

Date of Hearing: July 15, 2025

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Alex Lee, Chair

SB 748 (Richardson) – As Amended June 19, 2025

SENATE VOTE: 38-0

SUBJECT: Encampment Resolution Funding program: safe parking sites: reporting

SUMMARY: Adds the operation of safe parking sites to the purposes of the Encampment Resolution Funding (ERF) program, and requires the California Department of Housing and Community Development (HCD) to submit quarterly reports to legislative budget and policy committee chairs on the funding distributed for each of the purposes of the ERF program. Specifically, **this bill:**

- 1) Specifies that the ERF program’s purposes include assisting local jurisdictions with operating safe parking sites while locating interim or permanent housing for people experiencing homelessness living in vehicles or recreational vehicles (RVs), including the acquisition of sites for safe parking, operation of the site, services to the safe parking site, and increasing safe parking site hours.
- 2) Requires HCD beginning on April 1, 2026, and quarterly thereafter, to report the chairs of the Senate Committee on Budget and Fiscal Review, the Assembly Committee on Budget, the Senate Committee on Housing, the Assembly Committee on Housing and Community Development, and the Senate and Assembly Committees on Human Services on the funding distributed for the following purposes:
 - a) To assist local jurisdictions in ensuring the safety and wellness of people experiencing homelessness in encampments;
 - b) To provide encampment resolution grants to local jurisdictions and continuums of care to resolve critical encampment concerns and transition individuals into safe and stable housing;
 - c) To encourage a data-informed, coordinated approach to address encampment concerns; and,
 - d) To assist local jurisdictions with operating safe parking sites while locating interim or permanent housing for people experiencing homelessness living in vehicles or recreational vehicles, including the acquisition of sites for safe parking, operation of the site, services to the safe parking site, and increasing safe parking site hours.
- 3) Makes the following findings and declarations: In January 2024, the United States Department of Housing and Urban Development (HUD) reported 187,084 people experiencing homelessness, and a significant portion of these individuals are living in RVs. Further startling statistics are:

- a) Two-thirds of people experiencing homelessness (124,537) in the state, the highest in the country, sleep outside;
- b) 25%, that is one in four, of the people experiencing homelessness in America, are homeless here in California; and,
- c) 44%, on average, that are homeless are “chronically homeless,” meaning individuals may have a long medical or mental disability and are homeless for more than one year;
- d) Homelessness may be defined as an individual or family who lacks a “fixed, regular, and adequate” nighttime permanent residence;
- e) According to long-standing law, an RV means a motor home, travel trailer, truck camper, or camping trailer, with or without motive power, designed for human habitation for recreational, emergency, or other occupancy;
- f) In California, RVs are intended for temporary recreational or emergency occupancy, not for long-term living or habitation on private property outside of designated areas like RV parks, campgrounds, or mobilehome parks; and,
- g) RVs are designed for leisure travel, camping, and temporary living, not as permanent residences.

EXISTING LAW:

- 1) Establishes the ERF program under HCD, which provides competitive grants to local jurisdictions to support homeless encampment resolution and rehousing efforts. (Health and Safety Code [HSC] § 50251)
- 2) Provides that unless context requests otherwise, “council,” with respect to the administration of the ERF program, means HCD. (HSC § 50250)
- 3) Requires HCD to evaluate the data and outcomes reported by ERF recipients to assess efficacy of programs and identify scalable best practices for encampment resolution that can be replicated across the state. (HSC § 50254(g))
- 4) Requires HCD to report to the chairs of the relevant fiscal and policy committees in both houses on the outcomes, learnings, and best practice models identified through the ERF program. (HSC § 50254(g))
- 5) Defines, upon a declaration of a shelter crisis by a city, county, or city and county, “homeless shelter” to mean a facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless that is not in existence after the declared shelter crisis. Permits a temporary homeless shelter community to include supportive and self-sufficiency development services. Specifies that a “homeless shelter” includes a parking lot owned or leased by a city, county, or city and county specifically identified as one allowed for safe parking by homeless and unstably housed individuals. (Government Code § 8698.4)

FISCAL EFFECT: According to the Senate Committee on Appropriations, pursuant to Senate Rule 28.8, May 1, 2025, version of the bill would result in negligible costs.

COMMENTS: This analysis only discusses policy issues germane to the jurisdiction of the Assembly Human Services Committee.

Background: *The California Interagency Council on Homelessness (Cal ICH) and Its Shift away from Program Administration.* AB 1220 (L. Rivas), Chapter 398, Statutes of 2021, renamed the Homeless Coordinating and Financing Council to Cal ICH, named the secretaries of the Business, Consumer Services, and Housing Agency (BCSH) and California Health and Human Services Agency as co-chairs of Cal ICH, and changed the membership composition from one that included a mix of state and local agencies, persons who previously experienced homelessness, and homeless advocacy groups to one composed of state departments' and offices' directorates, including the Departments of Rehabilitation, Aging, Social Services, State Hospitals, and the state's Medicaid Director.

Cal ICH was created to oversee the implementation of "Housing First" policies, guidelines, and regulations to reduce the prevalence and duration of homelessness in California. Housing First is an evidence-based model that focuses on the idea that unhoused individuals should be provided shelter and stability before underlying issues can be successfully addressed. As the state's homelessness crisis worsened, the role of Cal ICH significantly increased, and they were charged with administering several programs dedicated to addressing homelessness, including the ERF program, which was created in 2021 to assist local governments in resolving homeless encampments and transitioning individuals into housing.

In their capacity as the state's facilitator, coordinator, and leader for policy development and research to support state and local jurisdictions in their work to prevent and end homelessness in California, in December 2024, Cal ICH approved an Action Plan for Preventing and Ending Homelessness in California for 2025- 2027. The plan includes five core goals that include measurable targets to track progress in helping more people move into permanent housing and preventing more people from becoming homeless.

In an effort to return Cal ICH to its core mission of coordinating the state's overall response to homelessness, beginning with the 2024-25 cycle, administration of the ERF program was formally transferred from Cal ICH to HCD under the same BCSH Agency umbrella. Prior to the shift, Cal ICH was charged with administering the ERF program and compiling detailed reports for the Legislature that cover program finances, grantee performance, and outcome achievements. Cal ICH administered ERF through the 2023-24 grant round.

This change has transitioned Cal ICH from an operational role to one that focuses on oversight and policy analysis. As such, Cal ICH no longer directly collects ERF grantee performance and fiscal reports. Beginning in the 2024-25 cycle, HCD is tasked with all quarterly and monthly data intake for the ERF program, and submissions that previously flowed through Cal ICH's systems are now routed to HCD. Instead of reviewing raw expenditure and performance metrics, Cal ICH now relies on consolidated summaries and dashboards produced by HCD. ERF data are now presented as high-level tables and a narrative provided by HCD rather than as direct grantee submissions.

Current Reporting Requirements. Existing law requires grantees to report individual, client-level data for persons served by grant funding to HCD, in addition to any data reported through the local Homeless Management Information System (HMIS), for the purposes of research and evaluation of grant performance, service pathways, and outcomes for people served. HMIS is a database that complies with HUD data collection, management, and reporting standards and is used by service providers to track and coordinate care for people experiencing or at risk of becoming homeless. Programs receiving federal funding through the Continuum of Care (CoC) must use HMIS to report outcomes and service delivery.

HCD then uses information reported directly from grantees and through the statewide Homeless Data Integration System (HDIS) for the purposes of research and evaluation of grant performance, service pathways, and outcomes for people served. HDIS is a statewide data warehouse overseen by Cal ICH designed to centralize information about homelessness and integrate data from California's 44 CoCs that coordinate homelessness services. Programs receiving state funding are required to report data into HDIS to ensure performance tracking.

As part of the ERF program, HCD is required to evaluate the data and outcomes reported by recipients to assess efficacy of programs and identify scalable best practices for encampment resolution that can be replicated across the state. Additionally, HCD is required to report to the chairs of the relevant fiscal and policy committees in both houses on the outcomes, learnings, and best practice models identified through this program.

The Legislative Analyst's Office (LAO) published a March 5, 2025, report entitled "*The 2025-26 Budget: Oversight of Encampment Resolution Funding*," highlighting that despite nearly \$1 billion being allocated over five rounds, there was not sufficient data to evaluate whether the ERF program is effective. The report stated, in part, that:

Specifically, the Legislature is not yet able to determine whether—and where—the funds are achieving their intended goal of encampment resolution (as opposed to encampment sweeps or other actions inconsistent with the program's statutory intent). In addition, without data such as the number of people transitioned from an encampment to permanent housing, the Legislature is unable to assess the cost-effectiveness of the program. (The State Auditor reached a similar conclusion in its April 2024 report, which attempted to evaluate ERF's cost-effectiveness based on Round 1 grants.)

The LAO recommended that the Legislature wait to decide on funding another ERF round until it had received compelling evidence that program goals were being met.

None of the existing reporting requirements have a due date or frequency of submission attached to them. However, as noted by the LAO, as part of the 2024 agreement to provide two more years of funding for ERF, the 2024-25 budget package included trailer bill language with new reporting requirements for all grantees receiving program funding with a stated deadline. According to the LAO, "all award recipients must provide an annual progress report to HCD with information such as their spending during the previous calendar year, program outcomes and accomplishments, and the status of remaining funds. These annual reports are due to HCD beginning on April 1, 2025. . . .After receiving grantees' April 1 progress and final reports, HCD has 30 days to post them on its website and notify the Legislature." In addition, HCD has indicated they are working on a public-facing dashboard that will show data on the number of persons served in the ERF program.

This bill would require HCD beginning on April 1, 2026, and quarterly thereafter, to report the chairs of the Senate Committee on Budget and Fiscal Review, the Assembly Committee on Budget, the Senate Committee on Housing, the Assembly Committee on Housing and Community Development, and the Senate and Assembly Committees on Human Services on the funding distributed for the purposes of the ERF program.

Controversy over ERF Funding and Corresponding Sweeps. Encampment resolution is distinct from encampment “sweeps,” in which people are moved from an encampment where they can lose their personal effects and still remain homeless and unsheltered, but just in a different neighborhood. Some communities have reported that ERF funding is being used to conduct sweeps instead of providing individuals with the services enumerated in their ERF application. For example, the City of Oakland announced a \$7.2 million ERF grant in April of 2024 to address more than 150 people residing in different encampments throughout the city. As part of the grant, according to the city’s statement, people living in the encampment were going to receive wraparound supportive services and temporary shelter before being transitioned to permanent supportive housing. However, according to *Street Spirit*, a monthly publication that reports on homelessness, at least one of the encampments named in the proposal was included in a sweep without providing the promised services to the residents.

What are Safe Parking Sites and Why Should They Be Included in the ERF Program? Safe parking sites in California are designated lots where people experiencing vehicular homelessness can park overnight legally and safely often with access to basic services and pathways to housing. These sites vary by jurisdiction, but typically offer secure overnight parking, restrooms, access to food, and protection from ticketing or towing. The City of Sacramento operates a safe parking site with both city staff and case managers onsite. Safe Parking LA is the largest program in Los Angeles County, operating sites in various underutilized lots throughout the county. Because it can be illegal in many parts of California to sleep on the street in a parked vehicle, safe parking sites can offer a lifeline to the working homeless who are attempting to avoid suffering additional penalties in the form of fines and tickets or unwanted law enforcement contact. Stakeholders report that many applicants to safe parking sites find themselves homeless for the first time and many are employed. According to the 2022 Homeless Count, 69,144 people are experiencing homelessness in Los Angeles County and people experiencing vehicular homelessness comprise 39% of Los Angeles County’s unsheltered homeless population. Safe parking sites seek to bridge a gap in services for those whose only source of shelter is their vehicle while providing a roadmap to enter into permanent housing.

This bill would include assisting local jurisdictions with operating safe parking sites while locating interim or permanent housing for people experiencing homelessness living in vehicles or RVs, including the acquisition of sites for safe parking, operation of the site, services to the safe parking site, and increasing safe parking site hours, to the purposes of the ERF program.

Author’s Statement: According to the Author, “[This bill] is designed to assist local jurisdictions with acquiring additional locations for temporary housing and safe parking sites as well as extend the hours of safe parking sites through the expanded use of the Encampment Resolution Funding program.”

Equity Implications: The provisions of *this bill* seek to expand the purposes of the ERF program to specify that local jurisdictions can apply for grants to help operate safe parking sites for those experiencing vehicular homelessness. Data show that in West Coast cities, between 40

to 50% of unsheltered homeless individuals are living in vehicles. In Santa Clara County, the number of people living in vehicles rose 146% between 2015 and 2019. When compared to the overall homeless population, those experiencing vehicular homelessness skew older, with 50% of people being over 50 years of age in some areas. While people living in their vehicles are often missed in counts, there are reports of at least 20% of vehicle dwellers being comprised of families. This vulnerable population is an important component of the homeless population that could benefit from additional resources being provided to safe parking sites throughout the state.

Policy Considerations: This bill requires HCD to report on a quarterly basis to the chairs of specified legislative committees on the funding distributed for each of the stated purposes of the ERF program.

Should this bill move forward, the Author may wish to consider also including point-in-time data on persons served by the ERF program in the quarterly reports.

Existing law requires HCD to evaluate the data and outcomes reported by recipients to assess efficacy of programs and identify scalable best practices for encampment resolution that can be replicated across the state.

Should this bill move forward, the Author may wish to consider requiring the LAO to conduct the program evaluation in lieu of HCD.

This bill specifies, under the purposes of the ERF program, that ERF grants can be used to assist in operating safe parking sites.

Should this bill move forward, the Author may wish to consider to provide clarity by moving this provision to the code section that enumerates what information is required of applicants seeking ERF program grants.

Proposed Committee Amendments: The Committee proposes amendments to address policy considerations states above to do the following:

- Require the quarterly report to include, at a minimum, a point-in-time accounting for the number of people transitioned from an encampment or safe parking site to permanent housing; the number of people transitioned from an encampment or safe parking site to temporary shelters; and, a description of the types of services offered and whether the individuals were connected to them.
- Require the LAO to evaluate the data and outcomes reported by HCD to assess efficacy of programs and identify scalable best practices for encampment resolution that can be replicated across the state.
- Move provisions specifying that the ERF program applies to safe parking sites from HSC § 50251 to HSC § 50252.1 and specify that the applicant must include a description of how the applicant intends to acquire sites for safe parking, operate the site, provide services at the safe parking site, and increase safe parking site hours.

Double referral: This bill was previously heard in the Assembly Housing and Community Development Committee on June 18, 2025, and was approved on an 11-0 vote.

RELATED AND PRIOR LEGISLATION:

AB 977 (Gabriel), Chapter 397, Statutes of 2021, established standardized data collection for state-funded homelessness programs.

AB 1220 (L. Rivas), Chapter 398, Statutes of 2021, see comments above.

REGISTERED SUPPORT / OPPOSITION:

Support

City of Alameda
City of San Diego

Opposition

None on file.

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