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**GRP-1 Governor's reorganization plan: reorganization of executive branch of state government.** (2025-2026)

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CALIFORNIA LEGISLATURE— 2025–2026 REGULAR SESSION

**GOVERNOR'S REORGANIZATION PLAN**

**NO. 1**

May 05, 2025

An act to amend Sections 100, 10004, 10050, 19404, 23050, 23075, 26001, 26010, 26010.5, and 26040 of, and to amend and repeal Section 26180.5 of, the Business and Professions Code, to amend Sections 1916.12, 1918.5, 1918.5, and 5405 of the Civil Code, to amend Sections 300, 1514, 14382, 14652.5, and 18022.5 of the Financial Code, to amend, repeal, and add Section 513 of the Food and Agricultural Code, to amend Sections 12895, 12896, and 12944 of, to amend and repeal Sections 12804, 12804.5, and 12856 of, to amend, repeal, and add Sections 8587.11, 8876.7, 11546.1, 11550, 12800, 12855, 12901, 14030, 15562.5, 15990, and 65040.12 of, to add Sections 12804.1, 12804.2, 12804.3, and 12804.4 to, and to add Part 5.1 (commencing with Section 14470) to Division 3 of Title 2 of, the Government Code, to amend Sections 35805 and 127501.4 of, to amend and repeal Section 50407.5 of, to amend, repeal, and add Sections 17974, 50093, 50150, 50151, 50153, 50154, 50210, 50216, 50230, 50250, 50400, 50423, 50462, 50900, 50901, 50913, 51005, 51624, 53524, and 54913 of, and to add Part 18 (commencing with Section 54920) to Division 31 of, the Health and Safety Code, to amend, repeal, and add Section 998.547 of the Military and Veterans Code, to amend, repeal, and add Section 75121 of the Public Resources Code, to amend Section 10200 of the Unemployment Insurance Code, and to amend Sections 8255, 8256, 8257, 8257.01, 8257.1, and 8257.2 of, to amend, repeal, and add Sections 4581, 9850, and 18901.59 of, to add Sections 8257.02, 8257.03, 8257.04, and 8257.05 to, and to repeal and add the heading of Chapter 6.5 (commencing with Section 8255) of Division 8 of, the Welfare and Institutions Code, relating to reorganization of the executive branch of state government.

**LEGISLATIVE COUNSEL'S DIGEST**

GRP 1, as introduced, Governor's reorganization plan: reorganization of executive branch of state government.

Under existing law, the executive branch of state government includes the Business, Consumer Services, and Housing Agency.

This reorganization plan, as of July 1, 2026, would eliminate that agency and instead establish in state government the Business and Consumer Services Agency and the California Housing and Homelessness Agency, and would make conforming changes. The plan would provide that the California Housing and Homelessness Agency consists of specified departments. The plan would

require the Secretary of California Housing and Homelessness to take various actions, including coordinating specified policies and programs, considering opportunities to align specified requirements and timelines, and coordinating with other departments and agencies, to achieve specified objectives. The plan would specify that the Business and Consumer Services Agency is headed by the Secretary of Business and Consumer Services, and require the California Housing and Homelessness Agency and the Business and Consumer Services Agency, as specified, to coordinate state policy, programs, and funding to help the state achieve its objectives related to housing, homelessness, and consumer protections and minimize service disruption due to the dissolution of the Business, Consumer Services, and Housing Agency, as provided.

This reorganization plan, as of July 1, 2026, would establish the Housing Development and Finance Committee within the California Housing and Homelessness Agency, headed by an executive director, and, upon appropriation, require all multifamily affordable housing programs, as defined, to be administered by the committee, as specified.

This reorganization plan would establish within the Business, Consumer Services, and Housing Agency a Housing Development and Finance Executive Committee for the purpose of centralizing affordable housing finance policymaking across state government. The plan would transfer the executive committee to the Housing Development Finance Committee effective July 1, 2026. The plan would require the executive committee to take various actions, including coordinating a cohesive and integrated housing finance system, overseeing the allocation of multifamily affordable housing programs, creating a consolidated application for multifamily affordable housing developers and a coordinated review process for the application of funds, and streamlining compliance monitoring of affordable multifamily rental housing developments, as specified.

Existing law requires the Governor to establish the Interagency Council on Homelessness and requires the council to consist of specified members. Under existing law, there is an executive officer of the council who is under the direction of the Secretary of Business, Consumer Services, and Housing and the council is required to be staffed by employees of the Business, Consumer Services, and Housing Agency.

This reorganization plan would establish the California Interagency Council on Homelessness as an independent entity within the California Housing and Homelessness Agency and would rename the existing council as the California Interagency Executive Council on Homelessness and establish it within the California Interagency Council on Homelessness.

This reorganization plan would authorize state agencies, departments, or entities to take actions prior to July 1, 2026, that are necessary to ensure that the provisions of the plan become operative on July 1, 2026, and are implemented in a timely fashion, as specified.

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**SECTION 1.** Section 100 of the Business and Professions Code is amended to read:

**100.** (a) There is in the state government, in the ~~Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services Agency*, a Department of Consumer Affairs.

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 2.** Section 10004 of the Business and Professions Code is amended to read:

**10004.** (a) "Department" means the Department of Real Estate in the ~~Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services Agency*.

~~(b) This section shall become operative on July 1, 2018.~~

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 3.** Section 10050 of the Business and Professions Code is amended to read:

**10050.** (a) (1) There is in the ~~Business, Consumer Services, and Housing Agency~~ *Business and Consumer Services Agency* a Department of Real Estate, the chief officer of which department is named the Real Estate Commissioner.

(2) Notwithstanding any other law, the powers and duties of the department, as set forth in this part and Chapter 1 (commencing with Section 11000) of Part 2, shall be subject to review by the appropriate policy committees of the Legislature. The review shall be performed as if this part and that chapter were scheduled to be repealed as of January 1, 2026.

(b) It shall be the principal responsibility of the commissioner to enforce all laws in this part and Chapter 1 (commencing with Section 11000) of Part 2 in a manner that achieves the maximum protection for the buyers of real property and those persons dealing with real estate licensees.

(c) Wherever the term "commissioner" is used in this division, it means the Real Estate Commissioner.

~~(d) This section shall become operative on July 1, 2018.~~

*(d) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 4.** Section 19404 of the Business and Professions Code is amended to read:

**19404. (a)** "Board" means the California Horse Racing Board within the ~~Business, Consumer Services, and Housing Agency~~; *Business and Consumer Services Agency*.

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 5.** Section 23050 of the Business and Professions Code is amended to read:

**23050. (a)** There is in the state government, in the ~~Business, Consumer Services, and Housing Agency~~; *Business and Consumer Services Agency*, a Department of Alcoholic Beverage Control. The department shall be administered through a civil executive officer who shall be known as the Director of Alcoholic Beverage Control. The director shall be appointed and shall serve as provided in Section 22 of Article XX of the Constitution and shall receive an annual salary as provided for by Chapter 6 of Part 1 of Division 3 of Title 2 of the Government Code.

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 6.** Section 23075 of the Business and Professions Code is amended to read:

**23075. (a)** There is in the state government, in the ~~Business, Consumer Services, and Housing Agency~~; *Business and Consumer Services Agency*, an Alcoholic Beverage Control Appeals Board the members of which shall be appointed and shall serve as provided in Section 22 of Article XX of the Constitution, and shall receive an annual salary as provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code.

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 7.** Section 26001 of the Business and Professions Code is amended to read:

**26001.** For purposes of this division, the following definitions apply:

(a) "A-license" means a state license issued under this division for cannabis or cannabis products that are intended for adults who are 21 years of age and older and who do not possess a physician's recommendation, or are intended for use on, or consumption by, animals.

(b) "A-licensee" means any person holding a license under this division for cannabis or cannabis products that are intended for adults who are 21 years of age and older and who do not possess a physician's recommendation, or are intended for use on, or consumption by, animals.

(c) "Animal" does not include a food animal as defined in Section 4825.1 or livestock as defined in Section 14205 of the Food and Agricultural Code.

(d) "Applicant" means an owner applying for a state license pursuant to this division.

(e) "Batch" means a specific quantity of homogeneous cannabis or cannabis product that is one of the following types:

(1) Harvest batch. "Harvest batch" means a specifically identified quantity of dried flower or trim, leaves, and other cannabis plant matter that is harvested at the same time, and, if applicable, cultivated using the same pesticides and other agricultural chemicals.

(2) Manufactured cannabis batch. "Manufactured cannabis batch" means either of the following:

(A) An amount of cannabis concentrate or extract that is produced in one production cycle using the same extraction methods and standard operating procedures.

(B) An amount of a type of manufactured cannabis produced in one production cycle using the same formulation and standard operating procedures.

(f) "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced

from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this division, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.

(g) "Cannabis accessories" has the same meaning as in Section 11018.2 of the Health and Safety Code.

(h) "Cannabis beverage" means a form of edible cannabis product that is intended to be consumed in its final state as a beverage.

(i) "Cannabis concentrate" means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product's potency. Resin from glandular trichomes from a cannabis plant is a concentrate for purposes of this division. A cannabis concentrate is not considered food, as defined by Section 109935 of the Health and Safety Code, a processed pet food, as defined by Section 113025 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.

(j) "Cannabis event organizer" means a person authorized to plan and organize temporary cannabis events as authorized in Section 26200.

(k) "Cannabis products" has the same meaning as in Section 11018.1 of the Health and Safety Code, and includes cannabis products intended for use on, or consumption by, an animal. Cannabis products are not considered food, as defined by Section 109935 of the Health and Safety Code, a drug, as defined by Section 109925 of the Health and Safety Code, or a cosmetic, as defined by Section 109900 of the Health and Safety Code.

(l) "Child resistant" means designed or constructed to be significantly difficult for children under five years of age to open, and not difficult for normal adults to use properly.

(m) "Combined activities license" means a state license that authorizes two or more commercial cannabis activities at the same premises, with the exception of laboratory testing. A combined activities license shall conform with all requirements imposed by this division to the extent the licensee engages in those activities.

(n) "Commercial cannabis activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of cannabis and cannabis products as provided for in this division, or acting as a cannabis event organizer for temporary cannabis events.

(o) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

(p) "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occurs.

(q) "Customer" means a natural person 21 years of age or older or a natural person 18 years of age or older who possesses a physician's recommendation, or a primary caregiver.

(r) "Daycare center" has the same meaning as in Section 1596.76 of the Health and Safety Code.

(s) "Delivery" means the commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform.

(t) "Department" means the Department of Cannabis Control within the ~~Business, Consumer Services, and Housing Agency~~. [Business and Consumer Services Agency](#).

(u) "Director" means the Director of the Department of Cannabis Control.

(v) "Distribution" means the procurement, sale, and transport of cannabis and cannabis products between licensees.

(w) "Distributor" means a licensee that is authorized to engage in the distribution of cannabis and cannabis products.

(x) "Dried flower" means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.

(y) "Edible cannabis product" means a cannabis product that is intended to be used, in whole or in part, for human or animal consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code, a processed pet food, as defined by Section 113025 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.

(z) "Fund" means the Cannabis Control Fund established pursuant to Section 26210.

(aa) "Kind" means applicable type or designation regarding a particular cannabis variant, origin, or product type, including, but not limited to, strain name, trademark, or production area designation.

(ab) "Labeling" means any label or other written, printed, or graphic matter upon a cannabis product, upon its container or wrapper, or that accompanies any cannabis product.

(ac) "Labor peace agreement" means an agreement between a licensee and any bona fide labor organization that, at a minimum, protects the state's proprietary interests by prohibiting labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the applicant's business. This agreement means that the applicant has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the applicant's employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the applicant's employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under state law, and terms and conditions of employment. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

(ad) "License" means a state license issued under this division, and includes both an A-license and an M-license, as well as a testing laboratory license.

(ae) "Licensee" means any person holding a license under this division, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.

(af) "Licensing authority" means the department and any state agency currently or formerly responsible for the issuance, renewal, or reinstatement of the license, or the state agency authorized to take disciplinary action against the licensee.

(ag) "Live plants" means living cannabis flowers and plants, including seeds, immature plants, and vegetative stage plants.

(ah) "Local jurisdiction" means a city, county, or city and county.

(ai) "Lot" means a batch or a specifically identified portion of a batch.

(aj) "M-license" means a state license issued under this division for commercial cannabis activity involving medicinal cannabis.

(ak) "M-licensee" means any person holding a license under this division for commercial cannabis activity involving medicinal cannabis.

(al) "Manufacture" means to compound, blend, extract, infuse, package, label, or otherwise make or prepare a cannabis product.

(am) (1) "Medicinal cannabis" or "medicinal cannabis product" means cannabis or a cannabis product, respectively, intended to be sold or donated for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found in Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician's recommendation, or in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction.

(2) The amendments made to this subdivision by the act adding this paragraph shall become operative upon completion of the necessary changes to the track and trace program in order to implement the act adding this paragraph, as determined by the Department of Food and Agriculture, or on March 1, 2020, whichever occurs first.

(an) "Microbusiness" means a licensee that is authorized to engage in cultivation of cannabis on an area less than 10,000 square feet and to act as a licensed distributor, Level 1 manufacturer, and retailer under this division, provided such licensee can demonstrate compliance with all requirements imposed by this division on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in such activities.

(ao) "Nursery" means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.

(ap) "Operation" means any act for which licensure is required under the provisions of this division, or any commercial transfer of cannabis or cannabis products.

(aq) "Owner" means any of the following:

(1) A person with an aggregate ownership interest of 20 percent or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance.

(2) The chief executive officer of a nonprofit or other entity.

(3) A member of the board of directors of a nonprofit.

(4) An individual who will be participating in the direction, control, or management of the person applying for a license.

(ar) "Package" means any container or receptacle used for holding cannabis or cannabis products.

(as) "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

(at) "Physician's recommendation" means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

(au) "Premises" means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted.

(av) "Primary caregiver" has the same meaning as in Section 11362.7 of the Health and Safety Code.

(aw) "Processor" means a person authorized to engage in only trimming, drying, curing, grading, packaging, and labeling of cannabis and nonmanufactured cannabis products.

(ax) "Purchaser" means the customer who is engaged in a transaction with a licensee for purposes of obtaining cannabis or cannabis products.

(ay) "Retailer" means a person authorized to engage in the retail sale and delivery of cannabis or cannabis products to customers.

(az) "Sell," "sale," and "to sell" include any transaction whereby, for any consideration, title to cannabis or cannabis products is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom the cannabis or cannabis product was purchased.

(ba) "Testing laboratory" means a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that is both of the following:

(1) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the state.

(2) Licensed by the department.

(bb) "Unique identifier" means an alphanumeric code or designation issued pursuant to the track and trace program established by the department and used for reference to a specific plant on a licensed premises and any cannabis or cannabis product derived or manufactured from that plant.

(bc) "Youth center" has the same meaning as in Section 11353.1 of the Health and Safety Code.

*(bd) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 8.** Section 26010 of the Business and Professions Code is amended to read:

**26010.** (a) There is in the ~~Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services Agency*, the Department of Cannabis Control under the supervision and control of a director. The director shall administer and enforce the provisions of this division related to the department.

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 9.** Section 26010.5 of the Business and Professions Code is amended to read:

**26010.5.** (a) The Governor shall appoint the director of the department, subject to confirmation by the Senate. The director shall serve under the direction and supervision of the Secretary of the ~~Business, Consumer Services, and Housing Agency~~ *Business and Consumer Services Agency* and at the pleasure of the Governor.

(b) Every power granted to or duty imposed upon the director under this division may be exercised or performed in the name of the director by a deputy or assistant director or by a chief, subject to conditions and limitations that the director may prescribe.

(c) (1) The director may employ and appoint all employees necessary to properly administer the work of the department, in accordance with civil service laws and regulations.

(2) The Governor may also appoint a chief deputy director, a deputy director of equity and inclusion, and either a deputy director of legal affairs or a chief counsel to the department. These positions shall serve under the direction and supervision of the director and hold office at the pleasure of the Governor.

(d) The department has the power, duty, purpose, responsibility, and jurisdiction to regulate commercial cannabis activity as provided in this division.

(e) Upon the effective date of this section, whenever any reference to the "Medical Cannabis Regulation and Safety Act," "Medical Marijuana Regulation and Safety Act," or former Chapter 3.5 (commencing with Section 19300) of Division 8 appears in any statute, regulation, contract, or in any other code, it shall be construed to refer to this division as it relates to medicinal cannabis and medicinal cannabis products.

*(f) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 10.** Section 26040 of the Business and Professions Code is amended to read:

**26040.** (a) (1) There is established in state government, in the ~~Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services Agency*, a Cannabis Control Appeals Panel which shall consist of the following members:

(A) One member appointed by the Senate Committee on Rules.

(B) One member appointed by the Speaker of the Assembly.

(C) Three members appointed by the Governor and subject to confirmation by a majority vote of all of the members elected to the Senate.

(2) Each member appointed by the Governor, at the time of their initial appointment, shall be a resident of a different county from the one in which either of the other members appointed by the Governor resides. Members of the panel shall receive an annual salary as provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) The members of the panel may be removed from office by their appointing authority.

*(c) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 11.** Section 26180.5 of the Business and Professions Code is amended to read:

**26180.5.** (a) No later than January 1, 2018, the Secretary of Business, Consumer Services, and Housing or ~~his or her~~ *their* designee shall initiate work with the Legislature, the Department of Consumer Affairs, the Department of Food and Agriculture, the State Department of Public Health, and any other related departments to ensure that there is a safe and viable way to collect cash payments for taxes and fees related to the regulation of cannabis activity throughout the state.

*(b) This section shall remain operative only until July 1, 2026, and as of that date is repealed.*

**SEC. 12.** Section 1916.12 of the Civil Code is amended to read:

**1916.12.** (a) The Legislature finds that the economic environment of financial institutions has become increasingly volatile as a result of regulatory revisions enacted by the United States Congress and federal agencies including, but not necessarily limited to, the Comptroller of the Currency, the Federal Home Loan Bank Board, Federal Reserve Board, and the Depository Institutions Deregulation Committee. The Legislature further finds that deposit rate ceilings are being phased out while the cost of and competition for funds have escalated. It is the purpose of this section to maintain the quality of competition between state-licensed and federally regulated financial institutions in the field of mortgage lending, as well as promote the convenience, advantage and best interests of California residents in their pursuit of adequate and available housing. In order to remain competitive and provide the optimum housing environment for the citizens of California, state institutions require the ability to respond in a timely manner to changes in mortgage lending parameters initiated at the federal level. Local regulatory guidelines must promote continued parity between the state and federal levels in order to avoid creation of discriminatory burdens upon state institutions and to protect interests held by California citizens. It is the intent of the Legislature to eliminate past and prevent future inequities between state and federal financial institutions doing business in the State of California by creating a sensitive and responsive mortgage parity procedure.

(b) The Secretary of ~~the Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services* or the secretary's designee as defined by subdivision (c) of Section ~~1918.5 of the Civil Code~~, *1918.5*, shall have the authority to prescribe rules and regulations extending to lenders who make loans upon the security of residential real property any right, power, privilege or duty



relating to mortgage instruments that is equivalent to authority extended to federally regulated financial institutions by federal statute or regulation.

(c) In order to grant equivalent mortgage lending authority to state financial institutions to that which has been extended to federal financial institutions, the secretary or the secretary's designee shall adopt such regulations within 60 days of the effective date of the statute or regulation extending the comparable right, power, privilege, or duty to federally regulated financial institutions.

(d) The provisions of Sections 1916.5, 1916.6, 1916.7, 1916.8, and 1916.9, and any other provisions of law relating to the requirements for changes in the rate of interest on loans, shall not be applicable to loans made pursuant to the provisions of this section and regulations promulgated thereunder.

(e) Any regulations adopted pursuant to this section shall expire on January 1 of the second succeeding year following the end of the calendar year in which the regulation was promulgated. Subsequent amendments to these regulations cannot extend this expiration date.

~~(f) This section shall become operative on December 31, 1983.~~

*(f) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 13.** Section 1918.5 of the Civil Code is amended to read:

**1918.5.** As used in this chapter:

(a) "Evidence of debt" means a note or negotiable instrument.

(b) "Secretary" means the Secretary of ~~the Business, Consumer Services, and Housing~~ *Business and Consumer Services*.

(c) "Secretary's designee" means the director of a department within the agency that licenses or regulates the institutions, organizations, or persons engaged in a business related to or affecting compliance with this chapter.

(d) "Security document" means a mortgage contract, deed of trust, real estate sales contract, or any note or negotiable instrument issued in connection therewith, when its purpose is to finance the purchase or construction of real property occupied or intended to be occupied by the borrower, containing four or fewer residential units or on which four or fewer residential units are to be constructed.

*(e) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 14.** Section 5405 of the Civil Code is amended to read:

**5405.** (a) To assist with the identification of common interest developments, each association, whether incorporated or unincorporated, shall submit to the Secretary of State, on a form and for a fee not to exceed thirty dollars (\$30) that the Secretary of State shall prescribe, the following information concerning the association and the development that it manages:

(1) A statement that the association is formed to manage a common interest development under the Davis-Stirling Common Interest Development Act.

(2) The name of the association.

(3) The street address of the business or corporate office of the association, if any.

(4) The street address of the association's onsite office, if different from the street address of the business or corporate office, or if there is no onsite office, the street address of the responsible officer or managing agent of the association.

(5) The name, address, and either the daytime telephone number or email address of the president of the association, other than the address, telephone number, or email address of the association's onsite office or managing agent.

(6) The name, street address, and daytime telephone number of the association's managing agent, if any.

(7) The county, and, if in an incorporated area, the city in which the development is physically located. If the boundaries of the development are physically located in more than one county, each of the counties in which it is located.

(8) If the development is in an unincorporated area, the city closest in proximity to the development.

(9) The front street and nearest cross street of the physical location of the development.

(10) The type of common interest development managed by the association.



(11) The number of separate interests in the development.

(b) The association shall submit the information required by this section as follows:

(1) By incorporated associations, within 90 days after the filing of its original articles of incorporation, and thereafter at the time the association files its statement of principal business activity with the Secretary of State pursuant to Section 8210 of the Corporations Code.

(2) By unincorporated associations, in July 2003, and in that same month biennially thereafter. Upon changing its status to that of a corporation, the association shall comply with the filing deadlines in paragraph (1).

(c) The association shall notify the Secretary of State of any change in the street address of the association's onsite office or of the responsible officer or managing agent of the association in the form and for a fee prescribed by the Secretary of State, within 60 days of the change.

(d) The penalty for an incorporated association's noncompliance with the initial or biennial filing requirements of this section shall be suspension of the association's rights, privileges, and powers as a corporation and monetary penalties, to the same extent and in the same manner as suspension and monetary penalties imposed pursuant to Section 8810 of the Corporations Code.

(e) The statement required by this section may be filed, notwithstanding suspension of the corporate powers, rights, and privileges under this section or under provisions of the Revenue and Taxation Code. Upon the filing of a statement under this section by a corporation that has suffered suspension under this section, the Secretary of State shall certify that fact to the Franchise Tax Board and the corporation may thereupon be relieved from suspension, unless the corporation is held in suspension by the Franchise Tax Board by reason of Section 23301, 23301.5, or 23775 of the Revenue and Taxation Code.

(f) The Secretary of State shall make the information submitted pursuant to paragraph (5) of subdivision (a) available only for governmental purposes and only to Members of the Legislature and the ~~Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services Agency*, upon written request. All other information submitted pursuant to this section shall be subject to public inspection pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). The information submitted pursuant to this section shall be made available for governmental or public inspection.

(g) Whenever any form is filed pursuant to this section, it supersedes any previously filed form.

(h) The Secretary of State may destroy or otherwise dispose of any form filed pursuant to this section after it has been superseded by the filing of a new form.

*(i) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 15.** Section 300 of the Financial Code is amended to read:

**300.** (a) In this section:

(1) "Business and industrial development corporation" means a corporation licensed under Division 15 (commencing with Section 31000).

(2) "Payment instrument" has the same meaning as set forth in Section 2003.

(3) "Stored Value" has the same meaning as set forth in subdivision (x) of Section 2003.

(b) There is in the state government, in the ~~Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services Agency*, a Department of Financial Protection and Innovation, which has charge of the execution of, among other laws, the laws of this state relating to any of the following: (1) banks or trust companies or the banking or trust business; (2) savings associations or the savings association business; (3) credit unions or the credit union business; (4) persons who engage in the business of receiving money for transmission or such business; (5) issuers of stored value or such business; (6) issuers of payment instruments or the payment instrument business; (7) business and industrial development corporations or the business and industrial development corporation business; (8) insurance premium finance agencies or the insurance premium finance business; (9) persons offering or making any contract constituting bucketing; (10) persons offering or selling off-exchange commodities; (11) deferred deposit originators; (12) finance lenders and brokers; (13) residential mortgage lenders and servicers; (14) capital access companies; (15) check sellers, bill payers, and proraters; (16) securities issuers, broker-dealers, agents, investment advisers, and investment adviser representatives; (17) mortgage loan originators employed or supervised by finance lenders or residential mortgage lenders; (18) escrow agents; (19) franchisors; (20) persons holding securities as custodians on behalf of securities owners; (21) persons offering or providing consumer financial products or services in this state; and (22) PACE program administrators.

*(c) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 16.** Section 1514 of the Financial Code is amended to read:

**1514. (a)** A commercial bank may organize, sponsor, operate, control, or render investment advice to, an investment company, or underwrite, distribute, or sell securities of any investment company which has qualified to sell its securities in this state pursuant to Part 2 (commencing with Section 25100) of Division 1 of Title 4 of the Corporations Code, if the officers and employees of the bank who sell these securities meet such standards with respect to training, experience, and sales practices as established by the ~~Secretary of Business, Consumer Services, and Housing or the secretary's~~ *commissioner or the commissioner's* designee. For the purpose of this section, "investment company" means an investment company as defined in the Investment Company Act of 1940 (15 U.S.C., Sec. 80a-1 et seq.).

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 17.** Section 14382 of the Financial Code is amended to read:

**14382. (a)** The Credit Union Advisory Committee consists of seven members.

(b) The members of the Credit Union Advisory Committee shall be appointed by the Secretary of ~~Business, Consumer Services, and Housing~~ *Business and Consumer Services*.

(c) The term of a member of the Credit Union Advisory Committee is two years. However, a member may be reappointed.

(d) Membership in the Credit Union Advisory Committee is voluntary. No person is required to accept an appointment to the Credit Union Advisory Committee, and any member may resign by filing a resignation with the commissioner.

(e) No member of the Credit Union Advisory Committee shall receive any compensation, reimbursement for expenses, or other payment from the state in connection with service on the Credit Union Advisory Committee.

*(f) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 18.** Section 14652.5 of the Financial Code is amended to read:

**14652.5. (a)** A credit union may organize, sponsor, operate, control, or render investment advice to, an investment company, or underwrite, distribute, or sell securities of any investment company which has qualified to sell its securities in this state pursuant to Part 2 (commencing with Section 25100) of Division 1 of Title 4 of the Corporations Code, if the officers and employees of the credit union who sell these securities meet such standards with respect to training, experience, and sales practices as established by the ~~Secretary of Business, Consumer Services, and Housing or the secretary's~~ *commissioner or the commissioner's* designee. For the purpose of this section, "investment company" means an investment company as defined in the Investment Company Act of 1940 (15 U.S.C., Sec. 80a-1 et seq.).

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 19.** Section 18022.5 of the Financial Code is amended to read:

**18022.5. (a)** An industrial loan company may organize, sponsor, operate, control, or render investment advice to, an investment company, or underwrite, distribute, or sell securities of any investment company which has qualified to sell its securities in this state pursuant to Part 2 (commencing with Section 25100) of Division 1, Title 4 of the Corporations Code, if the officers and employees of the industrial loan company who sell these securities meet such standards with respect to training experience, and sales practices as established by the ~~Secretary of Business, Consumer Services, and Housing or the secretary's~~ *commissioner or the commissioner's* designee. For the purpose of this section, "investment company" means an investment company as defined in the Investment Company Act of 1940 (15 U.S.C., Sec. 80a-1 et seq.).

*(b) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 20.** Section 513 of the Food and Agricultural Code is amended to read:

**513. (a)** The department shall ensure the inclusion of socially disadvantaged farmers and ranchers, including socially disadvantaged farmers and ranchers in urbanized areas, in the development, adoption, implementation, and enforcement of food and agriculture laws, regulations, and policies and programs.

(b) The secretary shall create a position within the department's executive office to support the efforts of this section and Section 514. The person appointed to that position shall report to the secretary.

(c) The department shall do all of the following:

(1) Consult with the Secretaries of the California Environmental Protection Agency, the Natural Resources Agency, the Business, Consumer Services, and Housing Agency, and the California Health and Human Services Agency, and all other interested members of the public and private sectors of the state on opportunities for socially disadvantaged farmers and ranchers and to coordinate state programs.

(2) Disseminate information regarding opportunities provided by, including, but not limited to, the United States Department of Agriculture, the United States Environmental Protection Agency, the General Accounting Office, the Office of Management and Budget, and other federal agencies for socially disadvantaged farmers and ranchers.

(3) Evaluate boards, committees, commissions, and advisory panels created pursuant to this code for opportunities for inclusion of socially disadvantaged farmers and ranchers, except those established pursuant to Article 8 (commencing with Section 58841) of Chapter 1 of Part 2 of Division 21, Article 7 (commencing with Section 59721) of Chapter 2 of Part 2 of Division 21, and Division 22 (commencing with Section 63901).

*(d) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 21.** Section 513 is added to the Food and Agricultural Code, to read:

**513.** (a) The department shall ensure the inclusion of socially disadvantaged farmers and ranchers, including socially disadvantaged farmers and ranchers in urbanized areas, in the development, adoption, implementation, and enforcement of food and agriculture laws, regulations, and policies and programs.

(b) The secretary shall create a position within the department's executive office to support the efforts of this section and Section 514. The person appointed to that position shall report to the secretary.

(c) The department shall do all of the following:

(1) Consult with the Secretaries of the California Environmental Protection Agency, the Natural Resources Agency, the California Housing and Homelessness Agency, and the California Health and Human Services Agency, and all other interested members of the public and private sectors of the state on opportunities for socially disadvantaged farmers and ranchers and to coordinate state programs.

(2) Disseminate information regarding opportunities provided by, including, but not limited to, the United States Department of Agriculture, the United States Environmental Protection Agency, the General Accounting Office, the Office of Management and Budget, and other federal agencies for socially disadvantaged farmers and ranchers.

(3) Evaluate boards, committees, commissions, and advisory panels created pursuant to this code for opportunities for inclusion of socially disadvantaged farmers and ranchers, except those established pursuant to Article 8 (commencing with Section 58841) of Chapter 1 of Part 2 of Division 21, Article 7 (commencing with Section 59721) of Chapter 2 of Part 2 of Division 21, and Division 22 (commencing with Section 63901).

(d) This section shall become operative on July 1, 2026.

**SEC. 22.** Section 8587.11 of the Government Code is amended to read:

**8587.11.** (a) There is in state government, within the office, both of the following:

(1) The California Earthquake Early Warning Program.

(2) The California Earthquake Early Warning Advisory Board.

(b) The following definitions apply to this section and Section 8587.12:

(1) "Board" means the California Earthquake Early Warning Advisory Board.

(2) "Program" means the California Earthquake Early Warning Program.

(3) "System" means the statewide earthquake early warning system.

(c) (1) The board shall be composed of the following eight members:

(A) Seven voting members, as follows:

(i) The Secretary of the Natural Resources Agency, or designee.

(ii) The Secretary of California Health and Human Services, or designee.

(iii) The Secretary of Transportation, or designee.

(iv) The Secretary of Business, Consumer Services, and Housing, or designee.

(v) One member who is appointed by, and serves at the pleasure of, the Speaker of the Assembly and represents the interests of private businesses.

(vi) One member who is appointed by, and serves at the pleasure of, the Governor and represents the utilities industry.

(vii) One member who is appointed by, and serves at the pleasure of, the Senate Committee on Rules and represents county government.

(B) The Chancellor of the California State University, or designee, shall serve as a nonvoting member of the board.

(2) The President of the University of California, or designee, may serve as a nonvoting member of the board.

(3) The members of the board shall serve without compensation, but shall be reimbursed for actual and reasonable travel and meal expenses to attend board meetings.

(d) (1) The board shall convene periodically and advise the director on all aspects of the program, including, but not limited to, the following functional areas of the program:

(A) System operations.

(B) Research and development.

(C) Finance and investment.

(D) Training and education.

(2) The board shall utilize committees, groups, and organizations, including, but not limited to, the California Institute of Technology, the California Geological Survey, the University of California, the United States Geological Survey, and entities participating in the critical infrastructure sectors to fulfill the objectives of the program by supporting the functional areas of the system.

(3) The board shall inform the public regarding, and provide the public with the opportunity to engage the board on, the development and implementation of the system.

(4) The board shall consult with program participants, state agencies, departments, boards and commissions, private businesses, postsecondary educational institutions, and subject matter experts, as necessary, to advise the board on the development, implementation, and maintenance of the system.

(e) (1) Except as otherwise provided by law, the California Integrated Seismic Network shall be responsible for the generation of an earthquake early warning alert and related system operations.

(2) The board shall, in conjunction with the director, determine the appropriate methods to provide the public with an earthquake early warning alert.

(f) (1) The board shall comply with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3) and the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1).

(2) Notwithstanding any law, including, but not limited to, the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), any information in a public record that is a trade secret, as that term is defined in Section 3426.1 of the Civil Code, of a private entity cooperating with the board or participating in the system or with the program is confidential and shall not be disclosed.

*(g) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 23.** Section 8587.11 is added to the Government Code, to read:

**8587.11.** (a) There is in state government, within the office, both of the following:

(1) The California Earthquake Early Warning Program.

(2) The California Earthquake Early Warning Advisory Board.

(b) The following definitions apply to this section and Section 8587.12:

- (1) "Board" means the California Earthquake Early Warning Advisory Board.
- (2) "Program" means the California Earthquake Early Warning Program.
- (3) "System" means the statewide earthquake early warning system.

(c) (1) The board shall be composed of the following eight members:

(A) Seven voting members, as follows:

- (i) The Secretary of the Natural Resources Agency, or designee.
- (ii) The Secretary of California Health and Human Services, or designee.
- (iii) The Secretary of Transportation, or designee.
- (iv) The Secretary of California Housing and Homelessness, or designee.
- (v) One member who is appointed by, and serves at the pleasure of, the Speaker of the Assembly and represents the interests of private businesses.
- (vi) One member who is appointed by, and serves at the pleasure of, the Governor and represents the utilities industry.
- (vii) One member who is appointed by, and serves at the pleasure of, the Senate Committee on Rules and represents county government.

(B) The Chancellor of the California State University, or designee, shall serve as a nonvoting member of the board.

(2) The President of the University of California, or designee, may serve as a nonvoting member of the board.

(3) The members of the board shall serve without compensation, but shall be reimbursed for actual and reasonable travel and meal expenses to attend board meetings.

(d) (1) The board shall convene periodically and advise the director on all aspects of the program, including, but not limited to, the following functional areas of the program:

- (A) System operations.
- (B) Research and development.
- (C) Finance and investment.
- (D) Training and education.

(2) The board shall utilize committees, groups, and organizations, including, but not limited to, the California Institute of Technology, the California Geological Survey, the University of California, the United States Geological Survey, and entities participating in the critical infrastructure sectors to fulfill the objectives of the program by supporting the functional areas of the system.

(3) The board shall inform the public regarding, and provide the public with the opportunity to engage the board on, the development and implementation of the system.

(4) The board shall consult with program participants, state agencies, departments, boards and commissions, private businesses, postsecondary educational institutions, and subject matter experts, as necessary, to advise the board on the development, implementation, and maintenance of the system.

(e) (1) Except as otherwise provided by law, the California Integrated Seismic Network shall be responsible for the generation of an earthquake early warning alert and related system operations.

(2) The board shall, in conjunction with the director, determine the appropriate methods to provide the public with an earthquake early warning alert.

(f) (1) The board shall comply with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3) and the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1).

(2) Notwithstanding any law, including, but not limited to, the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), any information in a public record that is a trade secret, as that term is defined in Section 3426.1 of the Civil Code, of a private entity cooperating with the board or participating in the system or with the program is confidential and shall not be disclosed.

(g) This section shall become operative on July 1, 2026.

**SEC. 24.** Section 8876.7 of the Government Code is amended to read:

**8876.7.** In carrying out its responsibilities under this chapter, the Seismic Safety Commission, in close consultation with the Transportation Agency, the Office of Emergency Services, and the Business, Consumer Services and Housing Agency, may do the following:

(a) Monitor the work of the center on behalf of the state.

(b) Produce and deliver for each year that the center is in operation, an independent evaluation of the work conducted at the center as it pertains to the objectives of the center and reducing earthquake losses and earthquake risk in the state recognizing that as a national center it will undertake basic research of national and international consequence as well. The report shall include the following tasks:

(1) Interpret the results of research to indicate how the research may affect state law and policy.

(2) Recommend ways to promote the application of research.

(3) Recommend priorities that would contribute to achieving the center's objectives, provide direct benefits to California residents and businesses, and lead to the completion of specific recommendations in the state's earthquake risk reduction program.

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 25.** Section 8876.7 is added to the Government Code, to read:

**8876.7.** In carrying out its responsibilities under this chapter, the Seismic Safety Commission, in close consultation with the Transportation Agency, the Office of Emergency Services, and the Secretary of California Housing and Homelessness, may do the following:

(a) Monitor the work of the center on behalf of the state.

(b) Produce and deliver for each year that the center is in operation, an independent evaluation of the work conducted at the center as it pertains to the objectives of the center and reducing earthquake losses and earthquake risk in the state recognizing that as a national center it will undertake basic research of national and international consequence as well. The report shall include the following tasks:

(1) Interpret the results of research to indicate how the research may affect state law and policy.

(2) Recommend ways to promote the application of research.

(3) Recommend priorities that would contribute to achieving the center's objectives, provide direct benefits to California residents and businesses, and lead to the completion of specific recommendations in the state's earthquake risk reduction program.

(c) This section shall become operative on July 1, 2026.

**SEC. 26.** Section 11546.1 of the Government Code is amended to read:

**11546.1.** The Department of Technology shall improve the governance and implementation of information technology by standardizing reporting relationships, roles, and responsibilities for setting information technology priorities.

(a) (1) Each state agency shall have a chief information officer who is appointed by the head of the state agency, or by the head's designee, subject to the approval of the Department of Technology.

(2) A chief information officer appointed under this subdivision shall do all of the following:

(A) Oversee the information technology portfolio and information technology services within ~~his or her~~ **their** state agency through the operational oversight of information technology budgets of departments, boards, bureaus, and offices within the

state agency.

(B) Develop the enterprise architecture for ~~his or her~~ *their* state agency, subject to the review and approval of the Department of Technology, to rationalize, standardize, and consolidate information technology applications, assets, infrastructure, data, and procedures for all departments, boards, bureaus, and offices within the state agency.

(C) Ensure that all departments, boards, bureaus, and offices within the state agency are in compliance with the state information technology policy.

(b) (1) Each state entity shall have a chief information officer who is appointed by the head of the state entity.

(2) A chief information officer appointed under this subdivision shall do all of the following:

(A) Supervise all information technology and telecommunications activities within ~~his or her~~ *their* state entity, including, but not limited to, information technology, information security, and telecommunications personnel, contractors, systems, assets, projects, purchases, and contracts.

(B) Ensure the entity conforms with state information technology and telecommunications policy and enterprise architecture.

(c) Each state agency shall have an information security officer appointed by the head of the state agency, or the head's designee, subject to the approval by the Department of Technology. The state agency's information security officer appointed under this subdivision shall report to the state agency's chief information officer.

(d) Each state entity shall have an information security officer who is appointed by the head of the state entity. An information security officer shall report to the chief information officer of ~~his or her~~ *their* state entity. The Department of Technology shall develop specific qualification criteria for an information security officer. If a state entity cannot fund a position for an information security officer, the entity's chief information officer shall perform the duties assigned to the information security officer. The chief information officer shall coordinate with the Department of Technology for any necessary support.

(e) (1) For purposes of this section, "state agency" means the Transportation Agency, Department of Corrections and Rehabilitation, Department of Veterans Affairs, Business, Consumer Services, and Housing Agency, Natural Resources Agency, California Health and Human Services Agency, California Environmental Protection Agency, Labor and Workforce Development Agency, and Department of Food and Agriculture.

(2) For purposes of this section, "state entity" means an entity within the executive branch that is under the direct authority of the Governor, including, but not limited to, all departments, boards, bureaus, commissions, councils, and offices that are not defined as a "state agency" pursuant to paragraph (1).

(f) A state entity that is not defined under subdivision (e) may voluntarily comply with any of the requirements of Sections 11546.2 and 11546.3 and may request assistance from the Department of Technology to do so.

*(g) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 27.** Section 11546.1 is added to the Government Code, to read:

**11546.1.** The Department of Technology shall improve the governance and implementation of information technology by standardizing reporting relationships, roles, and responsibilities for setting information technology priorities.

(a) (1) Each state agency shall have a chief information officer who is appointed by the head of the state agency, or by the head's designee, subject to the approval of the Department of Technology.

(2) A chief information officer appointed under this subdivision shall do all of the following:

(A) Oversee the information technology portfolio and information technology services within their state agency through the operational oversight of information technology budgets of departments, boards, bureaus, and offices within the state agency.

(B) Develop the enterprise architecture for their state agency, subject to the review and approval of the Department of Technology, to rationalize, standardize, and consolidate information technology applications, assets, infrastructure, data, and procedures for all departments, boards, bureaus, and offices within the state agency.

(C) Ensure that all departments, boards, bureaus, and offices within the state agency are in compliance with the state information technology policy.

(b) (1) Each state entity shall have a chief information officer who is appointed by the head of the state entity.



(2) A chief information officer appointed under this subdivision shall do all of the following:

(A) Supervise all information technology and telecommunications activities within their state entity, including, but not limited to, information technology, information security, and telecommunications personnel, contractors, systems, assets, projects, purchases, and contracts.

(B) Ensure the entity conforms with state information technology and telecommunications policy and enterprise architecture.

(c) Each state agency shall have an information security officer appointed by the head of the state agency, or the head's designee, subject to the approval by the Department of Technology. The state agency's information security officer appointed under this subdivision shall report to the state agency's chief information officer.

(d) Each state entity shall have an information security officer who is appointed by the head of the state entity. An information security officer shall report to the chief information officer of their state entity. The Department of Technology shall develop specific qualification criteria for an information security officer. If a state entity cannot fund a position for an information security officer, the entity's chief information officer shall perform the duties assigned to the information security officer. The chief information officer shall coordinate with the Department of Technology for any necessary support.

(e) (1) For purposes of this section, "state agency" means the Transportation Agency, Department of Corrections and Rehabilitation, Department of Veterans Affairs, California Consumer Protection Agency, California Housing and Homelessness Agency, Natural Resources Agency, California Health and Human Services Agency, California Environmental Protection Agency, Labor and Workforce Development Agency, and Department of Food and Agriculture.

(2) For purposes of this section, "state entity" means an entity within the executive branch that is under the direct authority of the Governor, including, but not limited to, all departments, boards, bureaus, commissions, councils, and offices that are not defined as a "state agency" pursuant to paragraph (1).

(f) A state entity that is not defined under subdivision (e) may voluntarily comply with any of the requirements of Sections 11546.2 and 11546.3 and may request assistance from the Department of Technology to do so.

(g) This section shall become operative on July 1, 2026.

**SEC. 28.** Section 11550 of the Government Code is amended to read:

**11550.** (a) Effective January 1, 1988, an annual salary of ninety-one thousand fifty-four dollars (\$91,054) shall be paid to each of the following:

(1) Director of Finance.

(2) Secretary of Transportation.

(3) Secretary of the Natural Resources Agency.

(4) Secretary of California Health and Human Services.

(5) Secretary of Business, Consumer Services, and Housing.

(6) Commissioner of the California Highway Patrol.

(7) Secretary of the Department of Corrections and Rehabilitation.

(8) Secretary of Food and Agriculture.

(9) Secretary of Veterans Affairs.

(10) Secretary of Labor and Workforce Development.

(11) Secretary for Environmental Protection.

(12) Secretary of Government Operations.

(b) The annual compensation provided by this section shall be increased in any fiscal year in which a general salary increase is provided for state employees. The amount of the increase provided by this section shall be comparable to, but shall not exceed, the percentage of the general salary increases provided for state employees during that fiscal year.

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 29.** Section 11550 is added to the Government Code, to read:

**11550.** (a) Effective January 1, 1988, an annual salary of ninety-one thousand fifty-four dollars (\$91,054) shall be paid to each of the following:

- (1) Director of Finance.
- (2) Secretary of Transportation.
- (3) Secretary of the Natural Resources Agency.
- (4) Secretary of California Health and Human Services.
- (5) Secretary of California Housing and Homelessness.
- (6) Commissioner of the California Highway Patrol.
- (7) Secretary of the Department of Corrections and Rehabilitation.
- (8) Secretary of Food and Agriculture.
- (9) Secretary of Veterans Affairs.
- (10) Secretary of Labor and Workforce Development.
- (11) Secretary for Environmental Protection.
- (12) Secretary of Government Operations.
- (13) Secretary of Business and Consumer Services.

(b) The annual compensation provided by this section shall be increased in any fiscal year in which a general salary increase is provided for state employees. The amount of the increase provided by this section shall be comparable to, but shall not exceed, the percentage of the general salary increases provided for state employees during that fiscal year.

(c) This section shall become operative on July 1, 2026.

**SEC. 30.** Section 12800 of the Government Code is amended to read:

**12800.** (a) There are in the state government the following agencies: Business, Consumer Services, and Housing; Transportation; California Environmental Protection; California Health and Human Services; Labor and Workforce Development; Natural Resources; Government Operations; and Corrections and Rehabilitation.

(b) The secretary of an agency shall be generally responsible for the sound fiscal management of each department, office, or other unit within the agency. The secretary shall review and approve the proposed budget of each department, office, or other unit. The secretary shall hold the head of each department, office, or other unit responsible for management control over the administrative, fiscal, and program performance of ~~his or her~~ *their* department, office, or other unit. The secretary shall review the operations and evaluate the performance at appropriate intervals of each department, office, or other unit, and shall seek continually to improve the organization structure, the operating policies, and the management information systems of each department, office, or other unit.

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 31.** Section 12800 is added to the Government Code, to read:

**12800.** (a) There are in the state government the following agencies: California Consumer Protection; California Housing and Homelessness; Transportation; California Environmental Protection; California Health and Human Services; Labor and Workforce Development; Natural Resources; Government Operations; and Corrections and Rehabilitation.

(b) The secretary of an agency shall be generally responsible for the sound fiscal management of each department, office, or other unit within the agency. The secretary shall review and approve the proposed budget of each department, office, or other unit. The secretary shall hold the head of each department, office, or other unit responsible for management control over the administrative, fiscal, and program performance of their department, office, or other unit. The secretary shall review the operations and evaluate the performance at appropriate intervals of each department, office, or other unit, and shall seek

continually to improve the organization structure, the operating policies, and the management information systems of each department, office, or other unit.

(c) This section shall become operative on July 1, 2026.

**SEC. 32.** Section 12804 of the Government Code is amended to read:

**12804.** (a) There is in the state government the Business, Consumer Services, and Housing Agency.

(b) The Business, Consumer Services, and Housing Agency shall consist of the following: the Department of Consumer Affairs, the Department of Real Estate, the Department of Housing and Community Development, the California Housing Finance Agency, the Civil Rights Department, the Department of Financial Protection and Innovation, the Department of Alcoholic Beverage Control, the Alcoholic Beverage Control Appeals Board, the California Horse Racing Board, the Department of Cannabis Control, and the Cannabis Control Appeals Panel.

~~(c) This section shall become operative on July 1, 2018.~~

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 33.** Section 12804.1 is added to the Government Code, to read:

**12804.1.** (a) Beginning July 1, 2026, the California Housing and Homelessness Agency and the Business and Consumer Services Agency, along with their respective departments, shall coordinate state policy, programs, and funding to help the state achieve its objectives related to housing, homelessness, and consumer protections and minimize service disruption due to the dissolution of the Business, Consumer Services, and Housing Agency.

(b) The Secretary of Housing and Homelessness and the Secretary of Business and Consumer Services shall maintain and expand upon data, policy, and programmatic partnerships between the departments within the California Housing and Homelessness Agency and the Business and Consumer Services Agency and consider opportunities to improve coordination and alignment.

(c) This section shall become operative on July 1, 2026.

**SEC. 34.** Section 12804.2 is added to the Government Code, to read:

**12804.2.** (a) Beginning July 1, 2026, there is in state government the Business and Consumer Services Agency.

(b) The Business and Consumer Services Agency shall consist of all of the following:

- (1) The Alcoholic Beverage Control Appeals Board.
- (2) The California Horse Racing Board.
- (3) The Cannabis Control Appeals Panel.
- (4) The Department of Alcoholic Beverage Control.
- (5) The Department of Cannabis Control.
- (6) The Department of Consumer Affairs.
- (7) The Department of Financial Protection and Innovation.
- (8) The Department of Real Estate.

(c) (1) On July 1, 2026, the Business and Consumer Services Agency succeeds to and is vested with all the duties, powers, purposes, personnel, and responsibilities vested in the Business, Consumer Services, and Housing Agency as they relate to the entities listed in subdivision (b).

(2) With respect to any of the functions transferred to the Business and Consumer Services Agency pursuant to this subdivision, whenever any reference to the Business, Consumer Services, and Housing Agency appears in any statute, regulation, or contract, it shall be deemed to refer to the Business and Consumer Services Agency.

(d) (1) A state agency, department, or entity may take actions prior to July 1, 2026, that are necessary to ensure that the provisions in this section become operative on July 1, 2026, and are implemented in a timely fashion.

(2) The actions described in this subdivision may include, but are not limited to, reassignment of duties between state agencies, departments, or entities pursuant to Section 12080.3, actions relating to planning for the changes provided in the reorganization plan, and the expenditure of funds necessary for the transfer or authority and responsibilities accomplished by the reorganization plan.

(e) This section shall become operative on July 1, 2026.

**SEC. 35.** Section 12804.3 is added to the Government Code, to read:

**12804.3.** (a) The Governor, upon the recommendation of the Secretary of Business and Consumer Services, may appoint up to three deputy secretaries who shall serve at the pleasure of the Governor.

(b) The deputy secretaries shall be exempt from civil service consistent with subdivision (f) of Section 4 of Article VII of the California Constitution.

(c) This section shall become operative on July 1, 2026.

**SEC. 36.** Section 12804.4 is added to the Government Code, to read:

**12804.4.** (a) All employees serving in state civil service, including temporary employees, who are engaged in the performance of functions transferred to the Business and Consumer Services Agency pursuant to Section 12804.2 shall be transferred to the Business and Consumer Services Agency.

(b) The status, positions, and rights of those persons shall not be affected by their transfer and shall continue to be retained by them pursuant to the State Civil Service Act (Part 2 (commencing with Section 18500) of Division 5), except as to positions for which the duties are vested in a position exempt from civil service. The personnel records of all transferred employees shall be transferred to the Business and Consumer Services Agency.

(c) This section shall become operative on July 1, 2026.

**SEC. 37.** Section 12804.5 of the Government Code is amended to read:

**12804.5.** (a) The Secretary of Business, Consumer Services, and Housing is hereby authorized to develop programs for technical and fiscal assistance to facilitate nonprofit, self-help community vegetable gardens and related supporting activities.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 38.** Section 12855 of the Government Code is amended to read:

**12855.** (a) For the purpose of this chapter, "agency" means the Business, Consumer Services, and Housing Agency, the California Environmental Protection Agency, the California Health and Human Services Agency, the Natural Resources Agency, the Labor and Workforce Development Agency, the Government Operations Agency, the Transportation Agency, or the Corrections and Rehabilitation Agency, and "secretary" means the secretary of any such agency.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 39.** Section 12855 is added to the Government Code, to read:

**12855.** (a) For the purpose of this chapter, "agency" means the California Housing and Homelessness Agency, the Business and Consumer Services Agency, the California Environmental Protection Agency, the California Health and Human Services Agency, the Natural Resources Agency, the Labor and Workforce Development Agency, the Government Operations Agency, the Transportation Agency, or the Corrections and Rehabilitation Agency, and "secretary" means the secretary of any such agency.

(b) This section shall become operative on July 1, 2026.

**SEC. 40.** Section 12856 of the Government Code is amended to read:

**12856.** (a) The Governor, upon the recommendation of the Secretary of Business, Consumer Services, and Housing, may appoint up to three deputies for the secretary.

(b) In addition to any other provision of law, the Secretary of Business, Consumer Services, and Housing may appoint an assistant, who is exempt from the civil service laws. The secretary shall prescribe the duties of the appointed assistant and shall

fix the salary of such assistant subject to the approval of the Director of Finance. The appointed assistant shall serve at the pleasure of the secretary.

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 41.** Section 12895 of the Government Code is amended to read:

**12895.** (a) There is in the ~~Business, Consumer Services, and Housing Agency~~ *Business and Consumer Services Agency* a Department of Financial Protection and Innovation, which has the responsibility for administering various laws. In order to effectively support the Department of Financial Protection and Innovation in the administration of these laws, there is hereby established the Financial Protection Fund, as described further in Section 90007 of the Financial Code. All expenses and salaries of the Department of Financial Protection and Innovation shall be paid out of the Financial Protection Fund, upon appropriation by the Legislature for these purposes.

(b) All the duties and responsibilities to be transferred and any remaining balances of the State Corporations Fund and Financial Institutions Fund, upon appropriation by the Legislature, shall be transferred to the Financial Protection Fund, which is hereby created and designated the successor fund. The State Corporations Fund and Financial Institutions Fund are abolished.

(c) Funds appropriated from the Financial Protection Fund and made available for expenditure for any law or program of the Department of Financial Protection and Innovation may come from the following:

(1) Fees and any other amounts charged and collected pursuant to Section 25608 of the Corporations Code, except for fees and other amounts charged and collected pursuant to subdivisions (o) to (r), inclusive, of Section 25608 of the Corporations Code.

(2) Fees collected pursuant to subdivisions (a), (b), (c), and (d) of Section 25608.1 of the Corporations Code.

(d) This section shall not apply to moneys collected or received by the commissioner under Division 5 (commencing with Section 14000) of the Financial Code.

(e) On and after the operative date of this subdivision, any reference in any law to the Financial Institutions Fund shall be deemed a reference to the Financial Protection Fund, and any reference in any law to the State Corporations Fund shall be deemed a reference to the Financial Protection Fund.

(f) On and after the operative date of this subdivision, any reference in any law to the Department of Business Oversight shall be deemed a reference to the Department of Financial Protection and Innovation.

(g) This subdivision shall become operative on the date that an act adding Division 25 (commencing with Section 100000) to the Financial Code takes effect.

(1) On and after the operative date of this subdivision, all the duties, responsibilities and remaining balances of the Debt Collection Licensing Fund shall be transferred to the Financial Protection Fund.

(2) On or after the operative date of this subdivision, fines and penalties collected pursuant to Division 25 (commencing with Section 100000) of the Financial Code shall be made available for expenditure for any law or program of the Department of Financial Protection and Innovation.

(3) On and after the operative date of this subdivision, the Debt Collection Licensing Fund is abolished.

(4) On and after the operative date of this subdivision, any reference to the Debt Collection Licensing Fund shall be deemed a reference to the Financial Protection Fund.

(5) If an act adding Division 25 to the Financial Code does not take effect, this subdivision shall become inoperative and is effectively repealed beginning January 1, 2021.

*(h) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 42.** Section 12896 of the Government Code is amended to read:

**12896.** (a) This section applies to every action brought in the name of the people of the State of California by the Commissioner of Financial Protection and Innovation before, on, or after the effective date of this section, when enforcing provisions of those laws administered by the Commissioner of Financial Protection and Innovation which authorize the Commissioner of Financial Protection and Innovation to seek a permanent or preliminary injunction, restraining order, or writ of mandate, or the appointment of a receiver, monitor, conservator, or other designated fiduciary or officer of the court, except actions brought against any of the licensees specified in paragraphs (1) through (8), inclusive, of subdivision (b) of Section 300 of the Financial Code that are

governed by other law. Upon a proper showing, a permanent or preliminary injunction, restraining order, or writ of mandate shall be granted and a receiver, monitor, conservator, or other designated fiduciary or officer of the court may be appointed for the defendant or the defendant's assets, or any other ancillary relief may be granted as appropriate. The court may order that the expenses and fees of the receiver, monitor, conservator, or other designated fiduciary or officer of the court, be paid from the property held by the receiver, monitor, conservator, or other court-designated fiduciary or officer, but neither the state, the ~~Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services Agency*, nor the Department of Financial Protection and Innovation shall be liable for any of those expenses and fees, unless expressly provided for by written contract.

(b) The receiver, monitor, conservator, or other designated fiduciary or officer of the court may do any of the following subject to the direction of the court:

(1) Sue for, collect, receive, and take into possession all the real and personal property derived by any unlawful means, including property with which that property or the proceeds thereof has been commingled if that property or the proceeds thereof cannot be identified in kind because of the commingling.

(2) Take possession of all books, records, and documents relating to any unlawfully obtained property and the proceeds thereof. In addition, they shall have the same right as a defendant to request, obtain, inspect, copy, and obtain copies of books, records, and documents maintained by third parties that relate to unlawfully obtained property and the proceeds thereof.

(3) Transfer, encumber, manage, control, and hold all property subject to the receivership, including the proceeds thereof, in the manner directed or ratified by the court.

(4) Avoid a transfer of any interest in any unlawfully obtained property including the proceeds thereof to any person who committed, aided or abetted, or participated in the commission of unlawful acts or who had knowledge that the property had been unlawfully obtained.

(5) Avoid a transfer of any interest in any unlawfully obtained property including the proceeds thereof made with the intent to hinder or delay the recovery of that property or any interest in it by the receiver or any person from whom the property was unlawfully obtained.

(6) Avoid a transfer of any interest in any unlawfully obtained property including the proceeds thereof that was made within one year before the date of the entry of the receivership order if less than a reasonably equivalent value was given in exchange for the transfer, except that a bona fide transferee for value and without notice that the property had been unlawfully obtained may retain the interest transferred until the value given in exchange for the transfer is returned to the transferee.

(7) Avoid a transfer of any interest in any unlawfully obtained property including the proceeds thereof made within 90 days before the date of the entry of the receivership order to a transferee from whom the defendant unlawfully obtained some property if (A) the receiver establishes that the avoidance of the transfer will promote a fair pro rata distribution of restitution among all people from whom defendants unlawfully obtained property and (B) the transferee cannot establish that the specific property transferred was the same property which had been unlawfully obtained from the transferee.

(8) Exercise any power authorized by statute or ordered by the court.

(c) No person with actual or constructive notice of the receivership shall interfere with the discharge of the receiver's duties.

(d) No person may file any action or enforce or create any lien, or cause to be issued, served, or levied any summons, subpoena, attachment, or writ of execution against the receiver or any property subject to the receivership without first obtaining prior court approval upon motion with notice to the receiver and the Commissioner of Financial Protection and Innovation. Any legal procedure described in this subdivision commenced without prior court approval is void except as to a bona fide purchaser or encumbrancer for value and without notice of the receivership. No person without notice of the receivership shall incur any liability for commencing or maintaining any legal procedure described by this subdivision.

(e) The court has jurisdiction of all questions arising in the receivership proceedings and may make any orders and judgments as may be required, including orders after noticed motion by the receiver to avoid transfers as provided in paragraphs (4), (5), (6), and (7) of subdivision (b).

(f) This section is cumulative to all other provisions of law.

(g) If any provision of this section or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of this section which can be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

(h) The recordation of a copy of the receivership order imparts constructive notice of the receivership in connection with any matter involving real property located in the county in which the receivership order is recorded.

*(i) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 43.** Section 12901 of the Government Code is amended to read:

**12901. (a)** There is in the state government, in the Business, Consumer Services, and Housing Agency, the Civil Rights Department. The department is under the direction of an executive officer known as the Director of Civil Rights, who is appointed by the Governor, subject to confirmation by the Senate, and who holds office at the pleasure of the Governor. The annual salary of the director is provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 44.** Section 12901 is added to the Government Code, to read:

**12901. (a)** There is in the state government, in the California Housing and Homelessness Agency, the Civil Rights Department. The department is under the direction of an executive officer known as the Director of Civil Rights, who is appointed by the Governor, subject to confirmation by the Senate, and who holds office at the pleasure of the Governor. The annual salary of the director is provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2.

*(b) This section shall become operative on July 1, 2026.*

**SEC. 45.** Section 12944 of the Government Code is amended to read:

**12944. (a)** It shall be unlawful for a licensing board to require any examination or establish any other qualification for licensing that has an adverse impact on any class by virtue of its race, creed, color, national origin or ancestry, sex, gender, gender identity, gender expression, age, medical condition, genetic information, physical disability, mental disability, reproductive health decisionmaking, or sexual orientation, unless the practice can be demonstrated to be job related.

Where the council, after hearing, determines that an examination is unlawful under this subdivision, the licensing board may continue to use and rely on the examination until such time as judicial review by the superior court of the determination is exhausted.

If an examination or other qualification for licensing is determined to be unlawful under this section, that determination shall not void, limit, repeal, or otherwise affect any right, privilege, status, or responsibility previously conferred upon any person by the examination or by a license issued in reliance on the examination or qualification.

*(b) It shall be unlawful for a licensing board to fail or refuse to make reasonable accommodation to an individual's mental or physical disability or medical condition.*

*(c) It shall be unlawful for any licensing board, unless specifically acting in accordance with federal equal employment opportunity guidelines or regulations approved by the council, to print or circulate or cause to be printed or circulated any publication, or to make any non-job-related inquiry, either verbal or through use of an application form, which expresses, directly or indirectly, any limitation, specification, or discrimination as to race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, sex, gender, gender identity, gender expression, age, reproductive health decisionmaking, or sexual orientation or any intent to make any such limitation, specification, or discrimination. Nothing in this subdivision shall prohibit any licensing board from making, in connection with prospective licensure or certification, an inquiry as to, or a request for information regarding, the physical fitness of applicants if that inquiry or request for information is directly related and pertinent to the license or the licensed position the applicant is applying for. Nothing in this subdivision shall prohibit any licensing board, in connection with prospective examinations, licensure, or certification, from inviting individuals with physical or mental disabilities to request reasonable accommodations or from making inquiries related to reasonable accommodations.*

*(d) It is unlawful for a licensing board to discriminate against any person because the person has filed a complaint, testified, or assisted in any proceeding under this part.*

*(e) It is unlawful for any licensing board to fail to keep records of applications for licensing or certification for a period of two years following the date of receipt of the applications.*

*(f) As used in this section, "licensing board" means any state board, agency, or authority in the ~~Business, Consumer Services, and Housing Agency~~ *Business and Consumer Services Agency* that has the authority to grant licenses or certificates which are prerequisites to employment eligibility or professional status.*

*(g) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 46.** Section 14030 of the Government Code is amended to read:



**14030.** The powers and duties of the department include, but are not limited to, all of the following activities:

(a) Supporting the commission in coordinating and developing, in cooperation with local and regional entities, comprehensive balanced transportation planning and policy for the movement of people and goods within the state.

(b) Coordinating and assisting, upon request of, the various public and private transportation entities in strengthening their development and operation of balanced integrated mass transportation, highway, aviation, maritime, railroad, and other transportation facilities and services in support of statewide and regional goals.

(c) Developing, in cooperation with local and regional transportation entities, the full potential of all resources and opportunities that are now, and may become, available to the state and to regional and local agencies for meeting California's transportation needs, as provided by statutes and, in particular, maximizing the amount of federal funds that may be available to the state and increasing the efficiency by which those funds are utilized.

(d) Planning, designing, constructing, operating, and maintaining those transportation systems that the Legislature has made, or may make, the responsibility of the department; provided that the department is not authorized to assume the functions of project planning, designing, constructing, operating, or maintaining maritime or aviation facilities without express prior approval of the Legislature with the exception of those aviation functions that have been designated for the department in the Public Utilities Code.

(e) Coordinating and developing transportation research projects of statewide interest.

(f) Exercising other functions, powers, and duties as are or may be provided for by law.

(g) With the Department of Housing and Community Development, investigating and reporting to the Secretary of Transportation and the Secretary of Business, Consumer Services, and Housing upon the consistency between state, local, and federal housing plans and programs and state, local, and federal transportation plans and programs.

*(h) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 47.** Section 14030 is added to the Government Code, to read:

**14030.** The powers and duties of the department include, but are not limited to, all of the following activities:

(a) Supporting the commission in coordinating and developing, in cooperation with local and regional entities, comprehensive balanced transportation planning and policy for the movement of people and goods within the state.

(b) Coordinating and assisting, upon request of, the various public and private transportation entities in strengthening their development and operation of balanced integrated mass transportation, highway, aviation, maritime, railroad, and other transportation facilities and services in support of statewide and regional goals.

(c) Developing, in cooperation with local and regional transportation entities, the full potential of all resources and opportunities that are now, and may become, available to the state and to regional and local agencies for meeting California's transportation needs, as provided by statutes and, in particular, maximizing the amount of federal funds that may be available to the state and increasing the efficiency by which those funds are utilized.

(d) Planning, designing, constructing, operating, and maintaining those transportation systems that the Legislature has made, or may make, the responsibility of the department; provided that the department is not authorized to assume the functions of project planning, designing, constructing, operating, or maintaining maritime or aviation facilities without express prior approval of the Legislature with the exception of those aviation functions that have been designated for the department in the Public Utilities Code.

(e) Coordinating and developing transportation research projects of statewide interest.

(f) Exercising other functions, powers, and duties as are or may be provided for by law.

(g) With the Department of Housing and Community Development, investigating and reporting to the Secretary of Transportation and the Secretary of California Housing and Homelessness upon the consistency between state, local, and federal housing plans and programs and state, local, and federal transportation plans and programs.

*(h) This section shall become operative on July 1, 2026.*

**SEC. 48.** Part 5.1 (commencing with Section 14470) is added to Division 3 of Title 2 of the Government Code, to read:

#### **PART 5.1. California Housing and Homelessness Agency**

**14470.** (a) There is in the state government the California Housing and Homelessness Agency.

(b) The California Housing and Homelessness Agency shall consist of all of the following:

- (1) The Department of Housing and Community Development.
- (2) The California Housing Finance Agency.
- (3) The Civil Rights Department.
- (4) The Housing Development and Finance Committee.
- (5) The California Interagency Council on Homelessness.

(c) (1) The California Housing and Homelessness Agency succeeds to and is vested with all the duties, powers, purposes, personnel, responsibilities, and jurisdiction vested in the Business, Consumer Services, and Housing Agency insofar as they relate to the entities listed in subdivision (b).

(2) With respect to any of the functions transferred to the California Housing and Homelessness Agency pursuant to paragraph (1), any reference to the Business, Consumer Services, and Housing Agency in any statute, regulation, or contract shall be deemed to refer to the California Housing and Homelessness Agency.

**14471.** (a) The Governor, upon the recommendation of the Secretary of California Housing and Homelessness, may appoint up to three deputies for the secretary. The deputies shall be exempt from civil service consistent with subdivision (f) of Section 4 of Article VII of the California Constitution.

(b) In addition to any other provision of law, the Governor may appoint an assistant, who is exempt from the civil service laws pursuant to Section 4 of Article VII of the California Constitution.

**14472.** (a) All employees serving in state civil service, including temporary employees, who are engaged in the performance of functions transferred to the California Housing and Homelessness Agency pursuant to Section 12804 are transferred to the California Housing and Homelessness Agency.

(b) The status, positions, and rights of those persons shall not be affected by their transfer and shall continue to be retained by them pursuant to the State Civil Service Act (Part 2 (commencing with Section 18500) of Division 5), except as to positions for which the duties are vested in a position exempt from civil service.

(c) The personnel records of all transferred employees shall be transferred to the California Housing and Homelessness Agency.

**14473.** (a) The Secretary of California Housing and Homelessness and the Secretary of Transportation, along with their respective departments, shall coordinate state housing and transportation policies and programs to achieve state and regional planning priorities and maximize public resources.

(b) The Secretary of California Housing and Homelessness and the Secretary of Transportation, along with their respective departments, shall coordinate state housing and transportation policies and programs to achieve state and regional planning priorities and maximize public resources. The secretaries shall consider opportunities to align program requirements and funding timelines and consider data sharing between agencies and departments within the California Housing and Homelessness Agency and the Transportation Agency.

(c) The Secretary of California Housing and Homelessness and the Secretary of Transportation may, at their discretion, coordinate with other agencies and departments, including, but not limited to, the California Environmental Protection Agency and the Office of Land Use and Climate Innovation, to achieve interrelated benefits pertaining to housing, transportation, the environment, climate, and other policy issue areas as appropriate.

**14474.** (a) The California Housing and Homelessness Agency and the California Health and Human Services Agency shall coordinate relevant state housing, health, and human services policies, funding, and programs, and shall promote data alignment under the purview of each agency, to help the state achieve its objectives related to housing and homelessness as described in the California Statewide Housing Plan required by Chapter 1.5 (commencing with Section 50420) of Part 2 of Division 31 of the Health and Safety Code and the Action Plan for Preventing and Ending Homelessness in California as adopted by the California Interagency Council on Homelessness.

(b) In complying with subdivision (a), the Secretary of California Housing and Homelessness and the Secretary of California Health and Human Services shall consider any input from the California Interagency Council on Homelessness.

**14475.** (a) The California Housing and Homelessness Agency and the California Consumer Protection Agency, along with their respective departments, shall coordinate state policy, programs, and funding to further the state's objectives related to housing, homelessness, civil rights, and consumer protections and facilitate administrative continuity following the dissolution of the Business, Consumer Services, and Housing Agency on July 1, 2026.

(b) The Secretary of California Housing and Homelessness and the Secretary of California Consumer Protection shall maintain and expand upon data, policy, and programmatic partnerships between departments within their respective agencies and evaluate opportunities to enhance interagency coordination and policy alignment in furtherance of statutory mandates.

**14476.** The Secretary of California Housing and Homelessness may develop programs for technical and fiscal assistance to facilitate nonprofit, self-help community vegetable gardens and related supporting activities.

**14477.** This part shall become operative on July 1, 2026.

**SEC. 49.** Section 15562.5 of the Government Code is amended to read:

**15562.5.** (a) (1) On or before July 1, 2023, the agency shall establish an advisory committee to study and evaluate the effects of heat on California's workers, businesses, and the economy.

(2) The advisory committee shall meet to recommend the scope of a study to the agency. The committee shall meet at least once after the study is complete.

(3) In considering the effects of heat on California's workers, businesses, and the economy, the advisory committee shall recommend a study that addresses some or all of the following topics:

(A) How to improve data collection regarding worker injuries, illnesses, or deaths as well as losses to businesses and the economy to more accurately capture those traceable to heat.

(B) Time away from work and lost wages due to heat.

(C) The frequency at which different types of occupational injuries and illnesses occur at given temperatures and humidity levels, including injuries and illnesses not directly attributable to heat exposure.

(D) Underreporting of heat illnesses and injuries covered by workers' compensation, especially among low-income employees, including the underreporting of occupational heat exposure with effects on workers after their shifts.

(E) Evidence-based methods of minimizing the effect of heat on workers.

(4) The committee shall be composed of the following members:

(A) The Secretary of Labor and Workforce Development, or their designee.

(B) One representative from, and appointed by, the Department of Industrial Relations.

(C) One representative from, and appointed by, the Division of Occupational Safety and Health.

(D) One representative from, and appointed by, the Employment Development Department.

(E) One representative from, and appointed by, the Business, Consumer Services and Housing Agency.

(F) One representative from, and appointed by, the Division of Workers' Compensation.

(G) One representative from the Climate Change and Health Equity Section, within and appointed by the State Department of Public Health.

(H) One representative appointed by the Labor and Workforce Development Agency, from a labor union, who has demonstrated expertise in high heat-related exposure.

(I) One representative appointed by the Labor and Workforce Development Agency, from a business, who has demonstrated expertise in high heat-related exposure.

(J) Three scholars, including at least one economist, appointed by the Labor and Workforce Development Agency, who have demonstrated expertise in high heat-related exposure.

(K) One representative from, and appointed by, the Governor's Office of Planning and Research.

(b) The advisory committee may contract with academic institutions or other researchers to complete its work.

(c) (1) The advisory committee shall issue and submit a report of its findings to the Legislature, including, but not limited to, the Assembly Labor and Employment Committee and the Senate Labor, Public Employment and Retirement Committee, no later than January 1, 2026.

(2) The report required pursuant to paragraph (1) shall be submitted in compliance with Section 9795.

~~(d) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.~~

*(d) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 50.** Section 15562.5 is added to the Government Code, to read:

**15562.5.** (a) (1) On or before July 1, 2023, the agency shall establish an advisory committee to study and evaluate the effects of heat on California's workers, businesses, and the economy.

(2) The advisory committee shall meet to recommend the scope of a study to the agency. The committee shall meet at least once after the study is complete.

(3) In considering the effects of heat on California's workers, businesses, and the economy, the advisory committee shall recommend a study that addresses some or all of the following topics:

(A) How to improve data collection regarding worker injuries, illnesses, or deaths as well as losses to businesses and the economy to more accurately capture those traceable to heat.

(B) Time away from work and lost wages due to heat.

(C) The frequency at which different types of occupational injuries and illnesses occur at given temperatures and humidity levels, including injuries and illnesses not directly attributable to heat exposure.

(D) Underreporting of heat illnesses and injuries covered by workers' compensation, especially among low-income employees, including the underreporting of occupational heat exposure with effects on workers after their shifts.

(E) Evidence-based methods of minimizing the effect of heat on workers.

(4) The committee shall be composed of the following members:

(A) The Secretary of Labor and Workforce Development, or their designee.

(B) One representative from, and appointed by, the Department of Industrial Relations.

(C) One representative from, and appointed by, the Division of Occupational Safety and Health.

(D) One representative from, and appointed by, the Employment Development Department.

(E) One representative from, and appointed by, the California Housing and Homelessness Agency.

(F) One representative from, and appointed by, the Division of Workers' Compensation.

(G) One representative from the Climate Change and Health Equity Section, within and appointed by the State Department of Public Health.

(H) One representative appointed by the Labor and Workforce Development Agency, from a labor union, who has demonstrated expertise in high heat-related exposure.

(I) One representative appointed by the Labor and Workforce Development Agency, from a business, who has demonstrated expertise in high heat-related exposure.

(J) Three scholars, including at least one economist, appointed by the Labor and Workforce Development Agency, who have demonstrated expertise in high heat-related exposure.

(K) One representative from, and appointed by, the Governor's Office of Planning and Research.

(b) The advisory committee may contract with academic institutions or other researchers to complete its work.

(c) (1) The advisory committee shall issue and submit a report of its findings to the Legislature, including, but not limited to, the Assembly Labor and Employment Committee and the Senate Labor, Public Employment and Retirement Committee, no later than January 1, 2026.

(2) The report required pursuant to paragraph (1) shall be submitted in compliance with Section 9795.

(d) This section shall become operative on July 1, 2026.

(e) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

**SEC. 51.** Section 15990 of the Government Code is amended to read:

**15990.** (a) There is hereby created in the Department of Housing and Community Development the Tribal Housing Grant Program Fund Advisory Committee, upon appropriation by the Legislature.

(b) (1) The membership of the committee shall be composed of members who are representatives of federally recognized tribal governments and have knowledge, experience, and expertise in the area of tribal housing, tribal land, tribal government, tribal policy, and tribal law to close the gap of inconsistencies and barriers for tribes to successfully access state-funded grant programs. These members shall consist of at least the following:

(A) Three members from central California.

(B) Three members from northern California.

(C) Three members from southern California.

(D) Four nonvoting members, as follows:

(i) The Secretary of Business, Consumer Services, and Housing or their designee.

(ii) The Director of the Department of Housing and Community Development or a designee.

(iii) The executive officer of the Interagency Council on Homelessness or a designee.

(iv) The executive director of the California Housing Finance Agency or a designee.

(2) The committee shall be cochaired by both of the following:

(A) The Director of the Department of Housing and Community Development or a designee.

(B) A tribal representative voted upon by the committee members.

(3) (A) Subject to funding availability, a voting member of the committee who represents a tribe shall receive a per diem of one hundred dollars (\$100) for each day during which the member is engaged in the performance of official duties and shall be reimbursed for travel and other expenses necessarily incurred in the performance of official duties.

(B) Notwithstanding any other law, assistance provided pursuant to this paragraph shall not be deemed to be income for purposes of the Personal Income Tax Law (Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code) or used to determine eligibility for any state program or local program financed wholly or in part by state funds.

(c) (1) The Department of Housing and Community Development shall appoint the voting members to the committee. Voting membership on the committee shall be served on a volunteer basis for four-year terms with no term limits so long as the member is active and does not miss three consecutive meetings.

(2) The Department of Housing and Community Development shall take into account both of the following when appointing members to be on the committee:

(A) Geographic diversity.

(B) Proven qualifying experience and expertise in tribal housing.

(3) An individual may apply to be a member on the committee by submitting an application with all of the following information to the Business, Consumer Services, and Housing Agency:

(A) A letter of nomination and support from their respective tribal chairperson.

(B) A portfolio of qualifying experience, including, but not limited to, demonstrated expertise and experience in tribal housing.

(C) A defined region of representation.

*(d) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 52.** Section 15990 is added to the Government Code, to read:

**15990.** (a) There is hereby created in the Department of Housing and Community Development the Tribal Housing Grant Program Fund Advisory Committee, upon appropriation by the Legislature.

(b) (1) The membership of the committee shall be composed of members who are representatives of federally recognized tribal governments and have knowledge, experience, and expertise in the area of tribal housing, tribal land, tribal government, tribal policy, and tribal law to close the gap of inconsistencies and barriers for tribes to successfully access state-funded grant programs. These members shall consist of at least the following:

(A) Three members from central California.

(B) Three members from northern California.

(C) Three members from southern California.

(D) Four nonvoting members, as follows:

(i) The Secretary of California Housing and Homelessness or their designee.

(ii) The Director of the Department of Housing and Community Development or a designee.

(iii) The executive officer of the California Interagency Council on Homelessness or a designee.

(iv) The executive director of the California Housing Finance Agency or a designee.

(2) The committee shall be cochaired by both of the following:

(A) The Director of the Department of Housing and Community Development or a designee.

(B) A tribal representative voted upon by the committee members.

(3) (A) Subject to funding availability, a voting member of the committee who represents a tribe shall receive a per diem of one hundred dollars (\$100) for each day during which the member is engaged in the performance of official duties and shall be reimbursed for travel and other expenses necessarily incurred in the performance of official duties.

(B) Notwithstanding any other law, assistance provided pursuant to this paragraph shall not be deemed to be income for purposes of the Personal Income Tax Law (Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code) or used to determine eligibility for any state program or local program financed wholly or in part by state funds.

(c) (1) The Department of Housing and Community Development shall appoint the voting members to the committee. Voting membership on the committee shall be served on a volunteer basis for four-year terms with no term limits so long as the member is active and does not miss three consecutive meetings.

(2) The Department of Housing and Community Development shall take into account both of the following when appointing members to be on the committee:

(A) Geographic diversity.

(B) Proven qualifying experience and expertise in tribal housing.

(3) An individual may apply to be a member on the committee by submitting an application with all of the following information to the California Housing and Homelessness Agency:

(A) A letter of nomination and support from their respective tribal chairperson.

(B) A portfolio of qualifying experience, including, but not limited to, demonstrated expertise and experience in tribal housing.

(C) A defined region of representation.

(d) This section shall become operative on July 1, 2026.

**SEC. 53.** Section 65040.12 of the Government Code is amended to read:

**65040.12.** (a) The office shall be the coordinating agency in state government for environmental justice programs.

(b) The director shall do all of the following:

(1) Consult with all of the following:

(A) The Secretary for Environmental Protection.

(B) The Secretary of the Natural Resources Agency.

(C) The Secretary of Transportation.

(D) The Secretary of Business, Consumer Services, and Housing.

(E) The Working Group on Environmental Justice established pursuant to Section 71113 of the Public Resources Code.

(F) Any other appropriate state agencies and all other interested members of the public and private sectors in this state.

(2) Coordinate the office's efforts and share information regarding environmental justice programs with the Council on Environmental Quality, the United States Environmental Protection Agency, the General Accounting Office, the Office of Management and Budget, and other federal agencies.

(3) Review and evaluate any information from federal agencies that is obtained as a result of their respective regulatory activities under federal Executive Order 12898, and from the Working Group on Environmental Justice established pursuant to Section 71113 of the Public Resources Code.

(c) When it adopts its next edition of the general plan guidelines pursuant to Section 65040.2, but in no case later than July 1, 2003, the office shall include guidelines for addressing environmental justice matters in city and county general plans. The office shall hold at least one public hearing before the release of any draft guidelines, and at least one public hearing after the release of the draft guidelines. The hearings may be held at the regular meetings of the Planning Advisory and Assistance Council.

(d) The guidelines developed by the office pursuant to subdivision (c) shall recommend provisions for general plans to do all of the following:

(1) Propose methods for planning for the equitable distribution of new public facilities and services that increase and enhance community quality of life throughout the community, given the fiscal and legal constraints that restrict the siting of these facilities.

(2) Propose methods for providing for the location, if any, of industrial facilities and uses that, even with the best available technology, will contain or produce material that, because of its quantity, concentration, or physical or chemical characteristics, poses a significant hazard to human health and safety, in a manner that seeks to avoid overconcentrating these uses in proximity to schools or residential dwellings.

(3) Propose methods for providing for the location of new schools and residential dwellings in a manner that seeks to avoid locating these uses in proximity to industrial facilities and uses that will contain or produce material that because of its quantity, concentration, or physical or chemical characteristics, poses a significant hazard to human health and safety.

(4) Propose methods for promoting more livable communities by expanding opportunities for transit-oriented development so that residents minimize traffic and pollution impacts from traveling for purposes of work, shopping, schools, and recreation.

(e) (1) For purposes of this section, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.

(2) "Environmental justice" includes, but is not limited to, all of the following:

(A) The availability of a healthy environment for all people.

(B) The deterrence, reduction, and elimination of pollution burdens for populations and communities experiencing the adverse effects of that pollution, so that the effects of the pollution are not disproportionately borne by those populations and communities.

(C) Governmental entities engaging and providing technical assistance to populations and communities most impacted by pollution to promote their meaningful participation in all phases of the environmental and land use decisionmaking process.



(D) At a minimum, the meaningful consideration of recommendations from populations and communities most impacted by pollution into environmental and land use decisions.

*(f) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 54.** Section 65040.12 is added to the Government Code, to read:

**65040.12.** (a) The office shall be the coordinating agency in state government for environmental justice programs.

(b) The director shall do all of the following:

(1) Consult with all of the following:

(A) The Secretary for Environmental Protection.

(B) The Secretary of the Natural Resources Agency.

(C) The Secretary of Transportation.

(D) The Secretary of California Housing and Homelessness.

(E) The Working Group on Environmental Justice established pursuant to Section 71113 of the Public Resources Code.

(F) Any other appropriate state agencies and all other interested members of the public and private sectors in this state.

(2) Coordinate the office's efforts and share information regarding environmental justice programs with the Council on Environmental Quality, the United States Environmental Protection Agency, the General Accounting Office, the Office of Management and Budget, and other federal agencies.

(3) Review and evaluate any information from federal agencies that is obtained as a result of their respective regulatory activities under federal Executive Order 12898, and from the Working Group on Environmental Justice established pursuant to Section 71113 of the Public Resources Code.

(c) When it adopts its next edition of the general plan guidelines pursuant to Section 65040.2, but in no case later than July 1, 2003, the office shall include guidelines for addressing environmental justice matters in city and county general plans. The office shall hold at least one public hearing before the release of any draft guidelines, and at least one public hearing after the release of the draft guidelines. The hearings may be held at the regular meetings of the Planning Advisory and Assistance Council.

(d) The guidelines developed by the office pursuant to subdivision (c) shall recommend provisions for general plans to do all of the following:

(1) Propose methods for planning for the equitable distribution of new public facilities and services that increase and enhance community quality of life throughout the community, given the fiscal and legal constraints that restrict the siting of these facilities.

(2) Propose methods for providing for the location, if any, of industrial facilities and uses that, even with the best available technology, will contain or produce material that, because of its quantity, concentration, or physical or chemical characteristics, poses a significant hazard to human health and safety, in a manner that seeks to avoid overconcentrating these uses in proximity to schools or residential dwellings.

(3) Propose methods for providing for the location of new schools and residential dwellings in a manner that seeks to avoid locating these uses in proximity to industrial facilities and uses that will contain or produce material that because of its quantity, concentration, or physical or chemical characteristics, poses a significant hazard to human health and safety.

(4) Propose methods for promoting more livable communities by expanding opportunities for transit-oriented development so that residents minimize traffic and pollution impacts from traveling for purposes of work, shopping, schools, and recreation.

(e) (1) For purposes of this section, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.

(2) "Environmental justice" includes, but is not limited to, all of the following:

(A) The availability of a healthy environment for all people.

(B) The deterrence, reduction, and elimination of pollution burdens for populations and communities experiencing the adverse effects of that pollution, so that the effects of the pollution are not disproportionately borne by those populations and

communities.

(C) Governmental entities engaging and providing technical assistance to populations and communities most impacted by pollution to promote their meaningful participation in all phases of the environmental and land use decisionmaking process.

(D) At a minimum, the meaningful consideration of recommendations from populations and communities most impacted by pollution into environmental and land use decisions.

(f) This section shall become operative on July 1, 2026.

**SEC. 55.** Section 17974 of the Health and Safety Code is amended to read:

**17974.** For purposes of this article:

(a) "Department" means the Department of Housing and Community Development.

(b) (1) "Homeless shelter" means any of the following:

(A) An emergency shelter, as defined in Section 576.2 of Title 24 of the Code of Federal Regulations.

(B) An emergency shelter, as defined in subdivision (e) of Section 50801.

(C) A navigation center, as defined in Section 50216.

(2) "Homeless shelter" does not include emergency shelters that are funded by the program commonly referred to as Project Roomkey administered by the State Department of Social Services.

(c) "Local agency" means any city, including a charter city, county, or city and county.

(d) "State agency" means the Business, Consumer Services, and Housing Agency.

(e) "State funding" means any grant, loan, or other type of financial assistance awarded to a homeless shelter on or after July 1, 2021, from the following sources:

(1) The Homeless Housing, Assistance, and Prevention Program (Chapter 6 (commencing with Section 50216) of Part 1 of Division 31).

(2) Future one-time state funding for homelessness services.

*(f) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 56.** Section 17974 is added to the Health and Safety Code, to read:

**17974.** For purposes of this article:

(a) "Department" means the Department of Housing and Community Development.

(b) (1) "Homeless shelter" means any of the following:

(A) An emergency shelter, as defined in Section 576.2 of Title 24 of the Code of Federal Regulations.

(B) An emergency shelter, as defined in subdivision (e) of Section 50801.

(C) A navigation center, as defined in Section 50216.

(2) "Homeless shelter" does not include emergency shelters that are funded by the program commonly referred to as Project Roomkey administered by the State Department of Social Services.

(c) "Local agency" means any city, including a charter city, county, or city and county.

(d) "State agency" means the California Housing and Homelessness Agency.

(e) "State funding" means any grant, loan, or other type of financial assistance awarded to a homeless shelter on or after July 1, 2021, from the following sources:

(1) The Homeless Housing, Assistance, and Prevention Program (Chapter 6 (commencing with Section 50216) of Part 1 of Division 31).

(2) Future one-time state funding for homelessness services.

(f) This section shall become operative on July 1, 2026.

**SEC. 57.** Section 35805 of the Health and Safety Code is amended to read:

**35805.** As used in this part:

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

(b) "Fair market value" means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. The use of this definition of fair market value by a financial institution in an appraisal made at any time on or after July 1, 1986, does not violate the provisions of this part.

(c) "Financial institution" includes any bank, savings and loan association, or other institution in this state, including a public agency, that regularly makes, arranges, or purchases loans for the purchase, construction, rehabilitation, improvement, or refinancing of housing accommodations.

(d) "Housing accommodation" includes any improved or unimproved real property, or portion thereof, that (1) is used or is intended to be used as a residence, and (2) is or will be occupied by the owner, and (3) contains not more than four dwelling units. "Housing accommodation" shall also include any residential dwelling containing not more than four dwelling units where the owner thereof, whether or not the owner will occupy the property, applies or has applied for a secured home improvement loan from a financial institution, the proceeds of which loan will be used to improve the security property.

(e) "Secretary" means the Secretary of ~~Business, Consumer Services and Housing~~ *Business and Consumer Services*.

*(f) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 58.** Section 50093 of the Health and Safety Code is amended to read:

**50093.** "Persons and families of low or moderate income" means persons and families whose income does not exceed 120 percent of area median income, adjusted for family size by the department in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. However, the agency and the department jointly, or either acting with the concurrence of the Secretary of Business, Consumer Services and Housing, may permit the agency to use higher income limitations in designated geographic areas of the state, upon a determination that 120 percent of the median income in the particular geographic area is too low to qualify a substantial number of persons and families of low or moderate income who can afford rental or home purchase of housing financed pursuant to Part 3 (commencing with Section 50900) without subsidy.

"Persons and families of low or moderate income" includes very low income households, as defined in Section 50105, extremely low income households, as defined in Section 50106, and lower income households as defined in Section 50079.5, and includes persons and families of extremely low income, persons and families of very low income, persons and families of low income, persons and families of moderate income, and middle-income families. As used in this division:

(a) "Persons and families of low income" or "persons of low income" means persons or families who are eligible for financial assistance specifically provided by a governmental agency for the benefit of occupants of housing financed pursuant to this division.

(b) "Persons and families of moderate income" or "middle-income families" means persons and families of low or moderate income whose income exceeds the income limit for lower income households.

(c) "Persons and families of median income" means persons and families whose income does not exceed the area median income, as adjusted by the department for family size in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937.

As used in this section, "area median income" means the median family income of a geographic area of the state, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. In the event these federal determinations of area median income are discontinued, the department shall establish and publish as regulations income limits for persons and families of median income for all geographic areas of the state at 100 percent of area median income, and for persons and families of low or moderate income for all geographic areas of the state at 120 percent of area median income. These income limits shall be adjusted for family size and shall be revised annually.

For purposes of this section, the department shall file, with the Office of Administrative Law, any changes in area median income and income limits determined by the United States Department of Housing and Urban Development, together with any

consequent changes in other derivative income limits determined by the department pursuant to this section. These filings shall not be subject to Article 5 (commencing with Section 11346) or Article 6 (commencing with Section 11349) of Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government Code, but shall be effective upon filing with the Office of Administrative Law and shall be published as soon as possible in the California Regulatory Code Supplement and the California Code of Regulations.

The department shall establish and publish a general definition of income, including inclusions, exclusions, and allowances, for qualifying persons under the income limits of this section and Sections 50079.5, 50105, and 50106 to be used where no other federal or state definitions of income apply. This definition need not be established by regulation.

Nothing in this division shall prevent the agency or the department from adopting separate family size adjustment factors or programmatic definitions of income to qualify households, persons, and families for programs of the agency or department, as the case may be.

*This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 59.** Section 50093 is added to the Health and Safety Code, to read:

**50093.** "Persons and families of low or moderate income" means persons and families whose income does not exceed 120 percent of area median income, adjusted for family size by the department in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. However, the agency and the department jointly, or either acting with the concurrence of the Secretary of California Housing and Homelessness, may permit the agency to use higher income limitations in designated geographic areas of the state, upon a determination that 120 percent of the median income in the particular geographic area is too low to qualify a substantial number of persons and families of low or moderate income who can afford rental or home purchase of housing financed pursuant to Part 3 (commencing with Section 50900) without subsidy.

"Persons and families of low or moderate income" includes very low income households, as defined in Section 50105, extremely low income households, as defined in Section 50106, and lower income households as defined in Section 50079.5, and includes persons and families of extremely low income, persons and families of very low income, persons and families of low income, persons and families of moderate income, and middle-income families. As used in this division:

(a) "Persons and families of low income" or "persons of low income" means persons or families who are eligible for financial assistance specifically provided by a governmental agency for the benefit of occupants of housing financed pursuant to this division.

(b) "Persons and families of moderate income" or "middle-income families" means persons and families of low or moderate income whose income exceeds the income limit for lower income households.

(c) "Persons and families of median income" means persons and families whose income does not exceed the area median income, as adjusted by the department for family size in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937.

As used in this section, "area median income" means the median family income of a geographic area of the state, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. In the event these federal determinations of area median income are discontinued, the department shall establish and publish as regulations income limits for persons and families of median income for all geographic areas of the state at 100 percent of area median income, and for persons and families of low or moderate income for all geographic areas of the state at 120 percent of area median income. These income limits shall be adjusted for family size and shall be revised annually.

For purposes of this section, the department shall file, with the Office of Administrative Law, any changes in area median income and income limits determined by the United States Department of Housing and Urban Development, together with any consequent changes in other derivative income limits determined by the department pursuant to this section. These filings shall not be subject to Article 5 (commencing with Section 11346) or Article 6 (commencing with Section 11349) of Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government Code, but shall be effective upon filing with the Office of Administrative Law and shall be published as soon as possible in the California Regulatory Code Supplement and the California Code of Regulations.

The department shall establish and publish a general definition of income, including inclusions, exclusions, and allowances, for qualifying persons under the income limits of this section and Sections 50079.5, 50105, and 50106 to be used where no other federal or state definitions of income apply. This definition need not be established by regulation.

Nothing in this division shall prevent the agency or the department from adopting separate family size adjustment factors or programmatic definitions of income to qualify households, persons, and families for programs of the agency or department, as the case may be.

This section shall become operative on July 1, 2026.

**SEC. 60.** Section 50150 of the Health and Safety Code is amended to read:

**50150. (a)** This chapter sets forth the general responsibilities and roles of the Business, Consumer Services and Housing Agency, the Department of Housing and Community Development, and the California Housing Finance Agency in carrying out state housing policies and programs. It is declaratory of existing law as to those roles and responsibilities, and shall not be construed as creating additional responsibilities.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 61.** Section 50150 is added to the Health and Safety Code, to read:

**50150. (a)** This chapter sets forth the general responsibilities and roles of the California Housing and Homelessness Agency, the Department of Housing and Community Development, the Housing Development and Finance Committee, and the California Housing Finance Agency in carrying out state housing policies and programs. It is declaratory of existing law as to those roles and responsibilities, and shall not be construed as creating additional responsibilities.

(b) This section shall become operative on July 1, 2026.

**SEC. 62.** Section 50151 of the Health and Safety Code is amended to read:

**50151. (a)** The Secretary of Business, Consumer Services and Housing shall be responsible for allocating financial aid and contributions made available directly to state government or to the agency by any agency of the United States for the purpose of subsidizing housing for persons and families of low or moderate income.

~~The~~

*(b) The* agency shall have priority among all other units of state government for receipt of federal housing subsidies for use in connection with its lending and insurance programs.

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 63.** Section 50151 is added to the Health and Safety Code, to read:

**50151. (a)** The Secretary of California Housing and Homelessness shall be responsible for allocating financial aid and contributions made available directly to state government or to the agency by any agency of the United States for the purpose of subsidizing housing for persons and families of low or moderate income.

(b) The agency shall have priority among all other units of state government for receipt of federal housing subsidies for use in connection with its lending and insurance programs.

(c) This section shall become operative on July 1, 2026.

**SEC. 64.** Section 50153 of the Health and Safety Code is amended to read:

**50153. (a)** To further the goals of this division and to enable the success of a statewide housing program, it is essential, and the Legislature intends, that the agency and the department shall closely coordinate their activities to assure that the goals and purposes of this division are realized. To this end, the Secretary of Business, Consumer Services and Housing and the director of the department have been given a role on the board which administers the agency and approves major contractual agreements, and a veto power over agency regulations in certain policy areas as specified in Section 50462, and the agency is required to coordinate its activities with the department. Subject to these restrictions, however, and when carrying out its own unique responsibilities, the agency is relatively free of regulation by other agencies of state government.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 65.** Section 50153 is added to the Health and Safety Code, to read:

**50153. (a)** To further the goals of this division and to enable the success of a statewide housing program, it is essential, and the Legislature intends, that the agency, the department, and the Housing Development and Finance Committee shall closely coordinate their activities to assure that the goals and purposes of this division are realized. To this end, the Secretary of California Housing and Homelessness and the director of the department have been given a role on the board which administers the agency and approves major contractual agreements, and a veto power over agency regulations in certain policy areas as

specified in Section 50462, and the agency is required to coordinate its activities with the department. Subject to these restrictions, however, and when carrying out its own unique responsibilities, the agency is relatively free of regulation by other agencies of state government.

(b) This section shall become operative on July 1, 2026.

**SEC. 66.** Section 50154 of the Health and Safety Code is amended to read:

**50154. (a)** The California Housing Finance Agency, within the Business, Consumer Services and Housing Agency, is a primary agency in the implementation of state housing policy. The agency's role is to make financing opportunities available for the construction, rehabilitation, and purchase of housing for persons and families of low or moderate income by ~~(a)~~ (1) borrowing in the securities markets and relending to housing sponsors, developers, and homeowners and ~~(b)~~ (2) insuring loans made by the agency or by others for the same purposes. In general, the agency pays for its operations out of the excess of its interest revenue from loan repayments over the cost of the money it borrows or, in the case of insurance, by the excess of fees charged for the provision of insurance over the value of claims paid. The agency shall seek to implement the goals, policies, and objectives of the California Statewide Housing Plan and shall annually report on its progress toward compliance with priorities in the California Statewide Housing Plan.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 67.** Section 50154 is added to the Health and Safety Code, to read:

**50154. (a)** The California Housing Finance Agency, within the California Housing and Homelessness Agency, is a primary agency in the implementation of state housing policy. The agency's role is to make financing opportunities available for the construction, rehabilitation, and purchase of housing for persons and families of low or moderate income by (1) borrowing in the securities markets and relending to housing sponsors, developers, and homeowners and (2) insuring loans made by the agency or by others for the same purposes. In general, the agency pays for its operations out of the excess of its interest revenue from loan repayments over the cost of the money it borrows or, in the case of insurance, by the excess of fees charged for the provision of insurance over the value of claims paid. The agency shall seek to implement the goals, policies, and objectives of the California Statewide Housing Plan and shall annually report on its progress toward compliance with priorities in the California Statewide Housing Plan.

(b) This section shall become operative on July 1, 2026.

**SEC. 68.** Section 50210 of the Health and Safety Code is amended to read:

**50210.** For purposes of this chapter, the following definitions shall apply:

(a) "Administrative entity" means a unit of general purpose local government or a nonprofit organization that has previously administered federal Department of Housing and Urban Development Continuum of Care funds as the collaborative applicant pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations that has been designated by the continuum of care to administer program funds.

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

(c) "Council" means 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.

(d) "County" includes, but is not limited to, a city and county.

(e) "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 May 1, 2018.

(f) "Homeless point-in-time count" means the 2017 homeless point-in-time counts pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations.

(g) "Program" means the Homeless Emergency Aid program established pursuant to this chapter.

*(h) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 69.** Section 50210 is added to the Health and Safety Code, to read:

**50210.** For purposes of this chapter, the following definitions shall apply:

(a) "Administrative entity" means a unit of general purpose local government or a nonprofit organization that has previously administered federal Department of Housing and Urban Development Continuum of Care funds as the collaborative applicant pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations that has been designated by the continuum of care to administer program funds.

(b) "Agency" means the California Housing and Homelessness Agency.

(c) "Council" means 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.

(d) "County" includes, but is not limited to, a city and county.

(e) "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 May 1, 2018.

(f) "Homeless point-in-time count" means the 2017 homeless point-in-time counts pursuant to Section 578.3 of Title 24 of the Code of Federal Regulations.

(g) "Program" means the Homeless Emergency Aid program established pursuant to this chapter.

(h) This section shall become operative on July 1, 2026.

**SEC. 70.** Section 50216 of the Health and Safety Code is amended to read:

**50216.** For purposes of this chapter:

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

(b) "Applicant" means a continuum of care, city, county, or tribe.

(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) "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.

(e) "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.

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

(g) "Department" means the Department of Housing and Community Development.

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

(i) "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.

(j) "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.

(k) (1) "Homeless point-in-time count" means the 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 of the program described in Section 50218.7, "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.

(l) "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.

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

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

(o) "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.

(p) "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.

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

(r) "Recipient" means a jurisdiction that receives funds from the council for the purposes of the program.

(s) "Tribe" or "tribal applicant" means a federally recognized tribal government pursuant to Section 4103 of Title 25 of the United States Code.

*This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 71.** Section 50216 is added to the Health and Safety Code, to read:

**50216.** For purposes of this chapter:

(a) "Agency" means the California Housing and Homelessness Agency.

(b) "Applicant" means a continuum of care, city, county, or tribe.

(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) "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.

(e) "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.

(f) "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.

(g) "Department" means the Department of Housing and Community Development.

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



(i) "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.

(j) "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.

(k) (1) "Homeless point-in-time count" means the 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 of the program described in Section 50218.7, "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.

(l) "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.

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

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

(o) "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.

(p) "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.

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

(r) "Recipient" means a jurisdiction that receives funds from the council for the purposes of the program.

(s) "Tribe" or "tribal applicant" means a federally recognized tribal government pursuant to Section 4103 of Title 25 of the United States Code.

This section shall become operative on July 1, 2026.

**SEC. 72.** Section 50230 of the Health and Safety Code is amended to read:

**50230.** For purposes of this chapter:

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

(b) "Applicant" has either of the following meanings:

(1) For purposes of Article 1 (commencing with Section 50232), "applicant" means a continuum of care, city, county, or a region for purposes of the regionally coordinated homelessness action plan requirements pursuant to Article 1.

(2) For purposes of Article 2 (commencing with Section 50239), "applicant" means a continuum of care, city, county, or a region for purposes of the regionally coordinated homelessness action plan requirements pursuant to Article 2.

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

(e) "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.

(f) "Regionally coordinated homelessness action plan" means the regionally coordinated homelessness action plan described in Section 50233.

(g) (1) Subject to paragraph (2), "council," unless context requires otherwise, means the associated staff within the Interagency Council on Homelessness, formerly known as the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.

(2) Unless context requires otherwise, "council," with respect to the administration of this chapter or Chapter 6 (commencing with Section 50216) on or after the effective date of the act adding this paragraph, means department.

(h) "Department" means the Department of Housing and Community Development.

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

(j) "Grantee" has either of the following meanings:

(1) For purposes of Article 1 (commencing with Section 50232), "grantee" means an eligible applicant that has received its initial round 5 base allocation or total round 5 base allocation, as applicable, pursuant to Article 1 (commencing with Section 50232).

(2) For purposes of Article 2 (commencing with Section 50239), "grantee" means an eligible applicant that has received its initial round 6 base allocation or total round 6 base allocation, as applicable, pursuant to Article 2 (commencing with Section 50239).

(k) "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.

(l) "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.

(m) "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.

(n) "Homeless youth" means an unaccompanied youth between 12 and 24 years of age who is experiencing homelessness, as defined in Section 725(2) 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.

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

(p) "Jurisdiction" means a city, county, continuum of care, or tribe, as defined in this section.

(q) "Memorandum of understanding" has the same meaning as defined in subdivision (f) of Section 50233.

(r) "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.

(s) "Program" has either of the following meanings:

(1) For purposes of Article 1 (commencing with Section 50232), unless context otherwise requires, "program" means round 5 of the Homeless Housing, Assistance, and Prevention program, or round 5, established pursuant to Article 1 (commencing with Section 50232).

(2) For purposes of Article 2 (commencing with Section 50239), unless context otherwise requires, "program" means round 6 of the Homeless Housing, Assistance, and Prevention program, or round 6, established pursuant to Article 2 (commencing with Section 50239).

(t) (1) "Base program allocation" means the portion of program funds available to expand or develop local capacity to address immediate homelessness challenges pursuant to the allowable uses specified in Section 50236.

(2) "Homekey supplemental allocation" means the portion of program funds available to eligible jurisdictions as supplementary Homekey resources, as defined in Section 50237.

(u) "Recipient" means a jurisdiction that receives funds pursuant to this chapter for the purposes of the program.

(v) (1) Except as set forth in paragraph (2), "region" means the geographic area served by a county, including all cities and continuum of care within it. A region that has a continuum of care that serves multiple counties may submit a plan that covers multiple counties and the cities within them or the continuum of care may participate in the regionally coordinated homelessness action plan of each individual county that is part of the continuum of care along with the cities within the county.

(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.

(w) "Small jurisdiction" means a city that is under 300,000 in population as of January 1, 2022, according to data published on the internet website of the Department of Finance.

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

*This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 73.** Section 50230 is added to the Health and Safety Code, to read:

**50230.** For purposes of this chapter:

(a) "Agency" means the California Housing and Homelessness Agency.

(b) "Applicant" has either of the following meanings:

(1) For purposes of Article 1 (commencing with Section 50232), "applicant" means a continuum of care, city, county, or a region for purposes of the regionally coordinated homelessness action plan requirements pursuant to Article 1.

(2) For purposes of Article 2 (commencing with Section 50239), "applicant" means a continuum of care, city, county, or a region for purposes of the regionally coordinated homelessness action plan requirements pursuant to Article 2.

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

(e) "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.

(f) "Regionally coordinated homelessness action plan" means the regionally coordinated homelessness action plan described in Section 50233.

(g) (1) Subject to paragraph (2), "council," unless context requires otherwise, 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.

(2) Unless context requires otherwise, "council," with respect to the administration of this chapter or Chapter 6 (commencing with Section 50216) on or after the effective date of the act adding this paragraph, means department.

(h) "Department" means the Department of Housing and Community Development.

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

(j) "Grantee" has either of the following meanings:

(1) For purposes of Article 1 (commencing with Section 50232), "grantee" means an eligible applicant that has received its initial round 5 base allocation or total round 5 base allocation, as applicable, pursuant to Article 1 (commencing with Section 50232).

(2) For purposes of Article 2 (commencing with Section 50239), "grantee" means an eligible applicant that has received its initial round 6 base allocation or total round 6 base allocation, as applicable, pursuant to Article 2 (commencing with Section 50239).

(k) "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.

(l) "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.

(m) "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.

(n) "Homeless youth" means an unaccompanied youth between 12 and 24 years of age who is experiencing homelessness, as defined in Section 725(2) 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.

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

(p) "Jurisdiction" means a city, county, continuum of care, or tribe, as defined in this section.

(q) "Memorandum of understanding" has the same meaning as defined in subdivision (f) of Section 50233.

(r) "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.

(s) "Program" has either of the following meanings:

(1) For purposes of Article 1 (commencing with Section 50232), unless context otherwise requires, "program" means round 5 of the Homeless Housing, Assistance, and Prevention program, or round 5, established pursuant to Article 1 (commencing with Section 50232).

(2) For purposes of Article 2 (commencing with Section 50239), unless context otherwise requires, "program" means round 6 of the Homeless Housing, Assistance, and Prevention program, or round 6, established pursuant to Article 2 (commencing with Section 50239).

(t) (1) "Base program allocation" means the portion of program funds available to expand or develop local capacity to address immediate homelessness challenges pursuant to the allowable uses specified in Section 50236.

(2) "Homekey supplemental allocation" means the portion of program funds available to eligible jurisdictions as supplementary Homekey resources, as defined in Section 50237.

(u) "Recipient" means a jurisdiction that receives funds pursuant to this chapter for the purposes of the program.

(v) (1) Except as set forth in paragraph (2), "region" means the geographic area served by a county, including all cities and continuum of care within it. A region that has a continuum of care that serves multiple counties may submit a plan that covers

multiple counties and the cities within them or the continuum of care may participate in the regionally coordinated homelessness action plan of each individual county that is part of the continuum of care along with the cities within the county.

(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.

(w) "Small jurisdiction" means a city that is under 300,000 in population as of January 1, 2022, according to data published on the internet website of the Department of Finance.

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

This section shall become operative on July 1, 2026.

**SEC. 74.** Section 50250 of the Health and Safety Code is amended to read:

**50250.** For purposes of this chapter, the following definitions shall apply:

(a) "Additional funding round moneys" means moneys appropriated for the program in or after fiscal year 2022–23.

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

(c) "Applicant" means a continuum of care or local jurisdiction

(d) "Continuum of care" has the same meaning as in Section 578.3 of Title 24 of the Code of Federal Regulations.

(e) (1) Subject to paragraph (2), "council," unless context requires otherwise, means the ~~California~~ Interagency Council on Homelessness, previously known as the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.

(2) Unless context requires otherwise, "council," with respect to the administration of this chapter on or after the effective date of the act adding this paragraph, means the department.

(f) "County" includes, but is not limited to, a city and county.

(g) "Department" means the Department of Housing and Community Development.

(h) "Funding round 1 moneys" means moneys appropriated for the program in fiscal year 2021–22.

(i) "Homeless" has the same meaning as in Section 578.3 of Title 24 of the Code of Federal Regulations.

(j) "Local jurisdiction" means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(k) "Program" means the Encampment Resolution Funding program established pursuant to this chapter.

(l) "Recipient" means an applicant that receives grant funds from the council for the purposes of the program.

(m) "State right-of-way" means real property held in title by the State of California.

*This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 75.** Section 50250 is added to the Health and Safety Code, to read:

**50250.** For purposes of this chapter, the following definitions shall apply:

(a) "Additional funding round moneys" means moneys appropriated for the program in or after fiscal year 2022–23.

(b) "Agency" means the California Housing and Homelessness Agency.

(c) "Applicant" means a continuum of care or local jurisdiction

(d) "Continuum of care" has the same meaning as in Section 578.3 of Title 24 of the Code of Federal Regulations.

(e) (1) Subject to paragraph (2), "council," unless context requires otherwise, means the California Interagency Council on Homelessness, previously known as the Homeless Coordinating and Financing Council created pursuant to Section 8257 of the Welfare and Institutions Code.

(2) Unless context requires otherwise, "council," with respect to the administration of this chapter on or after the effective date of the act adding this paragraph, means the department.

(f) "County" includes, but is not limited to, a city and county.

(g) "Department" means the Department of Housing and Community Development.

(h) "Funding round 1 moneys" means moneys appropriated for the program in fiscal year 2021–22.

(i) "Homeless" has the same meaning as in Section 578.3 of Title 24 of the Code of Federal Regulations.

(j) "Local jurisdiction" means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(k) "Program" means the Encampment Resolution Funding program established pursuant to this chapter.

(l) "Recipient" means an applicant that receives grant funds from the council for the purposes of the program.

(m) "State right-of-way" means real property held in title by the State of California.

This section shall become operative on July 1, 2026.

**SEC. 76.** Section 50400 of the Health and Safety Code is amended to read:

**50400. (a)** The Department of Housing and Community Development is hereby continued in existence in the Business, Consumer Services, and Housing Agency.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 77.** Section 50400 is added to the Health and Safety Code, to read:

**50400. (a)** The Department of Housing and Community Development is hereby continued in existence in the California Housing and Homelessness Agency.

*(b) This section shall become operative on July 1, 2026.*

**SEC. 78.** Section 50407.5 of the Health and Safety Code is amended to read:

**50407.5. (a)** Notwithstanding the transfer of the department from the Business, Transportation, and Housing Agency to the Business, Consumer Services, and Housing Agency, the department, the Department of Transportation, and the California Transportation Commission shall coordinate state housing and transportation policies and programs to help achieve state and regional planning priorities and to maximize cobenefits of infrastructure investments.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 79.** Section 50423 of the Health and Safety Code is amended to read:

**50423. (a)** The department shall update and provide a revision of the plan to the Legislature by January 1, 2006, by January 1, 2009, and every four years thereafter, which shall be included in the annual report required by Section 50408. The revisions shall contain all of the following segments:

(1) A comparison of the housing need for the preceding plan period with the amount of building permits issued and mobilehome spaces created in those fiscal years.

(2) A revision of the determination of the statewide need for housing development specified in subdivision (b) of Section 50422 for the plan period.

(3) A revision of the housing assistance goals specified in subdivision (c) of Section 50422 for the plan period.

(4) A revision of the evaluation required by subdivision (a) of Section 50422 as new census or other survey data become available. The revision shall contain an evaluation and summary of housing conditions throughout the state and may highlight data for multicounty or regional areas, as determined by the department. The revision shall include a discussion of the housing needs of various population groups, including, but not limited to, elderly persons, disabled persons, veterans, large families, families where a female is the head of the household, and farmworker households.

(5) An updating of recommendations for actions by federal, state, and local governments and the private sector which will facilitate the attainment of housing goals established for California.

(6) For the next revision of the plan on or after January 1, 2020, and each subsequent revision thereafter, a 10-year housing data strategy that identifies the data useful to enforce existing housing laws and inform state housing policymaking. In developing this data strategy, the department shall establish a workgroup that includes, but is not limited to, representatives from the Department of Technology, metropolitan planning organizations, local governments, relevant academic institutions, and nonprofit organizations with relevant expertise selected by the department. The strategy shall include, but is not limited to, the following:

(A) An evaluation of data priorities.

(B) A strategy for how to achieve more consistent terminology for housing data across the state.

(C) An evaluation of the costs and benefits of, and the ways the department could support, a more integrated digital land use management system, building permit application management system, and other tools that would minimize resources needed for jurisdictions to submit required data.

(D) Information that must be reported under paragraph (2) of subdivision (a) of Section 65400, including, but not limited to, information that:

(i) Supports enforcement of laws, policies, and informs efforts to preserve existing affordable housing stock.

(ii) Supports enforcement of laws, policies, and informs efforts to protect tenants, and ensure habitability of existing housing stock.

(iii) Provides a better understanding of housing project appeals, approvals, delays, and denials, including any relevant data from courts and other state departments.

(iv) Provides an understanding of the process, certainty, cost, and time to approve housing and affordable housing projects.

(E) An assessment of the quality of data submitted by annual reports and recommended changes to annual report requirements and technical assistance based on this assessment.

(F) An assessment of the nature and cost of staffing and technology required for the department and local governments to meet data goals and requirements over the 10-year strategy period.

(G) Information that is useful to enforce state and local housing law and policy, including, but not limited to, enforcement of anti-rent gouging and just cause for eviction policies and ordinances.

(b) The Legislature may review the plan and the updates of the plan and transmit its comments on the plan or updates of the plan to the Governor, the Secretary of Business, Consumer Services and Housing, and the Director of Housing and Community Development.

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 80.** Section 50423 is added to the Health and Safety Code, to read:

**50423.** (a) The department shall update and provide a revision of the plan to the Legislature by January 1, 2006, by January 1, 2009, and every four years thereafter, which shall be included in the annual report required by Section 50408. The revisions shall contain all of the following segments:

(1) A comparison of the housing need for the preceding plan period with the amount of building permits issued and mobilehome spaces created in those fiscal years.

(2) A revision of the determination of the statewide need for housing development specified in subdivision (b) of Section 50422 for the plan period.

(3) A revision of the housing assistance goals specified in subdivision (c) of Section 50422 for the plan period.

(4) A revision of the evaluation required by subdivision (a) of Section 50422 as new census or other survey data become available. The revision shall contain an evaluation and summary of housing conditions throughout the state and may highlight data for multicounty or regional areas, as determined by the department. The revision shall include a discussion of the housing needs of various population groups, including, but not limited to, elderly persons, disabled persons, veterans, large families, families where a female is the head of the household, and farmworker households.

(5) An updating of recommendations for actions by federal, state, and local governments and the private sector which will facilitate the attainment of housing goals established for California.

(6) For the next revision of the plan on or after January 1, 2020, and each subsequent revision thereafter, a 10-year housing data strategy that identifies the data useful to enforce existing housing laws and inform state housing policymaking. In developing this data strategy, the department shall establish a workgroup that includes, but is not limited to, representatives from the Department of Technology, metropolitan planning organizations, local governments, relevant academic institutions, and nonprofit organizations with relevant expertise selected by the department. The strategy shall include, but is not limited to, the following:

(A) An evaluation of data priorities.

(B) A strategy for how to achieve more consistent terminology for housing data across the state.

(C) An evaluation of the costs and benefits of, and the ways the department could support, a more integrated digital land use management system, building permit application management system, and other tools that would minimize resources needed for jurisdictions to submit required data.

(D) Information that must be reported under paragraph (2) of subdivision (a) of Section 65400, including, but not limited to, information that:

(i) Supports enforcement of laws, policies, and informs efforts to preserve existing affordable housing stock.

(ii) Supports enforcement of laws, policies, and informs efforts to protect tenants, and ensure habitability of existing housing stock.

(iii) Provides a better understanding of housing project appeals, approvals, delays, and denials, including any relevant data from courts and other state departments.

(iv) Provides an understanding of the process, certainty, cost, and time to approve housing and affordable housing projects.

(E) An assessment of the quality of data submitted by annual reports and recommended changes to annual report requirements and technical assistance based on this assessment.

(F) An assessment of the nature and cost of staffing and technology required for the department and local governments to meet data goals and requirements over the 10-year strategy period.

(G) Information that is useful to enforce state and local housing law and policy, including, but not limited to, enforcement of anti-rent gouging and just cause for eviction policies and ordinances.

(b) The Legislature may review the plan and the updates of the plan and transmit its comments on the plan or updates of the plan to the Governor, the Secretary of California Housing and Homelessness, and the Director of Housing and Community Development.

(c) This section shall become operative on July 1, 2026.

**SEC. 81.** Section 50462 of the Health and Safety Code is amended to read:

**50462.** The department may initiate, develop, and propose regulations for adoption by the agency and review regulations proposed by the board prior to their taking effect, with respect to the following:

(a) Standards for affirmative marketing programs of housing sponsors seeking financial assistance from the agency.

(b) Criteria for certifying that the sale or conveyance of real property pursuant to Section 51061 or Section 51251 will primarily benefit persons and families of low or moderate income living in a housing development or a residential structure.

(c) Regulations permitting grants to be made by the agency to housing sponsors for the purpose of attaining affordable rents in housing developments financed by the agency. Such grants shall not be made with moneys derived from the sale of bonds.

(d) Regulations governing payments, procedures, and eligibility for relocation assistance for individuals and families displaced by actions of the agency or of housing sponsors of housing developments or neighborhood improvement loans.

(e) Criteria for qualification of persons, families, and households as persons and families of low or moderate income, lower income households, or very low income households.



(f) Regulations establishing the maximum percentage of income which may be paid by persons and families of low or moderate income for housing cost within the meaning of the term affordable housing cost, as defined in Section 50052.5.

(g) Regulations designating geographical areas of need throughout the state for housing construction or rehabilitation, as identified in the California Statewide Housing Plan, identifying housing markets in which insufficient financing is available for purchase or rehabilitation of existing housing, identifying types of households with particularly severe housing needs, or establishing priority criteria for the selection of homes and projects to be financed as housing developments or neighborhood improvement loans.

(h) Criteria for inclusion of nonhousing facilities in housing developments financed by the agency.

Regulations proposed by the agency in such areas of responsibility shall not take effect without concurrence of the director, the Secretary of Business, Consumer Services and Housing, or a representative of the secretary specifically designated for such review and approval.

*This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 82.** Section 50462 is added to the Health and Safety Code, to read:

**50462.** The department may initiate, develop, and propose regulations for adoption by the agency and review regulations proposed by the board prior to their taking effect, with respect to the following:

(a) Standards for affirmative marketing programs of housing sponsors seeking financial assistance from the agency.

(b) Criteria for certifying that the sale or conveyance of real property pursuant to Section 51061 or Section 51251 will primarily benefit persons and families of low or moderate income living in a housing development or a residential structure.

(c) Regulations permitting grants to be made by the agency to housing sponsors for the purpose of attaining affordable rents in housing developments financed by the agency. Such grants shall not be made with moneys derived from the sale of bonds.

(d) Regulations governing payments, procedures, and eligibility for relocation assistance for individuals and families displaced by actions of the agency or of housing sponsors of housing developments or neighborhood improvement loans.

(e) Criteria for qualification of persons, families, and households as persons and families of low or moderate income, lower income households, or very low income households.

(f) Regulations establishing the maximum percentage of income which may be paid by persons and families of low or moderate income for housing cost within the meaning of the term affordable housing cost, as defined in Section 50052.5.

(g) Regulations designating geographical areas of need throughout the state for housing construction or rehabilitation, as identified in the California Statewide Housing Plan, identifying housing markets in which insufficient financing is available for purchase or rehabilitation of existing housing, identifying types of households with particularly severe housing needs, or establishing priority criteria for the selection of homes and projects to be financed as housing developments or neighborhood improvement loans.

(h) Criteria for inclusion of nonhousing facilities in housing developments financed by the agency.

Regulations proposed by the agency in such areas of responsibility shall not take effect without concurrence of the director, the Secretary of California Housing and Homelessness, or a representative of the secretary specifically designated for such review and approval.

This section shall become operative on July 1, 2026.

**SEC. 83.** Section 50900 of the Health and Safety Code is amended to read:

**50900.** (a) The California Housing Finance Agency is hereby continued in existence in the Business, Consumer Services, and Housing Agency. The agency constitutes a public instrumentality and a political subdivision of the state, and the exercise by the agency of the powers conferred by this division shall be deemed and held to be the performance of an essential public function.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 84.** Section 50900 is added to the Health and Safety Code, to read:

**50900.** (a) The California Housing Finance Agency is hereby continued in existence in the California Housing and Homelessness Agency. The agency constitutes a public instrumentality and a political subdivision of the state, and the exercise by the agency of

the powers conferred by this division shall be deemed and held to be the performance of an essential public function.

(b) This section shall become operative on July 1, 2026.

**SEC. 85.** Section 50901 of the Health and Safety Code is amended to read:

**50901.** (a) The agency shall be administered by a board of directors consisting of 13 voting members, including a chairperson selected by the Governor from among ~~his or her~~ *their* appointees. The Treasurer; the Secretary of Business, Consumer Services, and Housing; the Director of Housing and Community Development; and the Secretary of Veterans Affairs, or their designees, shall be members, in addition to seven members appointed by the Governor, one member appointed by the Speaker of the Assembly, and one member appointed by the Senate Committee on Rules. The Director of Finance, the Director of Planning and Research, and the executive director of the agency shall serve as nonvoting ex officio members of the board.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 86.** Section 50901 is added to the Health and Safety Code, to read:

**50901.** (a) The agency shall be administered by a board of directors consisting of 13 voting members, including a chairperson selected by the Governor from among the Governor's appointees. The Treasurer; the Secretary of California Housing and Homelessness; the Director of Housing and Community Development; and the Secretary of Veterans Affairs, or their designees, shall be members, in addition to seven members appointed by the Governor, one member appointed by the Speaker of the Assembly, and one member appointed by the Senate Committee on Rules. The Director of Finance, the Director of Planning and Research, and the executive director of the agency shall serve as nonvoting ex officio members of the board.

(b) This section shall become operative on July 1, 2026.

**SEC. 87.** Section 50913 of the Health and Safety Code is amended to read:

**50913.** (a) For its activities under this division, the executive director shall prepare a preliminary budget on or before December 1 of each year for the ensuing fiscal year to be reviewed by the Secretary of Business, Consumer Services, and Housing, the Director of Finance, and the Joint Legislative Budget Committee.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 88.** Section 50913 is added to the Health and Safety Code, to read:

**50913.** (a) For its activities under this division, the executive director shall prepare a preliminary budget on or before December 1 of each year for the ensuing fiscal year to be reviewed by the Secretary of California Housing and Homelessness, the Director of Finance, and the Joint Legislative Budget Committee.

(b) This section shall become operative on July 1, 2026.

**SEC. 89.** Section 51005 of the Health and Safety Code is amended to read:

**51005.** (a) The agency shall, by December 31 of each year, submit an annual report of its activities under this division for the preceding year to the Governor, the Secretary of Business, Consumer Services and Housing, the Director of Housing and Community Development, the Treasurer, the Joint Legislative Budget Committee, the Legislative Analyst, and the Legislature. The report shall set forth a complete operating and financial statement of the agency during the concluded fiscal year. The report shall specify the number of units assisted, the distribution of units among the metropolitan, nonmetropolitan, and rural areas of the state, and shall contain a summary of statistical data relative to the incomes of households occupying assisted units, the monthly rentals charged to occupants of rental housing developments, and the sales prices of residential structures purchased during the previous fiscal year by persons or families of low or moderate income. The report shall also include a statement of accomplishment during the previous year with respect to the agency's progress, priorities, and affirmative action efforts. The agency shall specifically include in its report on affirmative action goals, statistical data on the numbers and percentages of minority sponsors, developers, contractors, subcontractors, suppliers, architects, engineers, attorneys, mortgage bankers or other lenders, insurance agents, and managing agents.

(b) The report shall also include specific information evaluating the extent to which the programs administered by the agency have attained the statutory objectives of the agency, including, but not limited to, (1) the primary purpose of the agency in meeting the housing needs of persons and families of low or moderate income pursuant to Section 50950, (2) the occupancy requirements for very low income households established pursuant to Sections 50951 and 51226, (3) the elderly and orthopedic disability occupancy requirements established pursuant to Section 51230, (4) the use of surplus moneys pursuant to Section

51007, (5) the metropolitan, nonmetropolitan, and rural goals established pursuant to subdivision (h) of Section 50952, (6) the California Statewide Housing Plan, as required by Section 50154, (7) the statistical and other information developed and maintained pursuant to Section 51610, (8) the number of manufactured housing units assisted by the agency, (9) information with respect to the proceeds derived from the issuance of bonds or securities and any interest or other increment derived from the investment of bonds or securities, and the uses for which those proceeds or increments are being made as provided for in Section 51365, including the amount by which each fund balance exceeds indenture requirements, (10) any recommendations described in subdivision (d), (11) any recommendations described in Section 51227, (12) the revenue bonding authority plan adopted pursuant to Section 51004.5, (13) the statistical and other information required to be provided pursuant to Section 50156, (14) an analysis of the agency's compliance with the targeting requirements of subsection (d) of Section 142 of the Internal Revenue Code of 1986 (26 U.S.C. Sec. 142) with respect to any issue of bonds subject to those requirements under Section 103 of the Internal Revenue Code of 1986 (26 U.S.C. Sec. 103), including the numbers of rental units subject to this reporting requirement by categories based on the number of bedrooms per unit, and (15) the statistical and other information relating to congregate housing for the elderly pursuant to Section 51218.

The agency may, at its option, include the information required by this section in a single document or may separately report the statistical portion of the information in a supplement appended to its annual report. This statistical supplement shall be distributed with copies of the agency's annual report, but need not be provided to bond rating agencies, underwriters, investors, developers, or financial institutions.

(c) The agency shall cause an audit of its books and accounts with respect to its activities under this division to be made at least once during each fiscal year by an independent certified public accountant and the agency shall be subject to audit by the Department of Finance not more often than once each fiscal year.

(d) The agency shall assess any obstacles or problems that it has encountered in meeting its mandate to serve nonmetropolitan and rural metropolitan areas, and recommend legislative and administrative solutions to overcome these obstacles or problems. The agency shall separately assess its progress in meeting the rehabilitation needs of rural areas and the new construction needs of rural areas, and separately assess its progress as to single and multifamily units. The agency shall include in its report a quantification and evaluation of its progress in meeting the housing needs of communities of various sizes in rural areas.

(e) By December 1 of each fiscal year, the agency shall ascertain that not less than 25 percent of the total units financed by mortgage loans during the preceding 12 months pursuant to this part were made available to very low income households. If the agency finds that these very low income occupancy goals have not been met, the agency shall immediately notify the Governor, the Speaker of the Assembly, and the Senate Committee on Rules, and shall recommend legislation or other action as may be required to make (1) at least 25 percent of the units so available, and (2) at least 25 percent of the units thereafter financed so available. In housing developments for which the agency provides a construction loan but not a mortgage loan, the agency shall report annually on the percentage of units projected to be made available for occupancy and actually occupied by lower income households.

*(f) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 90.** Section 51005 is added to the Health and Safety Code, to read:

**51005.** (a) The agency shall, by December 31 of each year, submit an annual report of its activities under this division for the preceding year to the Governor, the Secretary of California Housing and Homelessness, the Director of Housing and Community Development, the Treasurer, the Joint Legislative Budget Committee, the Legislative Analyst, and the Legislature. The report shall set forth a complete operating and financial statement of the agency during the concluded fiscal year. The report shall specify the number of units assisted, the distribution of units among the metropolitan, nonmetropolitan, and rural areas of the state, and shall contain a summary of statistical data relative to the incomes of households occupying assisted units, the monthly rentals charged to occupants of rental housing developments, and the sales prices of residential structures purchased during the previous fiscal year by persons or families of low or moderate income. The report shall also include a statement of accomplishment during the previous year with respect to the agency's progress, priorities, and affirmative action efforts. The agency shall specifically include in its report on affirmative action goals, statistical data on the numbers and percentages of minority sponsors, developers, contractors, subcontractors, suppliers, architects, engineers, attorneys, mortgage bankers or other lenders, insurance agents, and managing agents.

(b) The report shall also include specific information evaluating the extent to which the programs administered by the agency have attained the statutory objectives of the agency, including, but not limited to, (1) the primary purpose of the agency in meeting the housing needs of persons and families of low or moderate income pursuant to Section 50950, (2) the occupancy requirements for very low income households established pursuant to Sections 50951 and 51226, (3) the elderly and orthopedic disability occupancy requirements established pursuant to Section 51230, (4) the use of surplus moneys pursuant to Section 51007, (5) the metropolitan, nonmetropolitan, and rural goals established pursuant to subdivision (h) of Section 50952, (6) the California Statewide Housing Plan, as required by Section 50154, (7) the statistical and other information developed and

maintained pursuant to Section 51610, (8) the number of manufactured housing units assisted by the agency, (9) information with respect to the proceeds derived from the issuance of bonds or securities and any interest or other increment derived from the investment of bonds or securities, and the uses for which those proceeds or increments are being made as provided for in Section 51365, including the amount by which each fund balance exceeds indenture requirements, (10) any recommendations described in subdivision (d), (11) any recommendations described in Section 51227, (12) the revenue bonding authority plan adopted pursuant to Section 51004.5, (13) the statistical and other information required to be provided pursuant to Section 50156, (14) an analysis of the agency's compliance with the targeting requirements of subsection (d) of Section 142 of the Internal Revenue Code of 1986 (26 U.S.C. Sec. 142) with respect to any issue of bonds subject to those requirements under Section 103 of the Internal Revenue Code of 1986 (26 U.S.C. Sec. 103), including the numbers of rental units subject to this reporting requirement by categories based on the number of bedrooms per unit, and (15) the statistical and other information relating to congregate housing for the elderly pursuant to Section 51218.

The agency may, at its option, include the information required by this section in a single document or may separately report the statistical portion of the information in a supplement appended to its annual report. This statistical supplement shall be distributed with copies of the agency's annual report, but need not be provided to bond rating agencies, underwriters, investors, developers, or financial institutions.

(c) The agency shall cause an audit of its books and accounts with respect to its activities under this division to be made at least once during each fiscal year by an independent certified public accountant and the agency shall be subject to audit by the Department of Finance not more often than once each fiscal year.

(d) The agency shall assess any obstacles or problems that it has encountered in meeting its mandate to serve nonmetropolitan and rural metropolitan areas, and recommend legislative and administrative solutions to overcome these obstacles or problems. The agency shall separately assess its progress in meeting the rehabilitation needs of rural areas and the new construction needs of rural areas, and separately assess its progress as to single and multifamily units. The agency shall include in its report a quantification and evaluation of its progress in meeting the housing needs of communities of various sizes in rural areas.

(e) By December 1 of each fiscal year, the agency shall ascertain that not less than 25 percent of the total units financed by mortgage loans during the preceding 12 months pursuant to this part were made available to very low income households. If the agency finds that these very low income occupancy goals have not been met, the agency shall immediately notify the Governor, the Speaker of the Assembly, and the Senate Committee on Rules, and shall recommend legislation or other action as may be required to make (1) at least 25 percent of the units so available, and (2) at least 25 percent of the units thereafter financed so available. In housing developments for which the agency provides a construction loan but not a mortgage loan, the agency shall report annually on the percentage of units projected to be made available for occupancy and actually occupied by lower income households.

(f) This section shall become operative on July 1, 2026.

**SEC. 91.** Section 51624 of the Health and Safety Code is amended to read:

**51624. (a)** The agency shall prepare a preliminary budget for the agency's activities under this part on or before December 1 of each year for the ensuing fiscal year, to be reviewed by the Secretary of Business, Consumer Services and Housing, the Director of Finance, and the Joint Legislative Budget Committee.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 92.** Section 51624 is added to the Health and Safety Code, to read:

**51624. (a)** The agency shall prepare a preliminary budget for the agency's activities under this part on or before December 1 of each year for the ensuing fiscal year, to be reviewed by the Secretary of California Housing and Homelessness, the Director of Finance, and the Joint Legislative Budget Committee.

(b) This section shall become operative on July 1, 2026.

**SEC. 93.** Section 53524 of the Health and Safety Code is amended to read:

**53524. (a)** Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this part, the Housing Finance Committee is hereby created. For purposes of this part, the Housing Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Treasurer, the Director of Finance, the Secretary of Business, Consumer Services and Housing, the Director of Housing and Community Development, and the Executive Director of the California Housing Finance Agency, or their designated

representatives. The Treasurer shall serve as the chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the department is designated the "board" for programs administered by the department, and the agency is the "board" for programs administered by the agency.

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 94.** Section 53524 is added to the Health and Safety Code, to read:

**53524.** (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this part, the Housing Finance Committee is hereby created. For purposes of this part, the Housing Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Treasurer, the Director of Finance, the Secretary of California Housing and Homelessness, the Director of Housing and Community Development, and the Executive Director of the California Housing Finance Agency, or their designated representatives. The Treasurer shall serve as the chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the department is designated the "board" for programs administered by the department, and the agency is the "board" for programs administered by the agency.

(c) This section shall become operative on July 1, 2026.

**SEC. 95.** Section 54913 of the Health and Safety Code is amended to read:

**54913.** (a) (1) The unit shall, by December 31 of each year, submit an annual report, in accordance with Section 9795 of the Government Code, of its activities under this part for the preceding year to the Governor, the Secretary of Business, Consumer Services, and Housing, the Director of Housing and Community Development, the Treasurer, the Joint Legislative Budget Committee, the Legislative Analyst, and the Legislature. The report shall set forth a complete operating and financial statement of the unit during the concluded fiscal year.

(2) The report shall specify all of the following information:

(A) The number of housing units assisted.

(B) The distribution of assisted housing units among the metropolitan, nonmetropolitan, and rural areas of the state.

(C) The affordability levels of assisted rental and for-sale units, both in aggregate and at the individual project level.

(D) Demographic information for the households occupying assisted housing units, both in aggregate and at the individual project level.

(E) A breakdown of state, local, and other funding sources for each assisted housing development.

(b) The report shall also include an evaluation of the extent to which the programs administered by the unit have attained its statutory objectives and recommendations for additional resources or authority, or both, that the Legislature could provide to enhance the efforts of the unit.

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2027, is repealed.*

**SEC. 96.** Section 54913 is added to the Health and Safety Code, to read:

**54913.** (a) (1) The unit shall, by December 31 of each year, submit an annual report, in accordance with Section 9795 of the Government Code, of its activities under this part for the preceding year to the Governor, the Secretary of California Housing and Homelessness, the Director of Housing and Community Development, the Treasurer, the Joint Legislative Budget Committee, the Legislative Analyst, and the Legislature. The report shall set forth a complete operating and financial statement of the unit during the concluded fiscal year.

(2) The report shall specify all of the following information:

(A) The number of housing units assisted.

(B) The distribution of assisted housing units among the metropolitan, nonmetropolitan, and rural areas of the state.

(C) The affordability levels of assisted rental and for-sale units, both in aggregate and at the individual project level.

(D) Demographic information for the households occupying assisted housing units, both in aggregate and at the individual project level.

(E) A breakdown of state, local, and other funding sources for each assisted housing development.

(b) The report shall also include an evaluation of the extent to which the programs administered by the unit have attained its statutory objectives and recommendations for additional resources or authority, or both, that the Legislature could provide to enhance the efforts of the unit.

(c) This section shall become operative on July 1, 2026.

**SEC. 97.** Part 18 (commencing with Section 54920) is added to Division 31 of the Health and Safety Code, to read:

## **PART 18. Housing Development and Finance**

### **CHAPTER 1. Definitions**

**54920.** For purposes of this part:

(a) "Administering entity" means the governmental entity that is responsible for administering a multifamily affordable housing program.

(b) "Committee" means the Housing Development and Finance Committee.

(c) "Executive committee" means the Housing Development and Finance Executive Committee.

(d) "Executive director" means the executive director of the committee.

(e) "Multifamily affordable housing program" means any of the following or any multifamily affordable housing program administered by the Housing Development and Finance Committee:

(1) The Joe Serna, Jr. Farmworker Housing Grant Program (Chapter 3.2 (commencing with Section 50515.2.)) of Part 2.

(2) The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675)) of Part 2.

(3) The Infill Incentive Grant Program of 2007 (Section 53545.13).

(4) The Infill Infrastructure Grant Program of 2019 (Section 53559).

(5) The Transit-Oriented Development Implementation Program (Part 13 (commencing with Section 53560)).

(6) The Housing for a Healthy California Program (Part 14.2 (commencing with Section 53590)).

(7) The Veterans Housing and Homeless Prevention Act of 2014 (Article 3.2 (commencing with Section 987.001) of Chapter 6 of Division 4 of the Military and Veterans Code).

(8) (A) The Affordable Housing and Sustainable Communities Program (Part 1 (commencing with Section 75200) of Division 44 of the Public Resources Code).

(B) Notwithstanding the provisions of this part, the development, administration, implementation, and review of programs or projects pursuant to Part 1 (commencing with Section 75200) of Division 44 of the Public Resources Code shall be governed by the provisions of that part.

(9) The administration of the funds described by clause (iii) of subparagraph (C) of paragraph (2) of subdivision (b) of Section 50470.

### **CHAPTER 2. Housing Development and Finance Committee**

**54925.** There is hereby established the Housing Development and Finance Committee within the California Housing and Homelessness Agency.

**54926.** (a) (1) The Governor may appoint an executive director of the committee who shall hold office at the pleasure of the Governor.

(2) The executive director appointed pursuant to this section shall be exempt from civil service pursuant to Section 4 of Article VII of the California Constitution.

(3) The executive director shall carry out its duties under this chapter and shall carry out the duties of the committee under Chapter 3 (commencing with Section 54940).

(b) The executive director shall provide strategic alignment and direction in the administration of the respective functions of each entity in furtherance of the state's affordable housing objectives.

(c) Chapter 2 (commencing with Section 11150) of Part 1 of Division 3 of Title 2 of the Government Code applies to the committee and the executive director is the head of the committee within the meaning of that chapter.

(d) The executive director shall perform all duties, exercise all powers, discharge all responsibility, and administer and enforce all laws, rules, and regulations under the jurisdiction of the committee.

(e) The executive director shall keep all books and records necessary for proper and efficient administration of the committee.

(f) In order to assist in the administration of the committee's loan and grant programs, the executive director may appoint committees of committee employees and public representatives, the latter to serve without compensation except for reimbursement of expenses pursuant to law.

**54927.** (a) (1) The Governor may appoint a chief deputy director who shall hold office at the pleasure of the Governor.

(2) A chief deputy appointed pursuant to this section shall be exempt from civil service pursuant to Section 4 of Article VII of the California Constitution.

(b) (1) Upon the recommendation of the executive director, the Governor shall appoint a general counsel.

(2) A general counsel appointed pursuant to this section shall hold office at the pleasure of the Governor and shall receive a salary as shall be fixed by the Governor.

(3) A general counsel appointed pursuant to this section shall be exempt from civil service pursuant to subdivision (f) of Section 4 of Article VII of the California Constitution.

**54928.** (a) Upon appropriation, specified multifamily affordable housing programs shall be administered by the committee and the committee shall have all authorities, duties, powers, purposes, and responsibilities related to the programs.

(b) Upon appropriation as described in subdivision (a), any reference to the Department of Housing and Community Development in the statutes, regulations, or guidelines shall be deemed to refer to the committee, and those statutes, regulations, and guidelines shall be applicable to the committee.

(c) At the direction of the Secretary of California Housing and Homelessness, the Department of Housing and Community Development and the committee shall execute any further assignments, assumptions, or other legal documentation necessary to effectuate subdivision (a).

**54929.** In accordance with the policy direction and priorities set by the Secretary of California Housing and Homelessness, and consistent with statewide housing initiatives, regulatory frameworks, and funding strategies, the committee shall engage in ongoing coordination with the Department of Housing and Community Development and the California Housing Finance Agency to facilitate alignment of housing policies, programs, and implementation efforts.

**54930.** (a) The committee shall submit to the Department of Justice fingerprint images and related information required by the Department of Justice for any employee, prospective employee, contractor, or subcontractor whose duties include, or would include, access to nonanonymized confidential information, personally identifiable information, personal health information, or financial information received by the committee or contained in any information systems or records of the committee, pursuant to subdivision (u) of Section 11105 of the Penal Code. The Department of Justice shall provide a state- or federal-level response pursuant to subdivision (o) of Section 11105 of the Penal Code.

(b) (1) The committee shall require any services contract, interagency agreement, or public entity agreement that includes, or would include, access to information described in subdivision (a) to include a provision requiring the contractor to agree to do both of the following:

(A) Perform criminal background checks on its employees, contractors, agents, or subcontractors who will have access to information described in subdivision (a).

(B) Certify the results of the criminal background check to the committee as part of their services contract, interagency agreement, or public entity agreement with the department.

(2) This subdivision shall only apply to a services contract, interagency agreement, or public entity agreement that is entered into, renewed, or amended on or after July 1, 2026.

(c) This section does not apply to employees hired before July 1, 2026, unless the employee has subsequently separated from state service pursuant to Section 19996 of the Government Code or accepted an appointment to a different appointing authority, as those terms are defined in Sections 18524 and 18525 of the Government Code.

**54931.** For the purposes of this chapter, the committee has all of the following powers:

(a) To sue and be sued in its own name.

(b) To have an official seal and to alter it at its pleasure.

(c) To make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions.

(d) To employ architects, planners, engineers, attorneys, accountants, experts in housing construction, management and finance, and any other advisers, consultants, and agents necessary for the performance of its functions and to fix their compensation in accordance with applicable law.

(e) To provide advice, technical information, and consultative and technical services as provided in this chapter.

(f) To establish, revise from time to time, and charge and collect fees and charges for services provided pursuant to this chapter.

(g) To accept gifts, grants, or loans of funds or property, or financial or other aid, from any federal or state agency or private source and to comply with conditions thereof not contrary to law.

(h) To enter into agreements or other transactions with any governmental agency, including an agreement for administration of a housing or community development program of the governmental agency by the committee, or for administration by another governmental agency of a program of the committee, either in whole or in part.

(i) To enter into any agreements and perform any acts necessary to obtain subsidies for use in connection with the exercise of powers and functions of the committee, and to transfer those subsidies to others as required by the agreement.

(j) To appear on its own behalf before boards, commissions, departments, or other agencies of local, state, or federal government.

(k) To establish any regional offices necessary to effectuate the committee's purposes and functions.

(l) To acquire real or personal property, or any interest therein, on either a temporary or long-term basis, in its own name by gift, purchase, transfer, foreclosure, lease, option, or otherwise, including easements or other incorporeal rights in property.

(m) To provide bilingual staff in connection with services of the committee and make available committee publications in a language other than English when necessary to effectively serve groups for which the services or publications are made available.

(n) To do any and all things necessary to carry out its purposes and exercise the powers expressly granted by this chapter.

(o) (1) To sell real property acquired by the committee in a foreclosure, by deed in lieu of foreclosure, or sale under a power of sale on a deed of trust, lien, or by exercise of any other security interest on real property securing repayment of a loan or performance under a grant or loan made by the committee. Real property so acquired shall be sold for market value and sale proceeds shall be placed in the fund from which the secured loan or grant was made.

(2) The committee may establish terms, conditions, and restrictions for the sale of real property, including a requirement that the real property be used for housing for persons and families of low or moderate income, and those terms, conditions, and restrictions shall be set forth in the deed or other instrument of conveyance.

(3) The committee may conduct the sale, utilize the assistance of any local public agency authorized to conduct sales of real property, contract with a licensed real estate broker to conduct the sale, or utilize other reasonable marketing methods if the committee determines that one of these options will result in a more prompt or cost-efficient sale.

(4) If the executive director offers to sell residential real property directly pursuant to this subdivision, the committee shall close escrow within 120 days after both of the following have occurred: a qualified buyer has received approval of the committee, and the buyer has obtained adequate financing for the purchase. If the deadline set forth in this paragraph is not met, the executive director shall employ a licensed real estate broker in connection with the proposed sale. The committee may exceed the time requirements of this paragraph if the executive director finds that this is necessary due to factors outside the control of the committee, including death of the buyer, inability of the borrower to qualify for financing from a lender, substantial damage to the property resulting from a natural disaster or other act of God, or extraordinary procedural requirements or conditions imposed by the lender or title and escrow company.



(5) The executive director shall perform all of the actions specified in subparagraphs (A), (B), and (C) within 30 days after both of the following have occurred: a qualified buyer has received approval of the committee, and the buyer has obtained adequate financing for the purchase.

(A) Identify repair work needed to be performed on the property.

(B) Cause an appraisal of the property to be completed.

(C) Determine whether it is appropriate to rent the property until it is sold.

(6) Sales of real property made pursuant to this section are not subject to the requirements of Sections 11011 and 11011.1 of the Government Code.

(7) Failure to comply with this subdivision does not invalidate any right, title, or interest acquired by a bona fide purchaser or encumbrancer for value.

(p) (1) Where the provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity or agency legal structure would cause a violation or not satisfy the requirements of any state financing being provided to a housing development by the committee, the requirements of financing provided by the committee, including state statutory requirements, may be modified as necessary to ensure program compatibility. Where provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity legal structure or agency create minor inconsistencies, as determined by the executive director of the committee, the committee may waive the requirements of the financing provided by the committee, including state statutory requirements, as deemed necessary, to avoid an unnecessary administrative burden.

(2) Matters that may be waived or modified pursuant to paragraph (1) include, but are not limited to, all of the following:

(A) Instrument recordation requirements.

(B) Security requirements for state financing provided pursuant to committee programs.

(C) Title insurance requirements.

(D) Target population percentage requirements. A change of target population based on income shall not be of more than one category of income between extremely low, very low, lower, and moderate-income households, as those terms are defined in Chapter 2 (commencing with Section 50050).

(E) Affordability levels and unit mix requirements. A waiver for affordability levels shall not be of more than one category of income between extremely low, very low, lower, and moderate-income households, as those terms are defined in Chapter 2 (commencing with Section 50050).

(F) Any matter not expressly or objectively set forth in statute, but is set forth with specificity in guidelines or regulations promulgated by the committee.

(G) Timeline requirements.

(H) Service area requirements.

(I) Fund matching requirements.

(J) Shovel-ready project requirements.

(K) Requirements related to housing elements and housing plans.

(L) Income limits.

(M) Form of funding provided, including, but not limited to, a grant or a loan.

(N) Phase of funding, including, but not limited to, predevelopment, construction, or permanent financing.

(O) Requirements regarding infill location and density.

(3) Any standard requirements or general rules of application that the committee develops or implements to carry out modifications or waivers set forth in this subdivision shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Divisions 3 of Title 2 of the Government Code.

(4) Repayment of principal and interest on loans made by the committee to tribal sponsors shall be deferred for the full term of the loan.

(5) The committee shall forgive loans made by the department to tribal sponsors if all conditions for the loans have been satisfied.

(6) The committee shall consult with the Department of Housing and Community Development to ensure alignment in program requirements and coordination with tribes.

**54932.** This chapter shall become operative on July 1, 2026.

**CHAPTER 3. Housing Development and Finance Executive Committee**

**54940.** (a) (1) There is hereby established within the Business, Consumer Services, and Housing Agency a Housing Development and Finance Executive Committee for the purpose of centralizing affordable housing finance policymaking across state government.

(2) Effective July 1, 2026, the executive committee is transferred to the Housing Development and Finance Committee.

(b) The executive committee shall be responsible for coordinating a cohesive and integrated housing finance system to enhance the efficiency, coordination, and effectiveness of the state's affordable housing finance programs.

(c) The executive committee shall oversee the allocation of multifamily affordable housing programs, ensuring resources are directed toward affordable housing development and infrastructure that supports housing production and preservation.

(d) It is the intent of the Legislature that the executive committee will streamline investments, reduce costs, and expand access to stable housing by providing financial oversight and aligning funding decisions with state housing goals and other state priorities.

**54941.** (a) The executive committee is composed of all of the following:

(1) (A) Until July 1, 2026, the Secretary of Business, Consumer Services, and Housing, who shall be the chairperson of the executive committee.

(B) Beginning July 1, 2026, the Secretary of California Housing and Homelessness or their designee, who shall be the chairperson of the executive committee.

(2) The Director of Housing and Community Development or their designee.

(3) The executive director of the California Housing Finance Agency or their designee.

(b) The members of the executive committee shall serve without compensation.

(c) A majority of voting members shall be empowered to act for the executive committee.

(d) The executive committee may contract with any state agency or department as necessary to fulfill its duties under this chapter.

(e) The executive committee may, by resolution, delegate to one or more of its members or a deputy of the Secretary of California Housing and Homelessness, working on behalf of the executive committee, any powers and duties that it may deem proper, including, but not limited to, the power to enter into contracts on behalf of the executive committee.

**54942.** (a) The executive committee shall identify and work to align funding sources that may contribute to affordable housing finance, which may include, but is not limited to, aligning funding dates and coordinating with other state affordable housing funding programs to improve program effectiveness.

(b) The executive committee may consult and coordinate with other state agencies and departments to identify and align relevant funding opportunities.

(c) The executive committee may make recommendations to state financing entities to identify and align relevant funding opportunities.

**54943.** (a) The executive committee shall work to align state housing funding sources for the creation of a consolidated application for multifamily affordable housing developers and a coordinated review process for the application of funds.

(b) The executive committee shall monitor the administration of affordable housing finance programs under the purview of the Department of Housing and Community Development and the committee and shall make recommendations, as necessary, to improve alignment and administration of those programs, including, but not limited to, determining which departments administer those programs across departments within the California Housing and Homelessness Agency and associated administrative structures.

(c) The executive committee may make recommendations for consideration by the board of the California Housing Finance Agency to improve alignment and coordination of affordable housing funding programs.

(d) The executive committee shall work to streamline the compliance monitoring of affordable multifamily rental housing developments that are subject to a regulatory agreement with more than one state entity and shall oversee implementation and compliance with Chapter 9 (commencing with Section 50260) to Part 1 among the respective entities.

(e) By July 1, 2026 the executive committee shall make recommendations on a timeline for the implementation of the consolidated application pursuant to subdivision (a) and the aligned compliance monitoring of affordable multifamily rental developments pursuant to subdivision (b).

**54944.** (a) (1) The executive committee shall provide oversight over the multifamily affordable housing funding programs, including, but not limited to, program guideline review and approval.

(2) The executive committee shall create a process for the executive committee to provide funding awards for the multifamily affordable housing funding programs.

(b) The executive committee shall develop an appeal process for program qualification and scoring adjustments, which shall include, but not be limited to, review and recommendation by the administering entity and consideration by the executive committee.

(c) The executive committee shall establish timelines for the allocation of awards to streamline program funding, minimize delays, and facilitate simultaneous awards across state government whenever feasible.

(d) In implementing this section, the executive committee may consult representatives from the Department of Housing and Community Development, the California Housing Finance Agency, the department, the California Tax Credit Allocation Committee, the California Debt Limit Allocation Committee, nonprofit affordable housing developers, for-profit affordable housing developers, local governments, and tribal governments.

**54945.** (a) The executive committee shall work with the administering entity to accept, review, and score applications.

(b) For each multifamily affordable housing funding program, the administering entity shall provide recommendations on awards to the executive committee.

(c) If the executive committee approves an award, the executive committee shall direct the committee to allocate the funds to the awardee.

(d) The Department of Housing and Community Development shall continue issuing and administering all notices of funding availability for the multifamily affordable housing funding programs until the executive committee adopts rules to implement this chapter.

**54946.** (a) Except where the executive committee is specifically vested by this part or by any other law to adopt rules and regulations, the executive committee may adopt, amend, or repeal rules and regulations reasonably necessary to carry out this part or any other law in accordance with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) (1) The executive committee may adopt, amend, or repeal emergency rules and regulations pursuant to Section 11346.1 of the Government Code to implement this chapter.

(2) The adoption, amendment, or repeal of regulations pursuant to paragraph (1) shall be deemed to be necessary for the immediate preservation of the public peace, health, safety, or general welfare within the meaning or purposes of Section 11346.1 of the Government Code.

(c) Rules and regulations adopted, amended, or repealed pursuant to this section shall be effective immediately upon adoption by the executive committee.

(d) (1) The executive committee may adopt and supply forms for eliciting information for purposes of this chapter from housing funding applicants.

(2) A housing funding applicant shall provide the executive committee with any information requested by the executive committee in performing its duties and responsibilities under this chapter.

**54947.** (a) The executive committee shall post to its internet website by April 1 of each year a report specifying, with respect to its activities under this chapter during the previous calendar year, all of the following:

(1) The total amount of funding awarded by the executive committee.

(2) The total number of units assisted by the executive committee that are, or are to be, occupied by households that are acutely low income, extremely low income, and low income.

(3) The amount of funding awarded to each project, the other financing available to the project, and the number of units that are, or are to be, therein occupied by households that are acutely low income, extremely low income, and low income.

(4) sufficient information to identify the project.

(b) It is the intent of the Legislature that the executive committee will annually post on its internet website an aggregation of information submitted annually by housing sponsors for all projects that have received an allocation in previous years specifying all of the following:

(1) Information sufficient to identify the project.

(2) The total number of units in the project.

(3) The total number of units assisted by the awards that are required to be occupied by households that are acutely low income, extremely low income, and low income

(4) The total number of units assisted that are occupied by households that are acutely low income, extremely low income, and low income.

**SEC. 98.** Section 127501.4 of the Health and Safety Code is amended to read:

**127501.4.** (a) (1) Notwithstanding any other state or local law, the office shall collect data and other information it determines necessary from health care entities, except exempted providers, to carry out the functions of the office. To the extent consistent with federal law and to the greatest extent possible, the office may use existing and emerging public and private data sources to minimize administrative burdens and duplicative reporting, including data or information from federal agencies as well as state agencies. The office may request data and information from, or enter into a data sharing agreement with, the State Department of Health Care Services, Covered California, the Department of Managed Health Care, the Department of Insurance, the Labor and Workforce Development Agency, the ~~Business, Consumer Services, and Housing Agency~~, *Business and Consumer Services Agency*, and other relevant state agencies that monitor compliance of plans and providers with access standards, including timely access, language access, geographic access, and other access standards as provided by law and regulation. The office may also enter into a data sharing agreement with these state agencies that collect payer and provider financial data or other data or information about the health care workforce.

(2) In furtherance of this chapter, and with the intent to reduce administrative burdens, the office shall coordinate with the State Department of Health Care Services on data and other information necessary to report both of the following:

(A) Total health care expenditures and per capita total health care expenditures for Medi-Cal services.

(B) Medical loss ratios required under applicable state and federal laws.

(C) Quality and equity measures to assess performance for the Medi-Cal program or other programs administered by the State Department of Health Care Services.

(3) (A) The office shall obtain from the Department of Managed Health Care and the Department of Insurance information about health care services plans, as defined in subdivision (b) of Section 1345, and insurers offering policies of health insurance, as defined in subdivision (b) of Section 106 of the Insurance Code. The information shall be for coverage in the individual, small group, and large group markets for both grandfathered and nongrandfathered products. The information shall include, but not be limited to, all of the following:

(i) Information on premiums, cost sharing, benefits, and other information required under Article 6.2 (commencing with Section 1385.01) of Chapter 2.2 of Division 2 of this code and Article 4.5 (commencing with Section 10181) of Chapter 1 of Part 2 of Division 2 of the Insurance Code.

(ii) Trend factors by benefit category, such as inpatient hospitalization and physician services, including price, utilization, and cost as a percentage of Medicare, as required by Section 1385.045 of this code and Section 10181.45 of the Insurance Code.

(iii) Medical loss ratio for each health care service plan or health insurer under applicable state and federal laws.

(iv) Cost containment and quality improvement efforts reported consistent with Sections 1385.03 and 1385.045 of this code and Sections 10181.3 and 10181.45 of the Insurance Code.

(v) Prescription drug costs consistent with Section 1367.243 and Article 6.1 (commencing with Section 1385.001) of Chapter 2.2 of Division 2 of this code and Section 10123.205 of the Insurance Code.

(vi) Information regarding health equity and quality required under Article 11.9 (commencing with Section 1399.870) of Chapter 2.2 of Division 2, including data and results.

(B) The Department of Managed Health Care and the Department of Insurance shall provide the above information in the initial submission of data to the office for the five years prior to 2023, to the extent that information is available, and annually thereafter.

(b) The office shall establish requirements for payers and fully integrated delivery systems to submit data and other information necessary to do all of the following:

(1) Measure total health care expenditures and per capita total health care expenditures.

(2) Determine whether health care entities met health care cost targets.

(3) Identify the annual change in health care costs of health care entities.

(4) Approve and monitor implementation of performance improvement plans.

(5) Assess performance on quality and equity measures.

(c) The office shall, in a manner prescribed by the office, establish requirements for providers to submit data in support of this section as necessary to carry out the functions of the office.

(d) (1) For the purpose of the baseline health care spending report published pursuant to subdivision (a) of Section 127501.6, payers and fully integrated delivery systems shall submit data on total health care expenditures for the 2022 and 2023 calendar years on or before September 1, 2024. Enforcement shall not be implemented pursuant to this baseline report, except any enforcement actions necessary to ensure compliance with the deadline for submitting data.

(2) For the first annual report, published pursuant to subdivision (b) of Section 127501.6, payers and fully integrated delivery systems shall submit data on total health care expenditures for the 2024 and 2025 calendar years based on a reporting schedule established by the office. For subsequent annual reports, payers and fully integrated delivery systems shall submit data for the relevant calendar years according to the reporting schedule established by the office.

(e) (1) The office shall require health care entities to submit data and other information as necessary to fulfill its functions and measure total health care expenditures and per capita total health care expenditures by sectors.

(2) For the calculation of total health care expenditures and per capita total health care expenditures by sectors, the office shall use the Health Care Payments Data Program, established pursuant to Chapter 8.5 (commencing with Section 127671), to the greatest extent possible, to minimize reporting burdens for health care entities, and may also use data from federal agencies.

(f) The office shall require payers, fully integrated delivery systems, hospitals, and physician organizations to report data and other information, as necessary, for the single set of standard quality measures pursuant to Section 127503.

(g) (1) The office shall require payers, fully integrated delivery systems, restricted health care service plans, and limited health care service plans, as defined in Section 1300.49 of Title 28 of the California Code of Regulations, to submit data and other information to measure the adoption of alternative payment models pursuant to Section 127504.

(2) The office shall establish requirements for payers, fully integrated delivery systems, restricted health care service plans, and limited health care service plans, as defined in Section 1300.49 of Title 28 of the California Code of Regulations, to report data and other information, including, but not limited to, the types of payment models, adoption by line of business, the number of members covered by alternative payment models, the percent of budget dedicated to alternative payments, or cost and quality performance measures tied to those payment models.

(h) (1) The office shall require payers, fully integrated delivery systems, restricted health care service plans, and limited health care service plans, as defined in Section 1300.49 of Title 28 of the California Code of Regulations, to submit data and other information to measure the percentage of total health care expenditures allocated to primary care and behavioral health pursuant to Section 127505.

(2) For the calculation of total health care expenditures allocated to primary care and behavioral health, the office shall do all of the following:

(A) Use the Health Care Payments Data Program, established pursuant to Chapter 8.5 (commencing with Section 127671), to the greatest extent possible, to minimize reporting burdens for health care entities.

(B) Determine the categories of health care professionals who should be considered primary care and behavioral health providers and consider existing state and national approaches, as appropriate.

(C) Determine specific procedure codes that should be considered primary care and behavioral health services and consider existing state and national approaches, as appropriate.

(D) Determine the categories of payments to primary care or behavioral health care providers and practices, including non-claims-based payments, such as alternative payment models, that should be included when determining the total amount spent on primary care and behavioral health.

(i) (1) With consideration to minimizing reporting burdens and expenses, the office shall require providers and any physician organizations that are part of a fully integrated delivery system to submit audited financial reports, similar to those required in paragraphs (a) to (e), inclusive, of Section 128735. This paragraph does not apply to exempted providers.

(2) For physician organizations defined in paragraph (5) of subdivision (p) of Section 127500, and providers that do not routinely prepare audited financial reports, the office shall require a comprehensive financial statement that includes details regarding annual costs, annual receipts, realized capital gains and losses, and accumulated surplus and accumulated reserves using the standard accounting method routinely used by the physician organization or provider. The comprehensive financial statement shall be supported by sworn written declarations by the chief financial officer, chief executive officer, or other officer who has financial management and oversight responsibilities for the physician organization or provider, certifying that the financial statement is complete, true, and correct in all material matters to the best of their knowledge, and that the provider does not routinely prepare audited financial reports. This paragraph does not apply to exempted providers and physician organizations that are part of a fully integrated delivery system.

(3) The board, members of the board, the office, the department, and the employees, contractors, and advisors of the office and the department shall keep the audited financial reports and comprehensive financial statements confidential, and shall use the confidential information and documents only as necessary for the function of the office.

(4) This subdivision does not apply to providers that are already required to report under Section 128735 or risk bearing organizations (RBOs) that are required to file quarterly and annual financial statements under Section 1375.4 of this code and Section 1300.75.4.2 of Title 28 of the California Code of Regulations.

(5) Notwithstanding any other law, all information and documents obtained under this subdivision shall not be required to be disclosed pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) or any similar local law requiring the disclosure of public records.

(j) (1) Consistent with subdivision (a), the office shall obtain data from existing state and federal data sources and from regulated entities to effectively monitor impacts to health care workforce stability and training needs.

(2) In order for an adjustment to cost targets to be made under paragraph (7) of subdivision (d) of Section 127502, a provider, a fully integrated delivery system, or other associated party shall produce actual or projected nonsupervisory employee organized labor costs, including increased expenditures related to compensation, and any other supporting information to validate the adjustment, as may be requested by the office pertaining to the actual or projected organized labor costs.

(3) The office may collect all of the following types of data and make it accessible to the public:

(A) Overall trends in the health care workforce, including, but not limited to, statewide and regional workforce supply, unemployment and wage data, trends and projections of wages and compensation, projections of workforce supply by region and specialty, training needs, and other future trends in the health care workforce.

(B) The number and classification of workers in internship, clinical placements, apprenticeships, and other training programs sponsored by an employer.

(C) The percentage of employees employed through a registry or casual employment.

(D) The number of workers at health care entities that were retrained through established public training programs.

(E) Investments by health care entities in private training and retraining programs.

(F) The number of workers subject to relocation, termination, or mass layoff as described in Chapter 4 (commencing with Section 1400) of Part 4 of Division 2 of the Labor Code.

(4) The office may request additional data from health care entities if it finds that the data is needed to effectively monitor impacts to health care workforce stability and training needs.

(5) The office may annually request from health care entities that are in compliance with the cost target, a summary of best practices used for improving health care affordability, if any.

(k) In furtherance of this section, the office shall promulgate regulations to collect data and other information it determines necessary from health care entities, except exempted providers, to carry out the functions of the office. The regulations may include, but are not limited to, detailed reporting schedules, technical specifications, and other resources to ensure the submission of accurate data in a standardized format within the specified timeframes. Prior to adopting regulations and approving the reporting schedules, technical specifications, and other resources, the office shall engage relevant stakeholders, hold a public meeting to solicit input, and provide a response to input received.

*(l) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 99.** Section 998.547 of the Military and Veterans Code is amended to read:

**998.547. (a)** Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law of the bonds authorized by this article, the Housing for Veterans Finance Committee is hereby created. For purposes of this article, the Housing for Veterans Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, Treasurer, Director of Finance, Secretary of Business, Consumer Services, and Housing, and Secretary of Veterans Affairs, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

*(b) This section shall become inoperative on July 1, 2026, and, as of January 1, 2026, is repealed.*

**SEC. 100.** Section 998.547 is added to the Military and Veterans Code, to read:

**998.547. (a)** Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law of the bonds authorized by this article, the Housing for Veterans Finance Committee is hereby created. For purposes of this article, the Housing for Veterans Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, Treasurer, Director of Finance, Secretary of California Housing and Homelessness, and Secretary of Veterans Affairs, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

*(b) This section shall become operative on July 1, 2026.*

**SEC. 101.** Section 75121 of the Public Resources Code is amended to read:

**75121. (a)** The Strategic Growth Council is hereby established in state government and it shall consist of the Director of State Planning and Research, the Secretary of the Natural Resources Agency, the Secretary for Environmental Protection, the Secretary of Transportation, the Secretary of California Health and Human Services, the Secretary of Business, Consumer Services, and Housing, the Secretary of Food and Agriculture, one member of the public appointed by the Speaker of the Assembly, one member of the public appointed by the Senate Committee on Rules, and one member of the public to be appointed by the Governor. The public members shall have a background in land use planning, local government, resource protection and management, or community development or revitalization and shall serve at the pleasure of the appointing authority.

*(b) Staff for the council shall be reflective of the council's membership.*

*(c) This section shall become inoperative on July 1, 2026, and, as of January 1, 2026, is repealed.*

**SEC. 102.** Section 75121 is added to the Public Resources Code, to read:

**75121. (a)** The Strategic Growth Council is hereby established in state government and it shall consist of the Director of State Planning and Research, the Secretary of the Natural Resources Agency, the Secretary for Environmental Protection, the Secretary of Transportation, the Secretary of California Health and Human Services, the Secretary of California Housing and Homelessness, the Secretary of Food and Agriculture, one member of the public appointed by the Speaker of the Assembly, one member of the public appointed by the Senate Committee on Rules, and one member of the public to be appointed by the Governor. The public members shall have a background in land use planning, local government, resource protection and management, or community development or revitalization and shall serve at the pleasure of the appointing authority.

*(b) Staff for the council shall be reflective of the council's membership.*

(c) This section shall become operative on July 1, 2026.

**SEC. 103.** Section 10200 of the Unemployment Insurance Code is amended to read:

**10200.** The Legislature finds and declares the following:

(a) California's economy is being challenged by competition from other states and overseas. In order to meet this challenge, California's employers, workers, labor organizations, and government need to invest in a skilled and productive workforce, and in developing the skills of frontline workers. For purposes of this section, "frontline worker" means a worker who directly produces or delivers goods or services.

The purpose of this chapter is to establish a strategically designed employment training program to promote a healthy labor market in a growing, competitive economy that shall fund only projects that meet the following criteria:

(1) Foster creation of high-wage, high-skilled jobs, or foster retention of high-wage, high-skilled jobs in manufacturing and other industries that are threatened by out-of-state and global competition, including, but not limited to, those industries in which targeted training resources for California's small- and medium-sized business suppliers will increase the state's competitiveness to secure federal, private sector, and other nonstate funds, and, in addition, provide for retraining contracts in companies that make a monetary or in-kind contribution to the funded training enhancements.

(2) Encourage industry-based investment in human resources development that promotes the competitiveness of California industry through productivity and product quality enhancements.

(3) Result in secure jobs for those who successfully complete training. All training shall be customized to the specific requirements of one or more employers or a discrete industry and shall include general skills, including soft skills, that trainees can use in the future.

(4) Supplement, rather than displace, funds available through existing programs conducted by employers and government-funded training programs, such as the federal Workforce Innovation and Opportunity Act of 2014 (29 U.S.C. Sec. 3101 et seq.), the Carl D. Perkins Vocational Education Act (Public Law 98-524), CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code), the former Enterprise Zone Act (Chapter 12.8 (commencing with Section 7070) of Division 7 of Title 1 of the Government Code), and the McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.), the California Community Colleges Economic Development Program, or apportionment funds allocated to the community colleges, regional occupational centers and programs, or other local educational agencies.

(b) The Employment Training Panel, in funding projects that meet the requirements of subdivision (a), shall give funding priority to those projects that best meet the following goals:

(1) Result in the growth of the California economy by stimulating exports from the state and the production of goods and services that would otherwise be imported from outside the state.

(2) Train new employees of firms locating or expanding in the state that provide high-skilled, high-wage jobs and are committed to an ongoing investment in the training of frontline workers.

(3) Develop workers with skills necessary to work with new technologies or methods.

(4) Train workers who have been displaced, have received notification of impending layoff, or are subject to displacement, because of a plant closure, workforce reduction, changes in technology, or significantly increasing levels of international and out-of-state competition.

(5) Are jointly developed by business management and worker representatives.

(6) Develop high road, as defined in subdivision (r) of Section 14005, jobs and career ladders for workers with demonstrated wage progression and demonstrate high road training partnership, as defined in subdivision (s) of Section 14005, standards to ensure job quality.

(7) Promote the retention and expansion of the state's manufacturing workforce.

(8) Promote the hiring, training, and advancement of disadvantaged, marginalized, and underrepresented workers.

(c) The program established through this chapter is to be coordinated with all existing employment training programs and economic development programs, including, but not limited to, programs such as the federal Workforce Innovation and Opportunity Act of 2014 (29 U.S.C. Sec. 3101 et seq.), the California Community Colleges, the regional occupational programs, vocational education programs, joint labor-management training programs, and related programs under the Employment Development ~~Department and~~ ~~Department~~, the Governor's Office of Business and Economic Development, ~~and the Business~~,



~~Consumer Services, and Housing Agency.~~ *California Housing and Homelessness Agency, and the Business and Consumer Services Agency.*

(d) Projects funded under this chapter may include programs to provide training through apprenticeship programs that are registered with the Division of Apprenticeship Standards.

*(e) The amendments made to this section by the act adding this subdivision shall become operative on July 1, 2026.*

**SEC. 104.** Section 4581 of the Welfare and Institutions Code is amended to read:

**4581.** (a) The Secretary of California Health and Human Services, in coordination with the State Department of Developmental Services, shall lead the development and implementation of the master plan for developmental services referenced in Governor Gavin Newsom's January 2024 Budget proposal and in the subsequent proclamation by the Governor that declared March 2024 as Developmental Disabilities Awareness Month.

(b) Other state entities that interact with the State Department of Developmental Services shall be included in discussions with the Master Plan for Developmental Services Committee as applicable. These entities shall include, but not be limited to, the State Department of Health Care Services, the State Department of Social Services, the Department of Rehabilitation, the California Department of Aging, the State Department of Education, and the agencies listed in subdivision (f).

(c) The Secretary of California Health and Human Services shall solicit input through the committee, or through other means, from individuals with intellectual and developmental disabilities and their families, professionals in the developmental services field, and a broad range of subject matter experts on topics that may include, but are not limited to, regional center board accountability and transparency and the evaluation of regional centers, including performance, equity, and diversity.

(d) When the California Health and Human Services Agency convenes meetings of the master plan committee, the information and materials about the work of the master plan committee shall be posted on the California Health and Human Services Agency's internet website in a timely manner.

(e) By March 15, 2025, the Secretary of California Health and Human Services shall submit an initial report to the Governor and the Legislature that summarizes the recommended components of the master plan resulting from the master plan committee advisory process, the community roundtable discussions, and the public comment received.

(f) The secretary and the director shall work with other state agencies and departments, as necessary, to identify policies, efficiencies, and strategies necessary to implement the master plan, which may include any of the following:

- (1) The California Health and Human Services Agency.
- (2) The Government Operations Agency.
- (3) The State Department of Education.
- (4) The Labor and Workforce Development Agency.
- (5) The Transportation Agency.
- (6) The Business, Consumer Services, and Housing Agency.
- (7) The Behavioral Health Services Oversight and Accountability Commission.
- (8) The office of the Treasurer.

(g) The workgroup shall solicit input from stakeholders and gather information on the experiences of Californians with intellectual and developmental disabilities and their families in the implementation process of the master plan.

(h) The Secretary of California Health and Human Services shall submit master plan implementation updates to the Governor and the Legislature annually beginning March 15, 2026, to March 15, 2036, inclusive. The updates shall include, but are not limited to, identification of any statutory changes, funding requirements, and changes to the department's new case management system considered necessary to effectively implement the plan.

(i) Any funding needed to support program enhancements proposed in the master plan is subject to an appropriation by the Legislature for those purposes.

(j) A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

*(k) This section shall become inoperative on July 1, 2026, and, as of January 1, 2026, is repealed.*

**SEC. 105.** Section 4581 is added to the Welfare and Institutions Code, to read:

**4581.** (a) The Secretary of California Health and Human Services, in coordination with the State Department of Developmental Services, shall lead the development and implementation of the master plan for developmental services referenced in Governor Gavin Newsom's January 2024 Budget proposal and in the subsequent proclamation by the Governor that declared March 2024 as Developmental Disabilities Awareness Month.

(b) Other state entities that interact with the State Department of Developmental Services shall be included in discussions with the Master Plan for Developmental Services Committee as applicable. These entities shall include, but not be limited to, the State Department of Health Care Services, the State Department of Social Services, the Department of Rehabilitation, the California Department of Aging, the State Department of Education, and the agencies listed in subdivision (f).

(c) The Secretary of California Health and Human Services shall solicit input through the committee, or through other means, from individuals with intellectual and developmental disabilities and their families, professionals in the developmental services field, and a broad range of subject matter experts on topics that may include, but are not limited to, regional center board accountability and transparency and the evaluation of regional centers, including performance, equity, and diversity.

(d) When the California Health and Human Services Agency convenes meetings of the master plan committee, the information and materials about the work of the master plan committee shall be posted on the California Health and Human Services Agency's internet website in a timely manner.

(e) By March 15, 2025, the Secretary of California Health and Human Services shall submit an initial report to the Governor and the Legislature that summarizes the recommended components of the master plan resulting from the master plan committee advisory process, the community roundtable discussions, and the public comment received.

(f) The secretary and the director shall work with other state agencies and departments, as necessary, to identify policies, efficiencies, and strategies necessary to implement the master plan, which may include any of the following:

- (1) The California Health and Human Services Agency.
- (2) The Government Operations Agency.
- (3) The State Department of Education.
- (4) The Labor and Workforce Development Agency.
- (5) The Transportation Agency.
- (6) The California Housing and Homelessness Agency.
- (7) The Behavioral Health Services Oversight and Accountability Commission.
- (8) The office of the Treasurer.
- (9) The California Consumer Protection Agency.

(g) The workgroup shall solicit input from stakeholders and gather information on the experiences of Californians with intellectual and developmental disabilities and their families in the implementation process of the master plan.

(h) The Secretary of California Health and Human Services shall submit master plan implementation updates to the Governor and the Legislature annually beginning March 15, 2026, to March 15, 2036, inclusive. The updates shall include, but are not limited to, identification of any statutory changes, funding requirements, and changes to the department's new case management system considered necessary to effectively implement the plan.

(i) Any funding needed to support program enhancements proposed in the master plan is subject to an appropriation by the Legislature for those purposes.

(j) A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

(k) This section shall become operative on July 1, 2026.

**SEC. 106.** The heading of Chapter 6.5 (commencing with Section 8255) of Division 8 of the Welfare and Institutions Code is repealed.

~~6.5. Housing First and Coordinating Council~~

**SEC. 107.** The heading of Chapter 6.5 (commencing with Section 8255) is added to Division 8 of the Welfare and Institutions Code, to read:

**CHAPTER 6.5. California Interagency Council on Homelessness**

**SEC. 108.** Section 8255 of the Welfare and Institutions Code is amended to read:

**8255.** For purposes of this chapter:

(a) "Council" means the California Interagency Council on Homelessness, formerly known as the Homeless Coordinating and Financing Council established pursuant to Section 8257.

(b) "Core components of Housing First" means all of the following:

(1) Tenant screening and selection practices that promote accepting applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services.

(2) Applicants are not rejected on the basis of poor credit or financial history, poor or lack of rental history, criminal convictions unrelated to tenancy, or behaviors that indicate a lack of "housing readiness."

(3) Acceptance of referrals directly from shelters, street outreach, drop-in centers, and other parts of crisis response systems frequented by vulnerable people experiencing homelessness.

(4) Supportive services that emphasize engagement and problem solving over therapeutic goals and service plans that are highly tenant-driven without predetermined goals.

(5) Participation in services or program compliance is not a condition of permanent housing tenancy.

(6) Tenants have a lease and all the rights and responsibilities of tenancy, as outlined in California's Civil, Health and Safety, and Government codes.

(7) The use of alcohol or drugs in and of itself, without other lease violations, is not a reason for eviction.

(8) In communities with coordinated assessment and entry systems, incentives for funding promote tenant selection plans for supportive housing that prioritize eligible tenants based on criteria other than "first-come-first-serve," including, but not limited to, the duration or chronicity of homelessness, vulnerability to early mortality, or high utilization of crisis services. Prioritization may include triage tools, developed through local data, to identify high-cost, high-need homeless residents.

(9) Case managers and service coordinators who are trained in and actively employ evidence-based practices for client engagement, including, but not limited to, motivational interviewing and client-centered counseling.

(10) Services are informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants' lives, where tenants are engaged in nonjudgmental communication regarding drug and alcohol use, and where tenants are offered education regarding how to avoid risky behaviors and engage in safer practices, as well as connected to evidence-based treatment if the tenant so chooses.

(11) The project and specific apartment may include special physical features that accommodate disabilities, reduce harm, and promote health and community and independence among tenants.

(c) "Homeless" has the same definition as that term is defined in Section 91.5 of Title 24 of the Code of Federal Regulations.

(d) (1) "Housing First" means the evidence-based model that uses housing as a tool, rather than a reward, for recovery and that centers on providing or connecting homeless people to permanent housing as quickly as possible. Housing First providers offer services as needed and requested on a voluntary basis and that do not make housing contingent on participation in services.

(2) (A) "Housing First" includes time-limited rental or services assistance, so long as the housing and service provider assists the recipient in accessing permanent housing and in securing longer term rental assistance, income assistance, or employment.

(B) For time-limited, supportive services programs serving homeless youth, programs should use a positive youth development model and be culturally competent to serve unaccompanied youth under 25 years of age. Providers should work with the youth to engage in family reunification efforts, where appropriate and when in the best interest of the youth. In the event of an eviction, programs shall make every effort, which shall be documented, to link tenants to other stable, safe, decent housing options. Exit to homelessness should be extremely rare, and only after a tenant refuses assistance with housing search, location, and move-in assistance.

(e) "State programs" means any programs a California state agency or department funds, implements, or administers for the purpose of providing emergency shelter, interim housing, housing, or housing-based services to people experiencing homelessness or at risk of homelessness, with the exception of federally funded programs with requirements inconsistent with this chapter.

(f) "Council staff" means the individuals who work for the California Interagency Council on Homelessness and who are overseen by the executive officer of the California Interagency Council on Homelessness.

(g) "Executive council" means the California Interagency Executive Council on Homelessness created pursuant to Section 8257 and consisting of the members identified in subdivision (c) of Section 8257.

**SEC. 109.** Section 8256 of the Welfare and Institutions Code is amended to read:

**8256.** (a) Except as provided in subdivision (c), agencies and departments administering state programs created on or after July 1, 2017, shall collaborate with the ~~California Interagency Council on Homelessness~~ council staff to adopt guidelines and regulations to incorporate core components of Housing First.

(b) By July 1, 2019, except as otherwise provided in subdivision (c), agencies and departments administering state programs in existence prior to July 1, 2017, shall collaborate with the council staff to revise or adopt guidelines and regulations that incorporate the core components of Housing First, if the existing guidelines and regulations do not already incorporate the core components of Housing First.

(c) (1) For the Returning Home Well Program, the Specialized Treatment for Optimized Programming Program, and the Long-Term Offender Reentry Recovery Program, all of which are administered by the Department of Corrections and Rehabilitation, which fund recovery housing, as defined in paragraph (3), for parolees, as defined by Section 3000 of Title 15 of the California Code of Regulations, the Department of Corrections and Rehabilitation shall do all of the following:

(A) In coordination with the ~~California Interagency Council on Homelessness~~ council staff, consult with the Legislature, the ~~Business, Consumer Services and Housing~~ California Housing and Homelessness Agency, the California Health and Human Services Agency, the United States Department of Housing and Urban Development, and other stakeholders to identify ways to improve the provision of housing to individuals who receive funding from that agency or department, consistent with the applicable requirements of state law.

(B) Comply with the core components of Housing First, other than those components described in paragraphs (5) to (7), inclusive, of subdivision (b) of Section 8255.

(C) Ensure that recovery housing programs meet the following requirements:

(i) A recovery housing program participant shall sign an agreement upon entry that outlines the roles and responsibilities of both the participant and the program administrator to ensure individuals are aware of actions that could result in removal from the recovery housing program. Violations of the agreement shall not automatically result in discharge from the recovery housing program.

(ii) Efforts to link program participants to alternative housing options, including interim sheltering, permanent housing, or transitional housing, shall be documented. If a recovery housing program participant chooses to stop living in a housing setting with a recovery focus, is discharged from the program, or is removed from housing, the program administrator shall offer assistance in accessing other housing and services options, including options operated with harm-reduction principles, and identifying an alternative housing placement. This clause does not apply to an individual who leaves the program without notifying the program administrator.

(iii) The program administrator shall offer program participants who inform the program administrator that they are leaving the program one or more of the following:

(I) Tenant housing navigation services to permanent housing.

(II) Connections to alternative housing providers.

(III) Access to supportive services.

(IV) Intake into a locally-coordinated entry system.

(V) Warm handoff to a partner homeless services provider offering housing navigation.

(iv) The recovery housing program administrator shall track and report annually, to the program's state funding source, the housing outcome for each program participant who is discharged, including, but not limited to, the following

information:

(I) The number of homeless individuals with a housing need served by the program funds that year, as well as the demographics of the population served.

(II) Outcome data for all individuals served through program funds, including the type of housing that the individuals were connected to, the type of housing the individuals were exited to, the percent of housing exits that were successful, and exit types of unsuccessful housing exits.

(v) The department shall make every effort to ensure that exits to homelessness are extremely rare.

(2) The Department of Corrections and Rehabilitation shall make efforts to reduce recidivism by offering participation to formerly incarcerated persons in recovery housing programs. Connections to safe and supportive housing is a critical priority for successful community reintegration.

(3) For purposes of this subdivision, "recovery housing" means sober living facilities and programs that provide housing in a recovery-focused and peer-supported community for people recovering from substance use issues. Participation is voluntary, unless that participation is pursuant to a court order or is a condition of release for individuals under the jurisdiction of a county probation department or the Department of Corrections and Rehabilitation.

(d) (1) Beginning on January 1, 2023, a grantee or entity operating any of the following state homelessness programs, as a condition of receiving state funds, shall enter the required data elements described in paragraph (8) on the individuals and families it serves into its local Homeless Management Information System, as required by the United States Department of Housing and Urban Development guidance described in paragraph (8), unless otherwise exempted by state or federal law:

(A) The program referred to as Homekey, as described in Section 50675.1.1 of the Health and Safety Code.

(B) The Housing for a Healthy California Program established pursuant to Part 14.2 (commencing with Section 53590) of Division 31 of the Health and Safety Code.

(C) The No Place Like Home Program established pursuant to Part 3.9 (commencing with Section 5849.1) of Division 5.

(D) The Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code).

(E) The Veterans Housing and Homeless Prevention Act of 2014, as established by Article 3.2 (commencing with Section 987.001) of Chapter 6 of Division 4 of the Military and Veterans Code.

(F) The Bringing Families Home Program, as established by Article 6 (commencing with Section 16523) of Chapter 5 of Part 4 of Division 9.

(G) The CalWORKs Housing Support Program, as established by Article 3.3 (commencing with Section 11330) of Chapter 2 of Part 3 of Division 9.

(H) The Housing and Disability Income Advocacy Program, as established by Chapter 17 (commencing with Section 18999) of Part 6 of Division 9.

(I) The Community Colleges Homeless and Housing Insecure Pilot Project, as established by funds appropriated by the Budget Act of 2019.

(J) The Homeless Housing, Assistance, and Prevention Program established in Chapter 6 (commencing with Section 50216) of Part 1 of Division 31 of the Health and Safety Code.

(2) Council staff, in consultation with respective administering state agencies or departments, shall specify the entry format and disclosure frequency for the programs subject to this subdivision to submit the data elements as specified in paragraph (1) to inform and meet the ~~council's~~ statewide objectives and goals described in Section 8257.

(3) (A) The requirements of paragraph (1) shall additionally apply to all new state homelessness programs that commence on or after July 1, 2021.

(B) New state homelessness programs and new grantees of the existing state programs described in paragraph (1) may be granted an extension of up to one year from program launch to meet the requirements of this subdivision.

(4) For purposes of this subdivision, state homelessness programs are defined as those 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. This definition shall be broadly construed for the purpose of carrying out the requirements of this subdivision.

(5) The requirements of paragraphs (1) and (3) do not supplant any existing requirements imposed on a grantee or entity operating a state program described in this subdivision that require the program to report data into their local Homeless Management Information Systems before January 1, 2023.

(6) (A) Any grantee or entity operating a program described in paragraph (1) or (3) that does not already collect and enter into the local Homeless Management Information System the data elements required under this subdivision shall, upon request, receive technical assistance and guidance from council staff and, as available, from federal partners, including, but not limited to, the United States Department of Housing and Urban Development.

(B) When a grantee or entity operating a program requests technical assistance, the council *staff* shall inform the respective administering state agency or department and offer the opportunity to partner or coordinate the provision of technical assistance.

(7) Any grantee or entity operating a program described in paragraph (1) shall, upon request, be granted an extension to meet the requirements in this subdivision, provided noncompliant grantees are making good faith progress towards meeting the requirements. An extension granted under this paragraph shall not extend beyond July 1, 2023. For purposes of this paragraph, "making good faith progress" includes, but is not limited to, engaging in technical assistance offered under paragraph (6) and establishing a plan to comply with this subdivision.

(8) For purposes of this subdivision, required data elements are the Universal Data Elements (Items 3.01–3.917) and the Common Data Elements (Items 4.02–4.20 and Item W5 of the Individual Federal Partner Program Elements) drawn from the United States Department of Housing and Urban Development Homeless Management Information System Data Standards. When necessary, due to federal changes to the items indicated in this paragraph, the required data elements may be amended to maintain alignment with federal standards.

(9) Beginning January 1, 2022, council staff shall provide aggregate data summaries collected in full pursuant to this subdivision to the respective administering state agencies or departments that oversee relevant programs within 45 days of receipt. Where feasible, council staff shall notify the respective administering state agencies or departments at least 14 days before sharing, publicly using, or referencing the data, including, but not limited to, using the data for any substantive analysis, summary statistics, or other findings.

(e) The Board of State and Community Corrections Adult Reentry Grant programs that fund recovery housing subject to this chapter shall apply the requirements of this chapter prospectively beginning July 1, 2022, through any new contracts or agreements.

**SEC. 110.** Section 8257 of the Welfare and Institutions Code is amended to read:

~~8257. (a) The Governor shall create an Interagency Council on Homelessness.~~

*8257. (a) (1) There is in state government the California Interagency Council on Homelessness.*

*(2) There is, within the California Interagency Council on Homelessness, the California Interagency Executive Council on Homelessness, which shall support the California Interagency Council on Homelessness in meeting its goals.*

(b) The ~~council~~ *California Interagency Council on Homelessness* shall have all of the following goals:

(1) To oversee implementation of this chapter.

(2) To identify mainstream resources, benefits, and services that can be accessed to prevent and end homelessness in California.

(3) To create partnerships among state agencies and departments, local government agencies, participants in the United States Department of Housing and Urban Development's Continuum of Care Program, federal agencies, the United States Interagency Council on Homelessness, nonprofit entities working to end homelessness, homeless services providers, and the private sector, for the purpose of arriving at specific strategies to end homelessness.

(4) To promote systems integration to increase efficiency and effectiveness while focusing on designing systems to address the needs of people experiencing homelessness, including unaccompanied youth under 25 years of age.

(5) To coordinate existing funding and applications for funding. Any action taken pursuant to this paragraph shall not restructure or change any existing allocations or allocation formulas.

(A) To ensure eligible applicants are informed of opportunities to apply for funding, council staff shall develop and regularly maintain a strategic funding guide and a calendar of new or existing funding opportunities.

(B) Agencies and departments administering state programs shall provide the council [staff](#) updated information on new or existing funding opportunities on a quarterly basis.

(6) To make policy and procedural recommendations to legislators and other governmental entities.

(7) To identify and seek funding opportunities for state entities that have programs to end homelessness, including, but not limited to, federal and philanthropic funding opportunities, and to facilitate and coordinate those state entities' efforts to obtain that funding.

(8) To broker agreements between state agencies and departments and between state agencies and departments and local jurisdictions to align and coordinate resources, reduce administrative burdens of accessing existing resources, and foster common applications for services, operating, and capital funding.

(9) To serve as a statewide facilitator, coordinator, and policy development resource on ending homelessness in California.

(10) To report to the Governor, federal Cabinet members, and the Legislature on homelessness and work to reduce homelessness.

(11) To ensure accountability and results in meeting the strategies and goals of the [executive](#) council.

(12) To identify and implement strategies to fight homelessness in small communities and rural areas.

(13) To create a statewide data system or warehouse, which shall be known as the Homeless Data Integration System, that collects local data through Homeless Management Information Systems, with the ultimate goal of matching data on homelessness to programs impacting homeless recipients of state programs, such as the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9) and CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9). Upon creation of the Homeless Data Integration System, all continuums of care, as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, that are operating in California shall provide collected data elements, including, but not limited to, health information, in a manner consistent with federal law, to the Homeless Data Integration System.

(A) Council staff shall specify the form and substance of the required data elements.

(B) Council staff may, as required by operational necessity, and in accordance with paragraph (8) of subdivision (d) of Section 8256, amend or modify data elements, disclosure formats, or disclosure frequency.

(C) (i) To further the efforts to improve the public health, safety, and welfare of people experiencing homelessness in the state, council staff may collect data from the continuums of care as provided in this paragraph.

(ii) Council staff shall, upon request, share personally identifiable, individual-level data from the Homeless Data Integration System with an agency or department that is a member of the [executive](#) council for purposes of measuring housing instability and examining the effectiveness of, and need for, housing and homelessness programs and other antipoverty programs among Californians.

(iii) Data disclosed pursuant to this subparagraph shall be in compliance with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code).

(D) Any health information or personal identifying information provided to, or maintained within, the 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).

(E) For purposes of this paragraph, "health information" includes "protected health information," as defined in Section 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.

(14) To set goals to prevent and end homelessness among California's youth.

(15) To improve the safety, health, and welfare of young people experiencing homelessness in the state.

(16) To increase system integration and coordinating efforts to prevent homelessness among youth who are currently or formerly involved in the child welfare system or the juvenile justice system.

(17) To lead efforts to coordinate a spectrum of funding, policy, and practice efforts related to young people experiencing homelessness.



(18) To identify best practices to ensure homeless minors who may have experienced maltreatment, as described in Section 300, are appropriately referred to, or have the ability to self-refer to, the child welfare system.

(19) To collect, compile, and make available to the public financial data provided to the council *staff* from all state-funded homelessness programs.

(A) (i) Commencing with the 2025–26 fiscal year, and every fiscal year thereafter, council staff shall collect fiscal and outcome data from state agencies and departments administering state homelessness programs with a grantee or entity that is required to enter data elements on individuals and families it serves pursuant to paragraphs (1) and (3) of subdivision (d) of Section 8256. The state agencies and departments shall submit the fiscal and outcome data to council staff on or before February 1, 2027, and annually thereafter.

(ii) Council staff, in collaboration with the respective administering state agencies or departments, shall specify the data elements, entry format, and disclosure frequency of fiscal and outcome data.

(iii) Council staff may aggregate fiscal and outcome data in a manner it sees fit, and, in consultation with the respective administering state agencies or departments, shall make the data publicly available on or before June 1, 2027, and annually thereafter.

(B) For the purposes of this paragraph:

(i) "Fiscal data" includes, but is not limited to, funding sources, budget allocations, obligations, and expenditures, and any other financial data needed to assess a state homelessness program. Fiscal data collected pursuant to subparagraph (A) shall be limited to only the data authorized to be collected or requested from a grantee by administering agencies and departments based on the specific program's authority or grant agreement.

(ii) "Outcome data" includes, but is not limited to, data relating to people exiting into permanent housing and data elements described in subdivision (d) of Section 8256. Outcome data collected pursuant to subparagraph (A) shall be limited to only the data authorized to be collected or requested from a grantee by administering agencies and departments based on the specific program's authority or grant agreement.

(c) (1) The *executive* council shall consist of the following members:

(A) The Secretary of ~~Business, Consumer Services, and Housing~~ *the California Housing and Homelessness Agency* and the Secretary of California Health and Human Services, who both shall serve as cochair of the *executive* council.

(B) The Director of Transportation.

(C) The Director of Housing and Community Development.

(D) The Director of Social Services.

(E) The ~~Director~~ *executive director* of the California Housing Finance Agency.

(F) The Director or the State Medicaid Director of Health Care Services.

(G) The Secretary of Veterans Affairs.

(H) The Secretary of the Department of Corrections and Rehabilitation.

(I) The Governor's Tribal Advisor.

(J) The Executive Director of the California Tax Credit Allocation Committee in the Treasurer's office.

(K) The State Public Health Officer.

(L) The Director of the California Department of Aging.

(M) The Director of Rehabilitation.

(N) The Director of State Hospitals.

(O) The executive director of the California Workforce Development Board.

(P) The Director of Emergency Services.



(Q) A representative from the State Department of Education, who shall be appointed by the Superintendent of Public Instruction.

(R) A representative of the state public higher education system who shall be from one of the following:

(i) The California Community Colleges.

(ii) The University of California.

(iii) The California State University.

(2) The Senate Committee on Rules and the Speaker of the Assembly shall each appoint one member to the *executive* council from two different stakeholder organizations.

(3) The *executive* council may, at its discretion, invite stakeholders, individuals who have experienced homelessness, members of philanthropic communities, and experts to participate in meetings or provide information to the *executive* council.

(4) The *executive* council shall hold public meetings at least once every quarter.

(d) The *executive* council shall regularly seek guidance from and, at least twice a year, meet with an advisory committee. Notwithstanding Section 11123.5 of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), all members of the advisory committee may participate remotely in advisory committee meetings, including meetings held with the *executive* council, and no members are required to be present at the designated primary physical meeting location. The cochair of the *executive* council shall appoint members to this advisory committee that reflects racial and gender diversity, and shall include the following:

(1) A survivor of gender-based violence who formerly experienced homelessness.

(2) Representatives of local agencies or organizations that participate in the United States Department of Housing and Urban Development's Continuum of Care Program.

(3) Stakeholders with expertise in solutions to homelessness and best practices from other states.

(4) Representatives of committees on African Americans, youth, and survivors of gender-based violence.

(5) A currently or formerly homeless person who lives in California.

(6) A currently or formerly homeless youth who lives in California.

(7) A currently or formerly homeless person with a developmental disability.

(8) This advisory committee shall designate one of the above-described members to participate in every quarterly *executive* council meeting to provide a report to the *executive* council on advisory committee activities.

(e) Within existing funding, the *executive* council *and council staff* may establish working groups, task forces, or other structures from within its membership or with outside members to assist it in its work. *Council staff may establish working groups, task forces, or other structures to assist in its work.* Working groups, task forces, or other structures established by the *executive* council *or council staff* shall determine their own meeting schedules.

(f) Upon request of the ~~council~~, *executive council or council staff*, a state agency or department that administers one or more state homelessness programs, including, but not limited to, an agency or department represented on the *executive* council pursuant to subdivision (c), the agency or department shall be required to do both of the following:

(1) Participate in *executive* council *or council staff, as applicable*, workgroups, task forces, or other similar administrative structures.

(2) Provide to the *executive* council *or council staff, as applicable*, any relevant information regarding those state homelessness programs.

(g) (1) The members of the *executive* council, advisory committee, or working groups who are or have been homeless may receive per diem and reimbursement for travel or other expenses as follows:

(A) A member of the *executive* council who is or has been homeless shall receive a per diem of one hundred dollars (\$100) for each day during which that member is engaged in the performance of official duties and shall also be reimbursed for travel and other expenses necessarily incurred in the performance of official duties.

(B) A member of the advisory committee who is or has been homeless shall receive a per diem of one hundred dollars (\$100) for each day during which that member is engaged in the performance of official duties and shall also be reimbursed for travel and other expenses necessarily incurred in the performance of official duties.

(C) A member of a working group, as defined and managed by *the executive council or* council staff, who is or has been homeless shall receive a per diem of one hundred dollars (\$100) for each day during which that member is engaged in the performance of official duties and shall also be reimbursed for travel and other expenses necessarily incurred in the performance of official duties.

(2) (A) A per diem or reimbursement request pursuant to paragraph (1) is subject to funding availability.

(B) Notwithstanding any other law, assistance provided pursuant to this subdivision shall not be deemed to be income for purposes of the Personal Income Tax Law (Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code) or used to determine eligibility for any state program or local program financed wholly or in part by state funds.

(3) (A) For purposes of complying with paragraphs (1) and (2) of subdivision (a) of Section 41 of the Revenue and Taxation Code, as it pertains to this subdivision, the Legislature finds and declares as follows:

(i) The specific goals, purposes, and objectives that the exemptions created by subparagraph (B) of paragraph (2) are as follows:

(I) The objective is to facilitate the participation of individuals with lived homelessness experience in order to include valuable insight from those lived experiences in shaping policy recommendations.

(II) The goal is to prevent members with lived homelessness experience from incurring tax liability because of their participation.

(III) The purpose is to enable participants with lived homelessness experience to receive the full benefit of their per diem and reimbursements.

(ii) The performance indicators the Legislature can use to determine if the exemption is achieving the goals, purposes, and objectives stated in clause (i) shall be as follows:

(I) Whether the *executive* council, advisory committee, or working group members with lived homelessness experience incur any tax liability because of their participation on the committee.

(II) The number of people with lived homelessness experience who serve on the *executive* council, advisory committee, and working groups.

(B) (i) For purposes of complying with paragraph (3) of subdivision (a) of Section 41 of the Revenue and Taxation Code, as it pertains to this subdivision, the Legislative Analyst's Office shall deliver to the Legislature on or before April 1 of each year a written report that includes both of the following:

(I) The estimated aggregate tax liability incurred by *executive* council, advisory committee, or working group members with lived homelessness experience because of their participation on the committee.

(II) The estimated number of people with lived homelessness experience who serve on the *executive* council, advisory committee, or working groups that excluded qualified amounts from gross income as described in paragraph (1).

(ii) A report submitted pursuant to this subparagraph shall be submitted in compliance with Section 9795 of the Government Code.

(iii) The reporting requirement pursuant to this subparagraph shall become inoperative on April 1, 2028, pursuant to Section 10231.5 of the Government Code.

(4) For purposes of this subdivision, "the performance of official duties" includes, but is not limited to, attending ~~a~~ *an executive* council, advisory, or working group meeting and reviewing agenda materials for no more than one day in preparation for each *executive* council, advisory, or working group meeting.

(h) The appointed members of the *executive* council or committees, as described in this section, shall serve at the pleasure of their appointing authority.

~~(i) The Business, Consumer Services, and Housing Agency shall provide staff for the council.~~

~~(f)~~

(i) The members of the *executive* council may enter into memoranda of understanding with other members of the *executive* council to achieve the goals set forth in this chapter, as necessary, in order to facilitate communication and cooperation between the entities the members of the *executive* council represent.

~~(k)~~

(j) There shall be an executive officer of the ~~council under the direction of the Secretary of Business, Consumer Services, and Housing~~ *council*.

~~(k)~~

(k) The council *staff* shall be under the direction of the executive ~~officer and staffed by employees of the Business, Consumer Services, and Housing Agency~~ *officer*.

**SEC. 111.** Section 8257.01 of the Welfare and Institutions Code is amended to read:

**8257.01.** (a) ~~Consistent with the authority provided in subdivision (i) of Section 8257, the~~ *The executive* council shall leverage the programmatic and administrative expertise of relevant state departments and agencies.

(b) The *executive* council may also designate and reimburse a state agency or department to administer programs and related functions as it considers necessary.

**SEC. 112.** Section 8257.02 is added to the Welfare and Institutions Code, to read:

**8257.02.** (a) The California Interagency Council on Homelessness shall be administered by an executive officer of the California Interagency Council on Homelessness.

(b) The executive council may delegate authority to the executive officer to act in the name of the executive council between meetings of the executive council.

**SEC. 113.** Section 8257.03 is added to the Welfare and Institutions Code, to read:

**8257.03.** The provisions of Chapter 2 (commencing with Section 11150) of Part 1 of Division 3 of Title 2 of the Government Code apply to the council, and the executive officer is the head of the California Interagency Council on Homelessness within the meaning of those provisions. The executive officer shall perform all duties, exercise all powers, discharge all responsibility, and administer and enforce all laws, rules, and regulations under the jurisdiction of the council. The executive officer shall keep all books and records necessary for proper and efficient administration of the California Interagency Council on Homelessness.

**SEC. 114.** Section 8257.04 is added to the Welfare and Institutions Code, to read:

**8257.04.** The executive officer may employ employees that the executive officer may need to discharge, in a proper manner, the duties imposed upon them by law. The executive officer shall prescribe their duties and fix their compensation in accordance with classifications made by the State Personnel Board.

**SEC. 115.** Section 8257.05 is added to the Welfare and Institutions Code, to read:

**8257.05.** For the purposes of this chapter, the California Interagency Council on Homelessness has all of the following powers:

(a) To sue and be sued in its own name.

(b) To have an official seal and to alter it at its pleasure.

(c) To make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions.

(d) To provide advice, technical information, and consultative and technical services as provided in this chapter.

(e) To enter into agreements or other transactions with any governmental agency.

(f) To appear on its own behalf before boards, commissions, departments, or other agencies of local, state, or federal government.

(g) To establish any regional offices necessary to effectuate the council's purposes and functions.

(h) To provide bilingual staff in connection with services of the council and make available council publications in a language other than English when necessary to effectively serve groups for which the services or publications are made available.

(i) To do any and all things necessary to carry out its purposes and exercise the powers expressly granted by this chapter.

**SEC. 116.** Section 8257.1 of the Welfare and Institutions Code is amended to read:

**8257.1.** (a) It is the intent of the Legislature to obtain trustworthy information to connect funding allocated to prevent and end homelessness with established sheltering and housing resources and to provide state agencies with accurate information to allow for more accurate forecasting to target future investments. To advance these goals, the ~~coordinating~~ council shall, upon appropriation by the Legislature, do ~~all~~ both of the following:

(1) Conduct, or contract with an entity to conduct, a statewide homelessness assessment that will do all of the following:

(A) Identify all programs a state agency funds, implements, or administers for the purpose of providing unsheltered outreach services, emergency shelter, housing or housing-based services to persons experiencing homelessness or at risk of homelessness and do all of the following:

(i) Identify homelessness interventions and service categories available statewide and in geographically diverse regions across the state.

(ii) Compile the amount of funding distributed to local jurisdictions and its stated intent by the administering entity.

(iii) Identify the intended uses for the funds identified pursuant to clause (ii) by type of intervention as stated by local jurisdictions requesting funding made available for housing- or homelessness-related services.

(iv) Identify conditions or premise of the funds identified pursuant to clause (ii) as it relates to leveraging nonstate dollars.

(v) If applicable, reasons for the unavailability of data.

(B) Obtain the following information for each program identified in subparagraph (A) to the extent that data is available in local Homeless Management Information Systems (HMIS), the Homeless Data Integration System (HDIS) or other readily available data sources:

(i) The number of permanent housing units that the program made available.

(ii) The amount of rental subsidies, vouchers, or other forms of financial support intended to prevent homelessness or to rehouse individuals that the program made available.

(iii) The number of emergency shelter beds, vouchers, or units that the program made available.

(iv) The wrap around services that the program offered.

(C) Collect data, to the extent data it is available, on the numbers and demographics of persons served through the identified services, including, but not limited to, a quantification of the disparities across age, race, ethnicity, and other demographics based on the following subpopulation categories to describe the homelessness population relative to the general population:

(i) Young adults.

(ii) Unaccompanied minors.

(iii) Single adults experiencing either chronic or nonchronic patterns of homelessness, of first-time homelessness.

(iv) Adults over 50 years of age.

(v) Veterans.

(vi) Families experiencing either chronic or nonchronic patterns of homelessness, or first-time homelessness.

(D) For each program identified pursuant to subparagraph (A) that provides housing or homelessness-related services, collect and analyze the following data:

(i) The number of persons served annually by service or intervention type by age, gender, and racial subgroupings.

(ii) Typical service mix use to develop portrait of the "types" of system clients to better understand the holistic needs of people experiencing homelessness and to forecast future uses and policies of resources intended to address homelessness.

- (iii) The service, services, or service mixes that are associated with individuals exiting homelessness.
- (iv) The duration and frequency individuals accessed services, on average, and the length of time from program intake to the date the individual moves into permanent housing or resolves homelessness.
- (v) Each type of housing and each type of intervention provided disaggregated by age, racial, and gender characteristics of recipients.
- (vi) The number of individuals whose homelessness was prevented after accessing homelessness prevention services
- (vii) Information about the people who accessed the resources identified in subparagraph (B) and disaggregated by demographic characteristics described in subparagraph (C).
- (viii) Analyze the results of current permanent and interim housing programs by program type.
- (ix) Additional data necessary to provide a comprehensive view of the homelessness response system.

(E) Provide the reasons for lack of data availability, if applicable.

(2) (A) For purposes of collecting data to conduct the assessment pursuant to paragraph (1), evaluate available data, including, but not limited to, HDIS, data from state agencies administering homelessness funds, statewide and local homeless point-in-time counts and housing inventory counts, and available statewide information on the number or rate of persons exiting state-funded institutional settings, including, but not limited to, state prisons and, to the extent possible, local jails, into homelessness.

(B) The ~~coordinating~~ council *staff* may work with a technical assistance provider from the federal Department of Housing and Urban Development to complete the assessment.

(C) For purposes of collecting data pursuant to paragraph (1), a local government may collaborate with the ~~coordinating~~ council *staff* or the entity conducting the statewide assessment to, if available, share existing data from existing local analyses of system needs or gaps to complement other data requested.

(D) The ~~coordinating~~ council *staff* shall submit an interim report by July 1, 2022, to the Assembly Housing and Community Development Committee, the Assembly Committee on Budget, Senate Committee on Housing, and Senate Committee on Budget and Fiscal Review. The report submitted pursuant to this paragraph shall comply with Section 9795 of the Government Code.

(E) The council shall report on the final assessment by December 31, 2022, to the Assembly Housing and Community Development Committee, the Assembly Committee on Budget, Senate Committee on Housing, and Senate Committee on Budget and Fiscal Review. The report submitted pursuant to this paragraph shall comply with Section 9795 of the Government Code.

(b) For purposes of this section, all of the following definitions apply:

- (1) "Chronic homelessness" has the same definition as that in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on January 1, 2020.
- (2) "State-funded institutional settings" include, but are not limited to, justice, juvenile justice, child welfare, and health care settings.
- (3) "Young adult" means a person 18 to 24 years of age, inclusive.
- (4) "Persons at risk of homelessness" means a person or family in the circumstances described in Section 11302(a)(5) of Title 42 of the United States Code.
- (5) "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.

**SEC. 117.** Section 8257.2 of the Welfare and Institutions Code is amended to read:

**8257.2.** (a) Notwithstanding any other law, for purposes of designing, collecting data for, and approving the assessment described in Section 8257.1, a state agency that has a member on the ~~coordinating executive~~ council shall, within 60 days of a request for data pertaining to that state agency, provide to the council *staff*, or the entity conducting the assessment, the requested data, including, but not limited to, the number or rate of persons exiting state-funded institutional settings into homelessness. State agencies shall be granted reasonable extensions beyond 60 days as necessary to produce high quality data. The state department or agency shall remove any personally identifying data provided pursuant to this subdivision, if any.

(b) The ~~coordinating~~ council *staff* shall provide the local data collected pursuant to Section 8257.1 to the respective administering state agencies overseeing those programs within 45 days of receipt.

(1) The ~~coordinating~~ council *staff* and the state agency receiving data pursuant to this subdivision shall work in collaboration to determine the format and timing of delivery of local data collected to comply with data security and privacy practices and availability of staff to execute requests.

(2) When feasible, the ~~coordinating~~ council *staff* shall notify the state agency receiving data pursuant to this subdivision at least seven days prior to sharing or publicly using or referencing the data, including, but not limited to, using the data for any substantive analysis summary statistics, or other findings.

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

(1) "Personally identifying information" has the same meaning as that in Section 1798.79.8 of the Civil Code.

(2) "State-funded institutional settings" include, but are not limited to, justice, juvenile justice, child welfare, and health care settings.

**SEC. 118.** Section 9850 of the Welfare and Institutions Code is amended to read:

**9850.** (a) The Secretary of the California Health and Human Services Agency, in coordination with the Director of the California Department of Aging, shall lead the development and implementation of the master plan for aging established pursuant to Executive Order *No.* N-14-19.

(b) The Master Plan for Aging Stakeholder Advisory Committee established pursuant to Executive Order *No.* N-14-19 shall include representation from older Californians, adults with disabilities, local government, health care providers, health plans, employers, community-based organizations, foundations, academic researchers, and organized labor.

(c) The secretary and the director shall, with the assistance of the Cabinet-level Workgroup for Aging established pursuant to Executive Order *No.* N-14-19, work with the following state agencies, as needed, to identify policies, efficiencies, and strategies necessary to implement the master plan:

(1) Business, Consumer Services, and Housing Agency.

(2) Government Operations Agency.

(3) California Health and Human Services Agency.

(4) Labor and Workforce Development Agency.

(5) Transportation Agency.

(d) The workgroup shall solicit input from stakeholders and gather information on the impact of California's aging population to assist with the implementation process of the master plan.

(e) The workgroup shall ensure the master plan is centered on all of the following core values:

(1) Equity. The master plan shall seek to enable older adults and people with disabilities to access long-term services and supports (LTSS) in accordance with individual needs and preferences, to the extent feasible, regardless of individual health or functional status, income, race, religion, or other socioeconomic factors.

(2) Person-centered. The master plan shall seek to enable older adults and people with disabilities to remain in their own homes and communities as long as possible or desired while receiving services and supports that are in line with their individual needs and preferences.

(3) Efficiency. The master plan for aging shall seek to reduce unnecessary costs and reduce duplication through streamlined service delivery.

(4) System rebalancing. The master plan shall prioritize the delivery of home- and community-based services in a home setting as alternatives to institutionalization, in accordance with individual needs, desires, and preferences.

(5) Coordination and integration. The master plan shall seek to streamline service delivery through coordinated and integrated systems of care.

(6) Access. The master plan shall ensure access to health care and LTSS in all communities across the state, including rural, suburban, and urban settings.

(f) (1) (A) The California Department of Aging shall submit a report to the Governor and the Legislature by October 1, 2020, identifying ways to improve the organization and structure of the California Department of Aging in order to effectively implement and administer the master plan. The report shall include, but not be limited to, identification of statutory and regulatory changes that are needed to implement the master plan.

(B) The California Department of Aging shall submit updates to the Governor and the Legislature annually beginning October 1, 2021, through October 1, 2030, inclusive. The updates shall include, but are not limited to, the status of the processes described in paragraph (1) and updates on data metrics, best practices, and model policies.

(2) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

*(g) This section shall become inoperative on July 1, 2026, and, as of January 1, 2026, is repealed.*

**SEC. 119.** Section 9850 is added to the Welfare and Institutions Code, to read:

**9850.** (a) The Secretary of the California Health and Human Services Agency, in coordination with the Director of the California Department of Aging, shall lead the development and implementation of the master plan for aging established pursuant to Executive Order No. N-14-19.

(b) The Master Plan for Aging Stakeholder Advisory Committee established pursuant to Executive Order No. N-14-19 shall include representation from older Californians, adults with disabilities, local government, health care providers, health plans, employers, community-based organizations, foundations, academic researchers, and organized labor.

(c) The secretary and the director shall, with the assistance of the Cabinet-level Workgroup for Aging established pursuant to Executive Order No. N-14-19, work with the following state agencies, as needed, to identify policies, efficiencies, and strategies necessary to implement the master plan:

(1) California Housing and Homelessness Agency.

(2) Government Operations Agency.

(3) California Health and Human Services Agency.

(4) Labor and Workforce Development Agency.

(5) Transportation Agency.

(6) Business and Consumer Services Agency.

(d) The workgroup shall solicit input from stakeholders and gather information on the impact of California's aging population to assist with the implementation process of the master plan.

(e) The workgroup shall ensure the master plan is centered on all of the following core values:

(1) Equity. The master plan shall seek to enable older adults and people with disabilities to access long-term services and supports (LTSS) in accordance with individual needs and preferences, to the extent feasible, regardless of individual health or functional status, income, race, religion, or other socioeconomic factors.

(2) Person-centered. The master plan shall seek to enable older adults and people with disabilities to remain in their own homes and communities as long as possible or desired while receiving services and supports that are in line with their individual needs and preferences.

(3) Efficiency. The master plan for aging shall seek to reduce unnecessary costs and reduce duplication through streamlined service delivery.

(4) System rebalancing. The master plan shall prioritize the delivery of home- and community-based services in a home setting as alternatives to institutionalization, in accordance with individual needs, desires, and preferences.

(5) Coordination and integration. The master plan shall seek to streamline service delivery through coordinated and integrated systems of care.

(6) Access. The master plan shall ensure access to health care and LTSS in all communities across the state, including rural, suburban, and urban settings.

(f) (1) (A) The California Department of Aging shall submit a report to the Governor and the Legislature by October 1, 2020, identifying ways to improve the organization and structure of the California Department of Aging in order to effectively implement



and administer the master plan. The report shall include, but not be limited to, identification of statutory and regulatory changes that are needed to implement the master plan.

(B) The California Department of Aging shall submit updates to the Governor and the Legislature annually beginning October 1, 2021, through October 1, 2030, inclusive. The updates shall include, but are not limited to, the status of the processes described in paragraph (1) and updates on data metrics, best practices, and model policies.

(2) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

(g) This section shall become operative on July 1, 2026.

**SEC. 120.** Section 18901.59 of the Welfare and Institutions Code is amended to read:

**18901.59.** (a) The department may identify data-sharing opportunities with other state and local public entities, and any other unit of state government, for the purposes of improving the administration of CalFresh, increasing CalFresh participation, measuring the impact of CalFresh, and increasing access to critical public health and poverty-alleviating services and other services and benefits available to low-income individuals.

(b) Notwithstanding any other state law, and to the extent permitted by federal law, public entities may share data with the department for the purposes of subdivision (a). These public entities include, but are not limited to, all of the following:

(1) Public entities related to health and human services, including, but not limited to, the California Health and Human Services Agency and departments within the agency.

(2) Public entities related to education and early childhood programs, including, but not limited to, the State Department of Education, the University of California, the California State University, the California Community Colleges, the Student Aid Commission, and First 5 California.

(3) Public entities related to employment and financial well-being, including, but not limited to, the Employment Development Department, the Labor and Workforce Development Agency, the California Workforce Development Board, and the Franchise Tax Board.

(4) Public entities related to shelter, utilities, housing, and homelessness, including, but not limited to, the Business, Consumer Services, and Housing Agency and all departments and boards within the agency, and the Public Utilities Commission.

(5) Public entities related to justice-involved individuals, including, but not limited to, the Department of Corrections and Rehabilitation.

(6) Public entities related to services for veterans, including, but not limited to, the Department of Veterans Affairs.

(c) The department shall designate an executive-level employee of the department who shall report to the Director of Social Services on the implementation of the provisions of this section and Section 18901.58.

*(d) This section shall become inoperative on July 1, 2026, and, as of January 1, 2026, is repealed.*

**SEC. 121.** Section 18901.59 is added to the Welfare and Institutions Code, to read:

**18901.59.** (a) The department may identify data-sharing opportunities with other state and local public entities, and any other unit of state government, for the purposes of improving the administration of CalFresh, increasing CalFresh participation, measuring the impact of CalFresh, and increasing access to critical public health and poverty-alleviating services and other services and benefits available to low-income individuals.

(b) Notwithstanding any other state law, and to the extent permitted by federal law, public entities may share data with the department for the purposes of subdivision (a). These public entities include, but are not limited to, all of the following:

(1) Public entities related to health and human services, including, but not limited to, the California Health and Human Services Agency and departments within the agency.

(2) Public entities related to education and early childhood programs, including, but not limited to, the State Department of Education, the University of California, the California State University, the California Community Colleges, the Student Aid Commission, and First 5 California.

(3) Public entities related to employment and financial well-being, including, but not limited to, the Employment Development Department, the Labor and Workforce Development Agency, the California Workforce Development Board, and the Franchise



Tax Board.

(4) Public entities related to shelter, utilities, housing, and homelessness, including, but not limited to, the California Housing and Homelessness Agency and all departments and boards within the agency, and the Public Utilities Commission.

(5) Public entities related to justice-involved individuals, including, but not limited to, the Department of Corrections and Rehabilitation.

(6) Public entities related to services for veterans, including, but not limited to, the Department of Veterans Affairs.

(c) The department shall designate an executive-level employee of the department who shall report to the Director of Social Services on the implementation of the provisions of this section and Section 18901.58.

**SEC. 122.** A state agency, department, or entity may take actions prior to July 1, 2026, that are necessary to ensure that the provisions of the plan become operative on July 1, 2026, and are implemented in a timely fashion. These actions may include, but are not limited to, reassignment of duties between state agencies, departments, or entities, activities included in Section 12080.3 of the Government Code, actions relating to planning for the changes provided for in the plan, and the expenditure of funds necessary for the transfer of authority and responsibilities accomplished by the plan.