



Housing Help Is Being Squeezed at Every Level. Here's What's Happening and What You Can Do.

From Washington to Sacramento, the programs that keep our neighbors housed are facing pressure on multiple fronts. The good news: a \$10 billion affordable housing bond is moving forward, and your voice matters more than ever.

In the past two weeks, three things happened that will shape whether hundreds of thousands of Californians keep a roof over their heads. None of them made big headlines. All of them matter.

1. The Governor's revised state budget includes no new money for affordable housing or homelessness.

On May 14, Governor Newsom released his revised 2026-2027 state budget. Even with \$16.5 billion more in projected revenue than expected, the budget proposes no new investment in building affordable homes, no new money for the state's main homelessness program (HHAP), and no new funding for programs that help seniors stay safely in their homes.

LSS is joining a coalition of more than 100 affordable housing and homelessness organizations across California asking the Governor and Legislature to fund two specific things in the final budget: \$1 billion for the Homeless Housing, Assistance and Prevention (HHAP) Program, and \$15 million for the Housing and Disability Advocacy Program (HDAP), which helps people experiencing homelessness keep their Medi-Cal coverage. Without HHAP funding, homelessness in California could increase by as much as 22 percent.

Why this matters: HHAP is one of the main ways California funds the local programs that move people from the street into housing. HDAP helps people experiencing homelessness keep the Medi-Cal coverage that pays for the services they need to stay housed. Cut either one and the local safety net gets thinner everywhere.

2. Medi-Cal services that keep people housed are being narrowed.

This part is more technical, but it's important. California's Medi-Cal program funds services that help people exiting homelessness find housing, sign a lease, and stay housed once

they're in it. Those services, called Enhanced Care Management and Community Supports, are now being scaled back to help cover other Medi-Cal costs. The asset limit for seniors and people with disabilities is also being lowered, which means more older adults could lose coverage.

At the same time, the federal government recently announced it is withholding \$1.1 billion in IHSS funding from California. IHSS, the In-Home Supportive Services program, helps more than 900,000 older adults, people with disabilities, and children live independently in their homes rather than in nursing homes or other institutions.

Why this matters: Housing only works when the support services that go with it are funded. For many of the people LSS serves, a few hours of in-home help each week is the difference between staying housed and ending up in a hospital or institution.

3. A \$10 billion affordable housing bond just cleared its first major hurdle in Sacramento.

The most concrete piece of good news: on May 14, both houses of the Legislature advanced bills (AB 736 and SB 417) that would place a \$10 billion affordable housing bond on the November ballot. The bond would fund affordable housing construction, preservation, homeownership, and tribal and farmworker housing. The bills now need to pass their houses of origin by May 29.

Why this matters: If voters approve it in November, this bond would be the single biggest state investment in affordable housing in years, and it would help fill the gap left by flat state budgets and uncertain federal funding.

What you can do

The final state budget must be passed by June 15. Call or email your state Assemblymember and Senator. Ask them to:

- Fund \$1 billion for HHAP in the final 2026-2027 budget.
- Fund \$15 million for HDAP, which helps people experiencing homelessness keep their Medi-Cal coverage.
- Protect Medi-Cal services that help people stay housed, including Enhanced Care Management, Community Supports, and IHSS.
- Support AB 736 and SB 417 so voters can decide on the \$10 billion affordable housing bond this November.

You can find your representatives at **findyourrep.legislature.ca.gov**. A phone call takes three minutes. A short email takes five. Both get counted.

We will keep you updated as the June 15 budget deadline approaches.