



AB # 22-01
Effective: January 4, 2022

ACTION BULLETIN

TO: All Workforce Innovation and Opportunity Act (WIOA) Funded Service Providers

DATE: January 4, 2022

SUBJECT: Local Area Support of California’s Homeless Hiring Tax Credit Initiative

PURPOSE OF BULLETIN:

This bulletin provides guidance and establishes procedures for Alameda County Workforce Development Board’s (ACWDB) Workforce Innovation and Opportunity Act (WIOA) service providers regarding successful local area support of California’s Homeless Hiring Tax Credit (HHTC) Initiative.

CITATIONS:

- [Assembly Bill \(AB\) 150](#)
- [California Franchise Tax Board - Homeless Hiring Tax Credit](#)

BACKGROUND:

The HHTC was initiated by the Los Angeles County Department of Workforce Development, Aging and Community Services as a legislative idea that became a bill proposal. The HHTC was signed into law in July 2021 and is effective beginning January 1, 2022. Through the HHTC, employers may reserve a tax credit in an amount between \$2,500 to \$10,000 for hiring people experiencing homelessness. The prospective employee must be experiencing homelessness on the date of hire or anytime within the six-month period before the date of hire.

The California Franchise Tax Board (FTB) will calculate the HHTC amount based on hours worked in the taxable year, with a tax credit cap of \$30,000 per employer annually to onboard up to three employees experiencing homelessness (up to \$10,000 per employee). The employer must hire the candidate at 120% the local minimum wage (i.e., \$15/hour = \$18/hour, \$16.50/hour = \$19.80). The homeless status of the prospective employee must be validated by a certifying organization – which is a Continuum of Care (CoC), or service provider connected to the coordinated homeless system (which varies by county).

To leverage the HHTC, employers must obtain a form that validates the homeless status of the prospective employee and proceed with reserving the tax credit online with the California FTB.

The CoC program promotes Alameda County's goal of ending homelessness, disperses funding to local housing and homeless community-based service providers, promotes the coordinated access of community-based housing programs and homeless services, and encourages self-sufficiency among individuals and families experiencing homelessness. In Alameda County, the CoC functions as a network and establishes service contracts with eleven locally based Housing Resource Centers (HRCs). The CoC will be responsible for verifying the homeless status of HHTC participants. The CoC entity in Alameda County that is responsible for validating the homeless status of the prospective employee can be found in the procedures below.

PROCEDURES:

1. WIOA service providers should inform job seeker clients experiencing homelessness about the HHTC and emphasize that their participation is voluntary. Service providers should clarify that employment is not guaranteed, but involvement in the HHTC may enhance their employment prospects with companies interested in leveraging the HHTC. WIOA service providers may use the flyer (**Attachment 1**) and information on the [California Franchise Tax Board's website](#) to inform participants, and if appropriate, may also direct employers to the California FTB's website for specifics about the HHTC.
2. If the job seeker experiencing homelessness is interested in the HHTC, the WIOA service provider should proceed to explain the value of participating in the HHTC and issue the **HHTC Informed Consent and Information Release form** (consent form) for the WIOA participant to complete (**Attachment 2**). The consent form grants the WIOA service provider permission to attempt to connect the job seeker to an employer interested in the HHTC. Once the job seeker completes the consent form, the WIOA service provider should keep copies on file for reference, record-keeping, and quick retrieval in case an employer is identified for the job seeker participant experiencing homelessness.
3. The WIOA service provider should then issue the **Homeless Hiring Tax Credit Verification Certificate Form** (**Attachment 3**) to the job seeker. In alignment with CoC procedures established in Alameda County, the job seeker must forward the HHTC Verification Certificate Form to the CoC entity for verification and completion. The job seeker will be responsible for submitting the completed verification form to the employer once receiving it back from the CoC entity.
4. Job seeker participants can submit their verification forms to any homeless service provider within the CoC that they are currently connected or to a [Housing Resource Center](#) (HRC). Homeless services providers/HRCs will verify the prospective client's homeless status.
5. WIOA service providers should dually assess the job seeker's skills, knowledge, and abilities and the needs of specific employers before facilitating an appropriate match.

6. WIOA service providers may engage in conversations with their respective partner employers or reach out to ACWDB's Business Services Unit to inquire about interested employers, on the behalf of the job seeker client if permitted (completed consent form).
7. If a business is interested, the WIOA service provider may introduce the job seeker to the employer for an interview/and or onboarding activities. At the point of employer interest, the WIOA service provider should remind the job seeker client to forward their completed HHTC form to the employer upon hiring.
8. The employer will then need to follow additional instructions on the [California Franchise Tax Board's website](#) to complete the HHTC process.
9. From time-to-time, the CoC/HRC partners may reach out to refer participants from their programs to WIOA programs for eligibility screening and co-enrollment into WIOA. In this case, proceed with assisting new prospective WIOA participants and engage in conversations about the HHTC as needed.
10. Lastly, the procedures outlined in this action bulletin are subject to change as the new partnership with the CoC evolves. Those changes will be reflected in a revision of this action bulletin.

ACTION:

All ACWDB WIOA service providers must follow the procedures established in this Action Bulletin to demonstrate effort in supporting the HHTC in ACWDB's local area, which will dually assist WIOA participants experiencing homelessness and local employers eager to find workers.

INQUIRIES:

Community partners may contact Latoya Reed, Management Analyst, at the Alameda County Workforce Development Board by email at latoya.reed@acgov.org or by phone at (510) 259-3833. Employer partners may contact Javier Contreras, Business Specialist, at the Alameda County Workforce Development Board by email at javier.contreras@acgov.org or by phone at (510) 259-3831.

ATTACHMENTS:

1. [Homeless Hiring Tax Credit Flyer](#)
2. [HHTC Informed Consent and Information Release Form](#)
3. [HHTC Verification Certificate Form](#)