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**ACA-4 Homelessness and affordable housing.** (2025-2026)

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REVISED MAY 23, 2025

AMENDED IN ASSEMBLY MAY 05, 2025

CALIFORNIA LEGISLATURE— 2025–2026 REGULAR SESSION

**ASSEMBLY  
AMENDMENT**

**CONSTITUTIONAL**

**NO. 4**

Introduced by Assembly Member Jackson  
(Coauthors: Assembly Members ~~Lee and Quirk-Silva~~ *Lee, Quirk-Silva, and Wicks*)

January 24, 2025

A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding Section 24 to Article XVI thereof, relating to homelessness.

**LEGISLATIVE COUNSEL'S DIGEST**

ACA 4, as amended, Jackson. Homelessness and affordable housing.

The California Constitution authorizes the development, construction, or acquisition of developments composed of urban or rural dwellings, apartments, or other living accommodations for persons of low income financed in whole or in part by the federal government or a state public body, or to which the federal government or a state public body extends assistance, if a majority of the qualified electors of the city, town, or county in which the housing is proposed to be located approves the project by voting in favor thereof, as specified.

This measure, the Housing Opportunities ~~for Everyone (HOPE)~~ *Made Equal (HOME)* Act, would create an account in the General Fund into which, beginning in the 2027–28 fiscal year, and each fiscal year thereafter until September 30, 2036, a sum would be transferred from the General Fund equal to or greater than 5% of the estimated amount of General Fund revenues for that fiscal year, as specified. The measure would require the moneys in the account to be appropriated by the Legislature to the Business, Consumer Services, and Housing Agency, and would authorize that agency to expend the moneys to fund prescribed matters related to homelessness and affordable housing, including housing and services to prevent and end homelessness.

This measure would require the agency to develop a 10-year investment strategy, with input from stakeholders, that demonstrates how moneys in the account will be used to produce affordable housing and end homelessness through specific performance measures and benchmarks. On or before October 1 of each year, and until October 1, 2036, the measure would require the agency to annually report to the Legislature on its progress in meeting those performance measures and benchmarks.

Resolved by the Assembly, the Senate concurring, That the Legislature of the State of California at its 2025–26 Regular Session commencing on the second day of December 2024, two-thirds of the membership of each house concurring, hereby proposes to the people of the State of California, that the Constitution of the State be amended as follows:

**First—** This measure shall be known, and may be cited, as the Housing Opportunities ~~for Everyone (HOPE)~~ *Made Equal (HOME)* Act.

**Second—** The Legislature finds and declares all of the following:

- (a) As of January 2023, California has had an estimated 181,339 people experiencing homelessness on any given day.
- (b) Seventy-one percent of homeless Californians were unsheltered, the highest rate in the nation, meaning that they were living in streets, parks, or other locations not meant for human habitation.
- (c) As local communities work to house the unsheltered, more people are falling into homelessness. Larger urban areas with high numbers of people experiencing homelessness have reported that more people are falling into homelessness than they are able to house.
- (d) Homelessness is a complex problem, but a source of homelessness is the high cost of housing.
- (e) In many parts of the state, many lower income residents are severely cost burdened, paying over 50 percent of their income toward housing costs. One small financial setback can push these individuals and families into homelessness.
- (f) In the current market, 2.2 million extremely low income and very low income renter households are competing for 664,000 affordable rental units.
- (g) Of the 6 million renter households in the state, 1.7 million are paying more than 50 percent of their income toward rent.
- (h) The National Low Income Housing Coalition estimates that the state needs an additional 1.5 million housing units affordable to very low income Californians.
- (i) The private market does not provide enough affordable housing to meet the needs. In 2020, the average rent in a market rate unit was \$1,900 per month.
- (j) Many homebuyers are shut out of the market because they are competing against all-cash buyers for extremely expensive homes. In 2021, the average home price was \$633,896.
- (k) Although the state has invested in addressing unsheltered homelessness and increasing the supply of affordable rental and ownership housing, the state does not have a multiyear funding strategy.
- (l) Without a long-term strategy to fund moving people off the streets and into housing and preventing future homelessness by creating more affordable housing, the state cannot fully respond to the crisis.
- (m) To build a sustainable response to homelessness and the affordable housing crisis, this proposal will allocate at least 5 percent (based on 2025–26 projected revenues of roughly \$200 billion) of the funding from the General Fund, or \$10 billion each year, for 10 years.
- (n) This investment will allow the state to house at least 50,000 people who are homeless and build an additional 40,000 affordable housing units each year.
- (o) State government will be required to create a 10-year investment plan that includes performance goals and metrics to ensure that these funds reduce homelessness and create more affordable housing.
- (p) The funding provided by this measure is intended to be only the minimum amount of state resources put toward the goal of preventing and ending homelessness.

**Third—** That Section 24 is added to Article XVI thereof, to read:

**SEC. 24.** (a) (1) The Housing Opportunities ~~for Everyone (HOPE)~~ *Made Equal (HOME)* Account is hereby created within the General Fund.

(2) Moneys in the ~~HOPE~~ *HOME* Account shall be appropriated by the Legislature to the Business, Consumer Services, and Housing Agency and may be expended by the agency to only fund the following:

(A) Housing and services to prevent and end homelessness.

(B) Development, acquisition, rehabilitation, and preservation of rental housing that is affordable to extremely low, very low, and low-income households, including necessary operating subsidies.

(C) Affordable home ownership opportunities for low- and moderate-income households, including, but not limited to, downpayment assistance and development of new units.

(b) (1) The Business, Consumer Services, and Housing Agency shall develop a 10-year investment strategy, with input from stakeholders, that demonstrates how moneys in the ~~HOPE~~ HOME Account will be used to produce affordable housing and end homelessness through specific performance measures and benchmarks.

(2) On or before October 1 of each year, and until October 1, 2036, the Business, Consumer Services, and Housing Agency shall annually report to the Legislature on its progress in meeting the performance measures and benchmarks contained in the investment strategy.

(c) (1) Subject to paragraphs (2) and (3), beginning in the 2027–28 fiscal year, and each fiscal year thereafter until September 30, 2036, and no later than October 1 of each fiscal year, the Controller shall transfer from the General Fund to the ~~HOPE~~ HOME Account a sum equal to or greater than 5 percent of the estimated amount of General Fund revenues for that fiscal year.

(2) The annual estimation of General Fund revenues pursuant to paragraph (1) shall occur after all other General Fund obligations incurred by the State on or before the date upon which the measure that adds this section becomes effective have been met, including, but not limited to, the State's funding obligation to the public school system and public institutions of higher education pursuant to Section 8 of this article.

(3) (A) Upon the Governor's proclamation declaring a budget emergency and identifying the conditions constituting the emergency, the Legislature may pass a bill that suspends or reduces by a specified dollar amount for one fiscal year the transfer of moneys from the General Fund to the ~~HOPE~~ HOME Account required by paragraph (1).

(B) For purposes of this paragraph, "budget emergency" means an emergency declared by the Governor, within the meaning of paragraph (2) of subdivision (c) of Section 3 of Article XIII B or a determination by the Governor that estimated resources are inadequate to fund General Fund expenditures for the current or ensuing fiscal year at a level equal to the highest amount of total General Fund expenditures estimated at the time of enactment of any of the three most recent Budget Acts, adjusted for both of the following:

(i) The annual percentage change in the cost of living for the State, as measured by the California Consumer Price Index.

(ii) The annual percentage growth in the civilian population of the State pursuant to subdivision (b) of Section 7901 of the Government Code, as that section read on January 1, 2025.

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REVISIONS:

Heading—Line 2.

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