
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 1229 (Schultz) - Adult Reentry Grant Program

Version: July 2, 2025

Policy Vote: HOUSING 10 - 1, PUB. S. 5
- 1

Urgency: No

Mandate: No

Hearing Date: August 29, 2025

Consultant: Mark McKenzie

Bill Summary: AB 1229 would codify the Adult Reentry Grant (ARG) Program, transfer administration of the program from the Board of State and Community Corrections (BSCC) to the Department of Housing and Community Development (HCD), and make specified changes to the program.

***** ANALYSIS ADDENDUM – SUSPENSE FILE *****

The following information is revised to reflect amendments
adopted by the committee on August 29, 2025

Fiscal Impact:

- HCD estimates ongoing costs of approximately \$1.2 million (General Fund) for 6.0 PY of permanent staff to facilitate the transfer of the program to HCD, develop and issue program guidelines, issue notices of funding availability for awarding funds to regional administrators, and for ongoing administration of the program. HCD notes that the transfer of the program may involve transfers of existing BSCC staff to HCD, but staff notes that the bill requires BSCC to continue to oversee and administer existing grants using resources allocated by the 2025 Budget Act. BSCC has begun to administer the Cohort 4 funding round from the \$37 million appropriated in the Budget Act, and expects to conclude administration of that round at the end of 2028.
- HCD also estimates one-time contract costs of approximately \$500,000 to hire an independent evaluator to assess the outcomes of the program. Staff notes that the bill requires HCD to hire the evaluator upon implementation of the program, but the assessment of program outcomes is to be based on annual reports submitted by regional administrators. HCD indicates that these contract costs would be incurred in the first year, but the independent evaluator workload would continue through the 2029-30 fiscal year. HCD must submit the assessment to the Legislature by July 1, 2030. (General Fund)
- The Department of Corrections and Rehabilitation (CDCR) anticipates a minimal fiscal impact as the requirements of the bill, including an assessment for individuals within 210 days of their scheduled release, aligns with the department's current practice. (General Fund)
- Unknown, likely minor costs for the Department of Health Care Services (DHCS) to work collaboratively with HCD to establish a process for referrals of people eligible to participate in the program. (General Fund)

Author Amendments:

- Revise the criteria for scoring regional administrator grant applicants as follows:
 - Delete the scoring criteria related to general needs in a region.
 - Add a criteria indicating the extent to which the applicant has experience providing or coordinating housing, homeless services, or reentry services in the region or is based in the region, or the extent the applicant's partners have that experience.
- Revise the eligibility criteria for program participants by requiring the individual to have an assigned release date within 210 days, rather than within 30 to 180 days, as specified.

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