

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 748 (Richardson) – As Amended July 17, 2025

Policy Committee:	Housing and Community Development	Vote:	11 - 0
	Human Services		7 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill, for purposes of Encampment Resolution Funding (ERF) program grants, requires an applicant to include specified information about safe parking sites when relevant to their application.

This bill also requires the Department of Housing and Community Development (HCD) to submit quarterly reports to specified legislative committees on additional rounds of funding and on encampment and safe parking site information, and requires the Legislative Analyst's Office (LAO) to evaluate the data and outcomes reported by HCD to these committees, as specified.

Specifically, this bill:

- 1) Additionally requires an applicant to include a description of how they intend to acquire sites for safe parking, operate such sites, provide services at these safe parking sites, and increase safe parking site hours, when their application for an ERF program grant includes operating safe parking sites while locating housing for people experiencing homelessness living in vehicles or recreational vehicles.
- 2) Beginning April 1, 2026, and quarterly thereafter until April 1, 2030, requires HCD to report to 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 pursuant to additional rounds of funding. The report must include at a minimum:
 - a) The number of people transitioned from an encampment or safe parking site to permanent housing.
 - b) The number of people transitioned from an encampment or safe parking site to temporary shelters.
 - c) A description of the types of services offered and whether the individuals were connected to these services.
- 3) Requires the LAO, rather than HCD, to evaluate the data and outcomes reported by HCD to the above-mentioned Legislative committees to assess efficacy of programs and identify scalable best practices for encampment resolution that can be replicated across the state.

FISCAL EFFECT:

- 1) HCD estimates General Fund costs of \$211,000 annually until April 1, 2030, for one position to meet the quarterly reporting requirements in the bill.
- 2) The LAO indicates the required report on the effectiveness of the ERF program will likely take 25% to 50% of an LAO analyst's time over the course of a year to complete, with additional staff time needed to review and publish the report. The LAO's budget is contained within the Legislature's fixed expenditure cap and historically it does not receive additional funding for new statutorily-required reports. For this reason, the new reporting requirement will not directly increase state spending, but instead, will reduce the LAO's capacity to serve the Legislature in other ways, such as responding to other legislative requests and completing other LAO reports.

Of note, there are multiple bills moving through the Legislative process requiring the LAO to analyze and report on various issues. Taken in totality, the requirements in these bills could, over time, diminish the time and capacity of LAO staff to not only respond to other legislative needs and priorities but also complete other core office responsibilities.

COMMENTS:

- 1) **Purpose.** 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.

- 2) **Background. *ERF Program.*** Existing law establishes the ERF program, administered by HCD, to provide competitive grants to local jurisdictions to support homeless encampment resolution and rehousing efforts. Existing law authorizes a continuum of care or a local jurisdiction to submit a specified application to HCD for a program grant. Existing law, for additional rounds of moneys, defined as moneys appropriated for the program in or after the 2021–22 fiscal year, requires an applicant submit an application for a program grant that includes a description of how the applicant intends to use the funds to connect all individuals living in encampments to services and housing, among other things.

This bill requires an applicant to also include a description with specified information about safe parking sites, when the application includes operating safe parking sites.

Existing law requires HCD, as part of the ERF program, to evaluate the data and outcomes reported by recipients to assess efficacy of programs and identify scalable best practices. Additionally, HCD is required to report to 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) reported earlier this year that, despite nearly \$1 billion being allocated over five rounds to the ERF program, there was not sufficient data to evaluate whether the program is effective. The 2024-25 budget package included trailer bill language with new reporting requirements for all grantees receiving program funding and a

requirement that all award recipients provide an annual progress report to HCD beginning on April 1, 2025.

This bill requires HCD, beginning April 1, 2026, to quarterly report to specified Legislative committees on the funding distributed for the purposes of the ERF program. The bill also requires the LAO to provide an additional and largely duplicative report using the same data. The LAO, in its normal course of business, may review information and prepare reports, either informally or at the request of any state legislator. Statutory authorization is not necessary.

Safe Parking Sites. In response to the growing use of cars and RVs for housing, local jurisdictions are establishing safe parking sites, including ones specific to RVs, across the state. 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.

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