

Date of Hearing: April 21, 2021

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Lisa Calderon, Chair

AB 977 (Gabriel) – As Amended April 19, 2021

**SUBJECT:** Homelessness prevention programs: Homeless Management Information System

**SUMMARY:** Requires a grantee or entity operating state homelessness programs to enter collected data into its local Homeless Management Information System (HMIS) no later than July 1, 2022; requires, upon implementation of the Homeless Data Integration System (HDIS), all continuums of care (CoCs) operating in California to provide collected data elements to the HDIS; and, expands the goals of the Homeless Coordinating and Financing Council (HCFC) to include collecting, compiling, and making available to the public certain financial data related to state-funded homelessness programs, as specified. Specifically, **this bill**:

- 1) Defines, for purposes of this bill, “state homelessness programs” as programs that are funded, in whole or in part, by the state with the express purpose of addressing or preventing homelessness or providing services to people experiencing homelessness, and, further, declares that this definition shall be broadly construed in order to implement the requirements of this bill, as specified.
- 2) Requires, no later than July 1, 2022, a grantee or entity operating the following state homelessness programs, as a condition of receiving state funds, to enter any collected data on the individuals and families served by the program into the program’s local HMIS:
  - a) The Homekey Program;
  - b) The Housing for a Healthy California Program;
  - c) The No Place Like Home Program (HHC);
  - d) The Multifamily Housing Program (MHP);
  - e) The Veterans Housing and Homeless Prevention Act of 2014;
  - f) The Bringing Families Home Program (BFH);
  - g) The California Work Opportunity and Responsibility to Kids (CalWORKs) Housing Support Program (HSP);
  - h) The Housing and Disability Income Advocacy Program (HDIP); and,
  - i) The Community Colleges Homeless and Housing Insecure Pilot Project, as defined in current law.
- 3) Requires HCFC staff to specify the form and substance of the required data elements, and, further, permits HCFC staff, as required by operational necessity, to amend or modify data elements, disclosure formats, or disclosure frequency as it relates to reporting to the HMIS and the HDIS, as specified.

- 4) Applies the reporting requirements established by the provisions of this bill to all state homelessness programs that begin on or after July 1, 2022.
- 5) Defines the statewide data system or warehouse that collects local data through HMIS as the HDIS.
- 6) Requires, upon creation of the HDIS, all CoCs that are operating in California to provide collected data elements, including but not limited to, health information, in a manner consistent with federal law, to the HDIS.
- 7) Prohibits any health information or personal identifying information provided to, or maintained within, the HDIS from being subject to public inspection or disclosure under the California Public Records Act, as defined in current law.
- 8) Defines “health information” as including “protected health information” and “medical information,” as defined in current state and federal law.
- 9) Expands the goals of the HCFC to include collecting, compiling, and making available to the public financial data provided to the HCFC by all state-funded homelessness programs.

**EXISTING LAW:**

- 1) Defines “protected health information” as individually identifiable health information that is transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or media, and excludes individually identifiable health information in certain records, as specified, and regarding a person who has been deceased for more than 50 years. (45 Code of Federal Regulations 160.103)
- 2) Defines “medical information” as any individually identifiable information, in electronic or physical form, in possession of or derived from a provider of health care, health care service plan, pharmaceutical company, or contractor regarding a patient’s medical history, mental or physical condition, or treatment. (Civil Code Section 56.05(j))
- 3) Defines “Homeless Management Information System” as the information system designated by a CoC to comply with federal reporting requirements, as defined in current federal law. (Heath and Safety Code Section [HSC] 50216(i))
- 4) Establishes a “Homeless Coordinating and Financing Council” to oversee and coordinate the implementation of the Housing First guidelines and regulations in California, and to identify resources and services that can be accessed to prevent and end homelessness in California. (Welfare and Institutions Code Section [WIC] 8255 *et seq.*)
- 5) Establishes the “Multifamily Housing Program” within California Department of Housing and Community Development (HCD) to replace the Deferred-Payment Rehabilitative Loan Program, the Rental Housing Construction Program, and the Family Housing Demonstration Program in order to increase efficiency by operating one omnibus multifamily housing program modeled upon an existing successful program, and by providing a standardized set of program rules and features applicable to all housing types. (HSC 50675 *et seq.*)

- 6) Establishes the “Housing for a Healthy California Program” within HCD to create supportive housing opportunities through: grants to counties for capital, rental assistance, and operating subsidies; and, operating reserve grants and capital loans to developers, as specified. (HSC 53591 *et seq.*)
- 7) Establishes the “No Place Like Home Program” for purposes of investing in the development of permanent supportive housing for individuals in need of mental health services and who are experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness. (WIC 5849.1 *et seq.*)
- 8) Establishes the “Veterans Housing and Homeless Prevention Act of 2014”, which requires the California Housing Finance Agency, HCD, and Department of Veterans Affairs to work collaboratively to provide for the acquisition, construction, rehabilitation, and preservation of affordable multifamily supportive housing, affordable transitional housing, affordable rental housing, or related facilities for veterans and their families to allow veterans to access and maintain housing stability. (Military and Veterans Code Section 987.001 *et seq.*)
- 9) Establishes the “Bringing Families Home Program”, and requires the California Department of Social Services (CDSS) to award program funds to counties and tribal governments for the purpose of providing housing-related supports to eligible families experiencing homelessness if that homelessness prevents reunification between an eligible family and a child receiving child welfare services, or where housing prevents a parent or guardian from addressing issues that could lead to foster care placement. (WIC 16523 *et seq.*)
- 10) Establishes the “Housing and Disability Income Advocacy Program” under which counties, tribes, or combinations of counties or tribes assist Californians with disabilities who may be experiencing homelessness, to increase participation among individuals who may be eligible for disability benefits programs, including, but not limited to Supplemental Security Income/State Supplementary Program for the Aged, Blind, and Disabled, and the Cash Assistance Program for Immigrants, among others, as specified. (WIC 18999 *et seq.*)
- 11) Establishes under federal law the Temporary Assistance for Needy Families (TANF) program to provide aid and welfare-to-work (WTW) services to eligible families and, in California, provides that TANF funds for WTW services are administered through the CalWORKs program. (42 United States Code 601 *et seq.*, WIC 11200 *et seq.*)
- 12) Entitles a family to receive an allowance for nonrecurring special needs related to housing or homelessness after that family has used all available liquid resources in excess of \$100, as specified, and grants this allowance for different purposes and amounts, as follows:
  - a) Replacement of clothing and household equipment and for emergency housing needs other than temporary shelter;
  - b) Temporary shelter assistance for homeless families receiving CalWORKs, as specified, for one period of 16 calendar days every 12 months, except as specified, and counts a break in the consecutive use of this assistance as permanent exhaustion of the benefit; and,
  - c) Permanent housing assistance available to pay for last month’s rent and security deposits when these payments are reasonable conditions of securing a residence, or to pay for up to

two months of rent arrearages, when these payments are a reasonable condition of preventing eviction. (WIC 11450(f))

13) Prohibits the sum of all housing assistance for nonrecurring special needs provided from totaling an amount in excess of \$600 per event. (WIC 11450(f)(1))

14) Requires each local agency, in order to ensure public access to the meetings of public bodies and the writings of public officials and agencies, to comply with the California Public Records Act, as specified, and with any subsequent statutory enactment amending either act, enacting a successor act, or amending any successor act that contains findings demonstrating that the statutory enactment furthers the purpose of certain provisions of the State Constitution, as specified. (California Constitution Article 1 Section 3(b)(7))

**FISCAL EFFECT:** Unknown

**COMMENTS:**

***Homelessness in California:*** In January 2021, the United States Department of Housing and Urban Development (HUD) released the 2020 Annual Homeless Assessment Report to Congress, which found that on a single night in January 2020, 580,466 people in the United States experienced homelessness. Of those individuals, 161,548 (28%) were in California, and more than half of the nation's homeless population lived in four states: California (28%), New York (16%), Florida (5%), and Texas (5%). More than half of all unsheltered people (113,660) in the country were living in California in 2020. California also experienced a 6.8% increase in the number of individuals experiencing homelessness between 2019 and 2020.

According to a January 2021 report from the Legislative Analyst's Office (LAO), "While homelessness is a complex problem with many causes, the high cost of housing in the state is a significant contributor. Rising housing costs that have exceeded growth in wages, particularly for low-income households, put Californians at risk of housing instability and homelessness." The LAO report also found that Californians spent a larger share of their income on rent than households in the rest of the nation, and around 2.5 million low-income households spent more than 30% of their incomes on housing. Additionally, over 1.5 million low-income renters face even more dire cost pressures and spend more than half of their income on housing.

In recent years, the federal government has moved to a Housing First model, which is an approach to addressing homelessness that prioritizes moving people quickly into permanent, affordable housing without precondition and then providing supportive services in order to prevent people from returning to homelessness. In 2016, SB 1380 (Mitchell), Chapter 847, Statutes of 2016, created the HCFC, which is tasked with coordinating the state's response to homelessness and implementing Housing First policies throughout the state.

At the local level, entities known as CoCs track, coordinate services for, and collect data on the local homeless population; in many cases, a CoC is led by a county or non-profit organization, though in some cases, CoCs are led by a city. A CoC is comprised of a number of representatives of organizations that serve individuals facing homelessness, such as nonprofit homeless providers, governments, victim serve providers, mental health agencies, affordable housing developers, law enforcement, and hospitals, among others. A key responsibility of a CoC is to designate and operate an HMIS, which is a local information technology system that is used to collect client-level data related to individuals and families experiencing homelessness, as well as

the provision of housing and services to those individuals and families. There are currently 44 CoCs in California's 58 counties, and in 2019, HUD awarded approximately \$441 million to these entities to plan and coordinate funding for services to address homelessness.

Because the HMIS is composed of each CoC's database, the HCFC recently approved development of the HDIS. According to the Business, Consumer Services and Housing Agency—the state agency in which the HCFC is housed—"The HDIS is a technology solution that allows the State of California to access and compile standardized homelessness data collected by individual CoCs in order to make data-driven policy decisions aimed at preventing and ending homelessness in California. At first, HDIS will collect client information that is already required by HUD, as well as other information common to HMIS implementation. As proposed, after the initial data collection, other State departmental programs, such as CalFresh and CalWORKs could be integrated into HDIS to provide a fuller picture of the interaction between state, local, and federal efforts to address homelessness."

***Programs to address homelessness in California:*** In addition to data collection and federal financial support, California operates a number of programs through multiple state agencies to address and reduce homelessness across the state. These programs and state agencies that operate them include, among others:

California Department of Housing and Community Development:

- ***Home Key:*** made \$600 million in grant funding available to local public entities, including cities, counties, or other local public entities, including housing authorities or federally recognized tribal governments within the state to purchase and rehabilitate housing, such as hotels, motels, vacant apartment buildings, among others, to convert them into interim or permanent, long-term housing. \$550 million of the funds was required to have been expended by December 30, 2020, and the remaining \$50 million must be expended by June 30, 2022.
- ***Multifamily Housing Program:*** assists the new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower income households. Eligible applicants for MHP funds include: local public entities, for-profit and nonprofit corporations, limited equity housing cooperatives, individuals, Indian reservations and Rancherias, and, in certain circumstances, limited partnerships. On August 21, 2020, HCD announced that \$195 million in funds were available for the MHP and applications for funding were required to be submitted no later than September 15, 2020.
- ***Housing for a Healthy California:*** creates supportive housing for individuals who are recipients of, or eligible for, health care provided through Medi-Cal as a way to reduce the overutilization of emergency departments, inpatient care, nursing home stays and use of corrections systems and law enforcement resources as the primary way of providing health care to individuals who are chronically homeless, or who are homeless and use health care services frequently. Funding for HHC comes from the National Housing Trust Fund and funds are allocated to developers for operating reserve grants and capital loans.
- ***No Place Like Home:*** provides funding to developers to acquire, design, construct, rehabilitate, or preserve permanent supportive housing for individuals experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness, and who

are in need of mental health services. In 2016, \$2 billion in bond funds were made available to counties in order to implement the No Place Like Home program; of these funds, \$190 million was part of a noncompetitive allocation and up to \$1.8 billion was part of a competitive allocation.

- *The Veterans Housing and Homeless Prevention Program*: requires the California Housing Finance Agency, HCD, and Department of Veterans Affairs to provide the acquisition, construction, rehabilitation, and preservation of affordable multifamily housing, affordable transitional housing, affordable rental housing, or related facilities for veterans and their families in order to facilitate housing access and stability. For purposes of eligibility, “veteran” is defined as any person who served in the active military, naval, or air services of the United States or as a member of the National Guard who was called to and released from active duty or active services for a period of not fewer than 90 consecutive days, or was discharged from service due to a service-related disability. Veterans with an other-than-honorable discharge are considered eligible under this definition. \$75 million was made available in 2020 for operation of this program.

California Department of Social Services:

- *CalWORKs Homeless Assistance Program*: provides temporary and/or permanent assistance payments once per year to eligible families who receive CalWORKs. Families are generally eligible for HAP if they are receiving or eligible for CalWORKs, are experiencing homelessness or have received a “pay rent or quit” notice, and possess under \$100 in resources. The program can include both temporary and permanent benefits; temporary benefits is offered through payments for temporary lodging costs for up to 16 calendar days per year (with some exceptions) in the amount of \$85 per day for a family with up to four members, and another \$15 per day for each additional family member for a maximum of \$145 per day. Permanent assistance can help families secure housing or avoid eviction by offering either security deposit and first month’s rent or two months of rent arrearages, provided the rent does not exceed 80% of a family’s total monthly household income. Just over \$41 million was available in FY 2020-21 to operate HAP.
- *CalWORKs Housing Support Program*: offers assistance with obtaining housing and wrap-around supports to CalWORKs families who are experiencing homelessness or housing instability. HSP is currently operating in 54 counties across the state and while counties have some flexibility in determining eligibility criteria, generally, families are eligible if they are receiving CalWORKs and meet the program’s definition of homeless, meaning the family either lacks a fixed or regular nighttime residence, or the family is in receipt of a court-ordered judgment for eviction. HSP offers financial assistance and supportive services which can include rental assistance, security deposits, utility payments, and legal services, among others. Approximately \$95 million was available in FY 2020-21 to operate HSP.
- *Home Safe*: aims to address the needs of Adult Protective Services clients who are experiencing, or are at risk of experiencing, homelessness due to abuse, neglect, or financial exploitation. In order to be eligible for Home Safe, an individual must be at risk of homelessness or have recently entered into an experience of homelessness and need supports and services related to housing stability due to elder or dependent adult abuse, neglect, or financial exploitation. One-time funds of \$15 million were allocated in FY 2018-19; a dollar-

for-dollar county match brought the total budget for Home Safe to \$30 million over a three-year period from July 1, 2018, until June 30, 2021.

- *Housing and Disability Income Advocacy Program*: was established in order to assist individuals with disabilities who are experiencing homelessness apply for disability benefit programs, as well as provide housing assistance to these individuals. The four major components of HDIAP are outreach, case management, disability advocacy, and housing assistance, and all four components must be offered to program participants. In order to be eligible for HDIAP, individuals must be disabled or likely disabled and be experiencing homelessness, with highest priority given to chronically homeless individuals or individuals who are homeless and rely most heavily on government funded services. In FY 2019-20, HDIAP was established as an ongoing program with an annual appropriation of \$25 million with a dollar-for-dollar grantee match.
- *Bringing Families Home*: was established in 2016 to reduce the number of families involved in the child welfare system who were experiencing, or who were at risk of experiencing homelessness in order to increase family reunification and to reduce the number of youth placed in the foster care system. Grant recipients are required to use evidence-based housing interventions, including rapid re-housing and supportive housing. Grantees are also required to collaborate and coordinate with the local homeless response system and participate in the local CoC and coordinated entry system, and coordinate with local child welfare agencies, social services, and juvenile courts. The 2019-20 Budget act allocated \$25 million for BFH.
- *School Supplies for Homeless Children Fund*: Current law permits an individual to designate on their tax return whether they would like to make a contribution to various voluntary contribution funds, including the School Supplies for Homeless Children Fund. Contributions are overseen by the Franchise Tax Board (FTB), and funds are allocated to CDSS to provide school supplies and health-related products to local education agencies for distribution to children experiencing homelessness across the state. In February 2021, \$111,383 worth of contributions had been made to the fund, and in 2020, a total of \$746,605 had been contributed, according to data from the FTB.

Additionally, the Community Colleges Homeless and Housing Insecure Pilot Project, operated by California Community Colleges at 14 campuses, seeks to help homeless and housing insecure students find reliable shelter. The program was funded through a \$9 million allocation in the 2019-20 Budget Act to support rapid rehousing services to community college students. The 14 participating campuses were selected based on region, the availability of low-income housing in the area, the percentage of students receiving Pell grants, the percentage of foster or former foster youth students, the percentage of student veterans, and the percentage of students living with a disability; each campus received between \$500,000 and \$700,000 to implement the pilot project.

**State Auditor report:** In February 2021, the California State Auditor released a report entitled “Homelessness in California: The State’s Uncoordinated Approach to Addressing Homelessness Has Hampered the Effectiveness of its Efforts,” which concluded that California continues to struggle to coordinate its efforts to address homelessness, and that CoCs do not always comply with federal regulations or follow best practices. Specifically, the report states,

“At least nine state agencies administer and oversee 41 different programs that provide funding to mitigate homelessness, yet no single entity oversees the State’s efforts or is responsible for developing a statewide strategic plan. Although the [HCFC] was created, in part, to coordinate existing funding and establish partnerships with stakeholders to develop strategies to end homelessness, it has not done so. As a result, the State continues to lack a comprehensive understanding of its spending to address homelessness, the specific services the programs provide, or the individuals who receive those services. The [HCFC] has also not created guidance or expectations for CoCs to follow.”

Among its many findings, the audit report found that the state does not track the funding it provides to combat homelessness. The 41 programs across nine state agencies are provided funding for purposes that included the acquisition and construction of new housing for people experiencing homelessness, relocation assistance, and individual financial assistance. Additionally, the programs provide assistance to individuals with specific characteristics who were experiencing homelessness, such as victims of domestic violence, veterans, and youth. Still, the audit found that there is no single entity that comprehensively tracks funding sources, intended uses of funding, or related program expenditures. The audit states,

“However, the [HCFC] does not track how much funding is available or spent toward addressing homelessness statewide. [HCFC] staff explained that it expects that the HDIS, which is under development...will be able to track this information once implemented...The [HCFC] has not prioritized coordination of existing funding and applications for competitive funding. According to [HCFC] staff, the [HCFC] does not have the authority to direct agencies to make policy. Specifically, [HCFC] staff state that although it has established coordination channels with some state agencies and can request information from them, it does not currently have the authority to require this information from state agencies and has not been able to track program spending to date.”

In response to this and other findings, the audit report made a series of recommendations to the Legislature, including, among others:

- The Legislature should require the HCFC, in collaboration with all state agencies that administer state and federal funding for homelessness, to collect and track funding data on all federal and state-funded homelessness programs, including the amount of funding available and expended each year, the types of activities funded, and types of entities that received the funds;
- The Legislature should require the HCFC to prioritize its statutory goals with an emphasis on giving higher priority to coordination of statewide efforts to combat homelessness, and should require the HCFC to finalize its action plan and ensure that the plan documents the State’s approach to addressing homelessness in California and that the action plan is updated regularly; and,
- The Legislature should, in order to ensure the state has access to comprehensive data about homelessness, require all state entities that administer state funding for homelessness to ensure that recipient service providers enter relevant data into their CoCs HMIS, as law allows, as a condition of state funding, and recommends the required information should include, at a minimum, the same or similar information that recipients of federal CoC program funding must enter.



***Need for this bill:*** The provisions of this bill seek to implement a key recommendation of the February 2021 audit report by requiring certain grantees or entities operating state homelessness programs, no later than July 1, 2022, as a condition of receiving state funds, to enter any collected data elements into its local HMIS. Additionally, this bill would require, upon the creation of the HDIS, all CoCs to provide collected data to the HDIS. Finally, this bill would expand the goals of the HCFC to include collecting, compiling, and making available to the public certain financial data related to state-funded homelessness programs.

According to the author, “[This bill] will ensure that there is clear transparency and strong accountability for all public funding appropriated to address California’s housing and homelessness crisis. The Legislature needs to closely track and monitor the use of public funding appropriated for homelessness and to collect relevant data and information about expenditures and outcomes. With this information, policymakers can develop and refine data-driven responses and ensure the best outcomes for California residents, taxpayers, and individuals experiencing homelessness.”

***Double referral:*** This bill passed out of the Assembly Housing and Community Development Committee on April 15, 2021, with an 8-0 vote.

#### **PRIOR AND RELATED LEGISLATION:**

***AB 3269 (Chiu) of 2020***, would have established the “Housing and Homelessness Inspector General”, would have required the HCFC to conduct a special needs and gaps analysis, would have required local governments to develop actionable plans to address homelessness, and would have created a public right of action for the Inspector General to compel compliance with the new plans. AB 3269 was held on the Senate Appropriations Committee suspense file.

***AB 2329 (Chiu) of 2020***, would have required the HCFC to perform a homelessness statewide gaps and needs analysis by July 31, 2021. AB 2329 was held on the Assembly Appropriations Committee suspense file.

***AB 2746 (Gabriel) of 2019***, would have required recipients of state funding for the CalWORKs Homeless Assistance, Housing and Disability Income Advocacy Program, and Whole Person Care pilot programs to submit annual data reports to CDSS and the Department of Health Care Services. AB 2746 was vetoed by the Governor.

***SB 1380 (Mitchell), Chapter 847, Statutes of 2016***, created “The Homeless Coordinating and Financing Council” in order to implement Housing First policies throughout the state.

#### **REGISTERED SUPPORT / OPPOSITION:**

**Support** (*submitted for the February 18, 2021, version*)

California Apartment Association  
California Association of Veteran Service Agencies  
California Catholic Conference  
California Taxpayers Association  
City of Los Angeles, Controller  
Northridge Vision 2025  
West Valley Warner Center Chamber of Commerce

**Opposition**

None on file

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