



May 19, 2026

Senate Budget Chair John Laird
1021 O Street, Ste. 8720
Sacramento, CA 95814

Assembly Budget Chair Jesse Gabriel
1021 O Street, Ste. 8230
Sacramento, CA 95814

Senate Budget Subcommittee 4
Chair, Melissa Hurtado
1021 O St. Ste. 6510
Sacramento, CA 95814

Assembly Budget Subcommittee 5
Chair, Sharon Quirk-Silva
1021 O Street, Ste. 4210
Sacramento, CA 95814

Dear Senate Budget Chair Laird, Assembly Budget Chair Gabriel, Senate Sub 4 Chair Hurtado, and Assembly Sub 5 Chair Quirk-Silva,

On behalf of the California State Association of Counties, League of California Cities, California Big City Mayors Coalition, and the Bring California Home Coalition, we are writing to share our response to the May Revision proposal for the Homeless Housing, Assistance and Prevention (HHAP) program. Our organizations are grateful for the ongoing partnership and investments in critical homelessness funding that is leading to reduced homelessness in communities. We offer these three recommendations to the proposed funding and implementation language, which will help strengthen our collective efforts and sustain progress in serving and providing housing to those in need.

1. Increase Funding Level to \$1 Billion Ongoing

Our organizations are grateful for the continued inclusion of the previously committed \$500 million for Round 7 of the program. However, this falls short of the need in our communities, especially with the numerous threats to reductions and restrictions for homelessness funding and housing supports at the federal level. The prior annual investments of \$1 billion for HHAP are working and leading to significant progress with more than 100,000 people placed into permanent housing since 2023 and a reported over 9 percent reduction in unsheltered homelessness. Now is not the time to walk back from this commitment. Further, the program funding should not be lowered at the same time that requirements to access the funding continue to increase. Our coalition requests that HHAP funding be restored to the previous

funding level of \$1 billion for this year and ongoing to meet the scale of the crisis and allow for long-term planning and commitments that will allow our local response to protect our progress.

2. Maintain Flexibilities and Streamlining

The proposed trailer bill language (TBL) for implementation of HHAP funding contains several flexibilities and streamlining provisions that our coalition has requested. We are appreciative of the recognition to enact new accountability measures in a manner that allows for demonstration of progress, multiple options for achieving compliance, and keeping funding in the region.

Most significantly, we are grateful that the Round 7 funding will be implemented through an amendment to the Round 6 notice of funding availability. Counties, cities, and continuums of care recently went through a comprehensive and lengthy process for the Round 6 applications and the development of regionally coordinated homelessness action plans. As drafted, this language allows communities to continue to utilize these collaborative plans that are designed to guide local homelessness efforts for multiple years.

Important flexibilities in the TBL include multiple avenues to meet compliance with state guidance on encampments and a period of one year to achieve the pro-housing designation after funding distribution. These provisions will maintain accountability while providing needed flexibility based on local resources and conditions.

Our organizations welcome the provision to keep unspent HHAP Round 1–3 funds within the HHAP program by making them available for reallocation to HHAP recipients. This is an important improvement that ensures homelessness dollars remain dedicated to homelessness solutions, rather than diverting away funds from the communities and programs they were intended to support.

3. Modify Requirements and Barriers that Slow Distribution of Funding

Our coalition is concerned that certain aspects of the TBL will delay funding from reaching communities. Accountability measures should not be implemented in a manner that creates barriers to securing funding, especially at a time of great uncertainty for individuals who rely on the safety net.

As proposed, Round 7 funding could not be distributed to a funded entity until they demonstrate that 75 percent of funding has been obligated, and 50 percent of funding has been expended, for the second disbursement of Round 6 funding. This provision directly contradicts the language agreed to last year (Chapter 650, Statutes of 2025) that aims to disburse Round 7 funding by September 1, 2026. The first disbursement of Round 6 funding only reached some regions of the state this month, nearly two years after it was adopted. Grantees are not able to

obligate or expend any amount of the second disbursement until they have actually received the funding and it will take significant time before any Round 6 second round disbursements occur. The purpose of the September 1 date was to get Round 7 funding out quickly because communities have already suffered from a year of no funding for HHAP. Our coalition has strong concerns with this provision, and requests clarifying changes so that Round 7 funding can be distributed on time and recipients are not held responsible for meeting obligation or expenditure thresholds on funds they have not yet received.

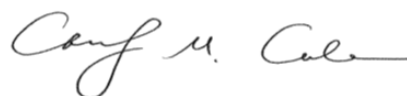
The HHAP TBL also includes a new requirement for a yet-to-be-determined local match amount for certain applicants. While local governments are committed to making investments for homelessness and housing, our organizations have strong concerns with a required local match. The federal administration is pursuing actions that may significantly reduce and restrict many of the essential funding streams that support services and housing assistance in our communities. Further, the entire safety net is under threat through the implementation of H.R. 1 that will result in fewer people experiencing or at risk of homelessness able to access health care or food support, increasing local costs and lead to far more falling into homelessness. The addition of a required local match at this time when so many local governments are facing dire budget strains will create barriers to funding reaching our communities. Thus, our coalition is seeking revisions to the local match provision to preserve the flexibility cities and counties need to address homelessness in ways that reflect the needs of their communities.

HHAP funding remains critically needed to support services, housing supports, shelters, and permanent housing in our communities, especially at a time of great risk for residents' health and safety. Our coalition remains committed to strengthening accountability for this funding, while also ensuring that it meets the needs of our communities, both in scale and timeliness. We look forward to continued engagement on this critical issue as the 2026-27 state budget is finalized. Thank you for your continued leadership and partnership.

Respectfully,

A blue ink signature of Graham Knaus, written in a cursive style.

Graham Knaus
Chief Executive Officer
California State Association of Counties

A blue ink signature of Carolyn M. Coleman, written in a cursive style.

Carolyn M. Coleman
Executive Director and CEO
League of California Cities

A blue ink signature of Patricia Lock Dawson, written in a cursive style.

Patricia Lock Dawson
Mayor, City of Riverside
Chair, Big City Mayors

A blue ink signature of Sharon Rapport, written in a cursive style.

Sharon Rapport
CSH, on behalf of
Bring California Home