manner prescribed in Title 13 (commencing
17 with Section 901) of Part 2 of the Code of Civil Procedure.
18 Notwithstanding any other law, an appeal pursuant to this
19 paragraph shall be heard on an expedited basis.

20 8258.5. (a) The state, a local agency, or a city shall not
21 deliberately and intentionally transport a homeless individual or
22 households to a different jurisdiction in order to reduce the number
23 of homeless individuals within its jurisdiction, unless those
24 individuals or households choose to move to a different jurisdiction.

25 (b) Any person may file a complaint with the inspector general
26 that the state, a local agency, or a city violated subdivision (a).

27 (c) (1) The inspector general shall investigate a complaint
28 received pursuant to subdivision (a).

29 (2) After investigating a complaint, the inspector general shall
30 impose on the state or any local jurisdiction found to have violated
31 subdivision (a) a civil penalty in an amount not to exceed one
32 hundred thousand dollars (\$100,000) per individual transported
33 outside of the jurisdiction.

34 SEC. 6. If the Commission on State Mandates determines that
35 this act contains costs mandated by the state, reimbursement to
36 local agencies and school districts for those costs shall be made
37 pursuant to Part 7 (commencing with Section 17500) of Division
38 4 of Title 2 of the Government Code.

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