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AJR-14 Federal homelessness funding. (2023-2024)

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Assembly Joint Resolution No. 14

CHAPTER 105

Relative to homelessness.

[Filed with Secretary of State June 19, 2024.]

LEGISLATIVE COUNSEL'S DIGEST

AJR 14, Ward. Federal homelessness funding.

This measure would request that the United States Secretary of Housing and Urban Development revisit the formula used to allocate federal homelessness dollars to local continuums of care and housing authorities to more equitably support communities with the highest rates of homelessness.

Fiscal Committee: no

WHEREAS, The nation's housing and homelessness crisis requires urgent and immediate action by all levels of government; and

WHEREAS, The number of people experiencing homelessness in the United States has increased since the last prepandemic count in 2020, particularly among people experiencing unsheltered homelessness; and

WHEREAS, The United States Department of Housing and Urban Development's Continuum of Care Program is the core federal funding stream to aid communities in addressing homelessness through a coordinated community-based process of identifying needs and building a system of housing and services to address those needs; and

WHEREAS, Section 427 of the federal McKinney-Vento Homeless Assistance Act, as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009, directs the United States Secretary of Housing and Urban Development to establish, by regulation, a funding formula based upon specified factors that are appropriate to allocate funds to meet the goals and objectives of the Continuum of Care Program; and

WHEREAS, Since 2012, the Continuum of Care funding formula has been based on the higher of a pro rata need formula for awarding Emergency Solutions Grants and Community Development Block Grants, or a performance baseline Annual Renewal Demand amount, to ensure that no community receives less funding than in the prior year; and

WHEREAS, The Community Development Block Grant formula, last updated in 1977, may not be an appropriate basis for this formula because it utilizes urban blight, as reflected in the age of housing stock, and population growth lag factors to allocate funds, which may measure community development needs generally, but are not specifically tailored to measure homelessness; and

WHEREAS, Though most communities now receive their Annual Renewal Demand amount as it is higher than their pro rata need formula amount, this original imbalance has led, over time, to a mismatch between the amount of people experiencing

homelessness in California communities and the amount of funding awarded via the Continuum of Care formula; and
WHEREAS, The Obama Administration reopened public comment on the Continuum of Care funding formula in 2016 and proposed for comment several alternative formulas with better attention to factors that have a clearer empirical link to rates of homelessness in communities than the existing formula; and

WHEREAS, Regrettably, the Obama Administration did not finalize a rule before departing office, leaving some communities in California with insufficient Continuum of Care funding relative to their populations experiencing homelessness; and

WHEREAS, Modifications to the funding formula would be most helpful if coupled with significant increases to funding for the Continuum of Care Program, in particular given significant increases in costs due to inflation and the growing recognition of the importance of increasing pay and job quality for workers in the sector; and

WHEREAS, The Biden Administration has an opportunity to revisit this issue and should consider reopening the Continuum of Care funding formula rulemaking to address the needs of communities on the front lines of the homelessness crisis, as was recently proposed by the United States Department of Housing and Urban Development in the fall of 2023; and

WHEREAS, Congress should also significantly increase funding for the Continuum of Care Program given the continued growth in homelessness across California and across the nation; now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature respectfully requests that the United States Secretary of Housing and Urban Development revisit the formula used to allocate federal homelessness dollars to local continuums of care and housing authorities to more equitably support communities with the highest rates of homelessness; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and the Vice President of the United States, to the United States Secretary of Housing and Urban Development, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, to each Senator and Representative from California in the Congress of the United States, and to the author for appropriate distribution.