

## **SUBCOMMITTEE RECOMMENDATION**

### **SB 5511**

#### **Housing and Community Services Department**

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To: Ways and Means Full Committee  
From: Transportation and Economic Development Subcommittee  
Carrier: Representative Gomberg

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SB 5511 is the budget bill for the Housing and Community Services Department. The Subcommittee on Transportation and Economic Development recommends a total funds budget of \$2,558,608,558 and 441 positions. This is a 28.5% increase from the 2023-25 current service level.

The budget includes \$111.2 million General Fund to continue shelter and rehousing services that were funded in HB 5019 in response to the Governor's emergency declaration on homelessness. \$24.1 million General Fund provides operating support to existing shelters, \$55 million is included for rental assistance, and \$6 million is for services to tenants. Down payment assistance totaling \$10 million General Fund and \$2.5 million for the decommissioning and replacement of manufactured housing is made available. General Fund in the amount of \$9.7 million capitalizes a predevelopment loan program within the Department, and expenditure limitation and position authority were added to revamp the process the Department will use to approve affordable housing finance applications from developers. These process improvements are intended to shorten the time between project approval and construction, while helping smaller developers and projects. Permanent funding was identified to support additional capacity in central services functions such as human resources, policy, communications, fiscal reporting, and information technology. \$136.8 million in Federal Funds expenditure limitation related to wildfire recovery efforts is in this budget, supported by a \$422 million federal grant.

Budget notes are recommended that direct the agency to reflect program expenditures in its next budget bill, and regularly report outcomes online and to the Legislature.

The Transportation and Economic Development Subcommittee recommends SB 5511 be amended by the – 2 amendment and be reported out do pass, as amended.