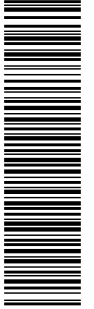


An act to amend Sections 7903, 16310, and 30026.5 of the Government Code, to amend Section 51312 of the Health and Safety Code, and to amend Sections 5014, 5349, 5813.5, 5840, 5840.6, 5847, 5849.35, 5890, 5891, 5892, 5892.5, 5893, 5895, 5899, and 14705 of the Welfare and Institutions Code, relating to behavioral health.

SECURED
COPY



THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 7903 of the Government Code is amended to read:

7903. (a) “State subventions” shall, except as provided in subdivision (b), include only money received by a local agency from the state, the use of which is unrestricted by the statute providing the subvention.

(b) (1) Commencing with the 2021–22 fiscal year and each fiscal year thereafter, “state subventions” shall also include any money provided to a local agency pursuant to any of the following:

(A) Child support administration relating to local child support agencies (Sections 17306, subdivision (b) of Section 17704, and subdivision (a) of Section 17710 of the Family Code).

(B) Black Infant Health Program (Section 123255 of the Health and Safety Code).

(C) California Home Visiting Program (Section 123255 of the Health and Safety Code).

(D) Sexually transmitted disease prevention and control activities (Section 120511 of the Health and Safety Code).

(E) Support for vital public health activities (Article 7 (commencing with Section 101320) of Chapter 3 of Part 3 of Division 101 of the Health and Safety Code).

(F) County administration for Medi-Cal eligibility (Section 14154 of the Welfare and Institutions Code).

(G) Optional Targeted Low Income Children’s Program (Section 14005.27 of the Welfare and Institutions Code).

(H) Case management services under the California Children’s Services program (Section 123850 of the Health and Safety Code).

(I) Child Health and Disability Prevention Program (Article 6 (commencing with Section 124024) of Chapter 3 of Part 2 of Division 106 of the Health and Safety Code).

(J) Specialty Mental Health Services (Chapter 8.9 (commencing with Section 14700) of Part 3 of Division 9 of the Welfare and Institutions Code).

(K) Specified precare and postcare services for individuals treated in short-term residential therapeutic programs (Article 5 (commencing with Section 14680) of Chapter 8.8 of Part 3 of Division 9 of the Welfare and Institutions Code).

(L) Behavioral Health Quality Improvement Program (Section 14184.405 of the Welfare and Institutions Code).

(M) Mental health plan costs for Continuum of Care Reform (Sections 4096.5 and 11462.01 of the Welfare and Institutions Code).

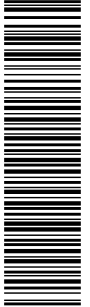
(N) Mobile crisis services (Section 14132.57 of the Welfare and Institutions Code).

(O) Los Angeles County Justice-Involved Population Services and Supports (Provision 18 of Item 4260-101-0001 of the Budget Act of 2022).

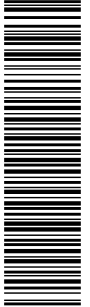
(P) Funds distributed from the ~~Mental~~ Behavioral Health Services Fund pursuant to Section 5892 of the Welfare and Institutions Code.

(Q) Drug Medi-Cal organized delivery system, excluding Narcotic Treatment Program services (Section 14184.401 of the Welfare and Institutions Code).

(R) Drug Medi-Cal, excluding Narcotic Treatment Program services (Section 14124.20 of the Welfare and Institutions Code).



- (S) Behavioral Health Bridge Housing Program (Provision 17 of Item 4260-101-0001 of the Budget Act of 2022).
- (T) Mental Health Student Services Act partnership grant program (Section 5886 of the Welfare and Institutions Code).
- (U) CalFresh (Section 18906.55 of the Welfare and Institutions Code).
- (V) In-Home Supportive Services (Sections 12306.16 and 12302.25 of the Welfare and Institutions Code).
- (W) Community Care Expansion Program (Section 18999.97 of the Welfare and Institutions Code).
- (X) Housing and Disability Income Advocacy Program (Chapter 25 of the Statutes of 2016 (Assembly Bill No. 1603) and Chapter 17 (commencing with Section 18999) of Part 6 of Division 9 of the Welfare and Institutions Code).
- (Y) Project Roomkey (Executive Order No. N-32-20 and Item 5180-151-0001 of the Budget Act of 2019, Item 5180-151-0001 of the Budget Act of 2021, and Item 5180-493 of the Budget Act of 2022).
- (Z) Bringing Families Home Program (Section 16523.1 of the Welfare and Institutions Code).
- (AA) Home Safe Program (Section 15771 of the Welfare and Institutions Code).
- (AB) CalWORKs Housing Support Program (Section 11330.5 of the Welfare and Institutions Code).
- (AC) CalWORKs (Section 15204.3 of the Welfare and Institutions Code).
- (AD) Automation (Section 10823 of the Welfare and Institutions Code and Item 5180-141-0001 of the Budget Act of 2022).
- (AE) Adult Protective Services (Chapter 13 (commencing with Section 15750) of Part 3 of Division 9 of the Welfare and Institutions Code).
- (AF) Adult corrections and rehabilitation operations—institution administration (Chapter 3 (commencing with Section 1228) of Title 8 of Part 2 of the Penal Code, Sections 1557 and 4750 of the Penal Code, and Section 26747 of the Government Code).
- (AG) Corrections planning and grant programs (The Safe Neighborhoods and Schools Act (Proposition 47 approved at the November 4, 2014, general election), The Public Safety and Rehabilitation Act of 2016 (Proposition 57 approved at the November 8, 2016, general election), The Control, Regulate, and Tax Adult Use of Marijuana Act (Proposition 64 approved at the November 8, 2016, general election), Section 7599.1 of the Government Code, Title 10.2 (commencing with Section 14130) of the Penal Code, Chapter 337 of the Statutes of 2020 (Senate Bill No. 823), Items 5227-123-0001, 5227-117-0001, 5227-118-0001, 5227-120-0001, 5227-121-0001, 5227-125-0001, of the Budget Act of 2022, Items 5227-115-0001 and 5227-116-0001 of the Budget Act of 2021).
- (AH) Office of the Small Business Advocate (Item 0509-103-0001 of the Budget Act of 2021).
- (AI) Elections (Chapter 9 of the Statutes of 2022 (Senate Bill No. 119) and Item 0890-101-0001 of the Budget Act of 2021).
- (AJ) County Subvention (Items 8955-101-0001 and 8955-101-3085 of the Budget Act of 2021).
- (AK) Department of Cannabis Control grant (Item 1115-101-0001 of the Budget Act of 2021 and Item 1115-102-0001 of the Budget Act of 2022).



(AL) Agricultural land burning in San Joaquin Valley (Provision 1 of Item 3900-101-0001 of the Budget Act of 2021).

(AM) Carl Moyer Air Quality Standards Attainment Program (Provision 2g of Item 3970-101-0001 of the Budget Act of 2021).

(AN) Pre-positioning for fire and rescue (Provision 3 of Item 0690-101-0001 of the Budget Act of 2021 and the Budget Act of 2022).

(AO) Prepare California (Item 0690-106-0001 of the Budget Act of 2021).

(AP) Law Enforcement Mutual Aid (Provision 6 of Item 0690-101-0001 of the Budget Act of 2022).

(AQ) Los Angeles Regional Interoperable Communication Systems (Provision 9 of Item 0690-101-0001 of the Budget Act of 2022).

(AR) Homeless Housing, Assistance, and Prevention program grants (Chapter 6 (commencing with Sections 50216) of Part 1 of Division 31 of the Health and Safety Code).

(AS) Encampment resolution grants (Chapter 7 (commencing with Section 50250) and Chapter 8 (commencing with Section 50255) of Part 1 of Division 31 of the Health and Safety Code).

(AT) Operating subsidies for Homekey facilities (Sections 50675.1.1 to 50675.14, inclusive, of the Health and Safety Code).

(AU) Various programs contained in Control Sections 19.56 and 19.57 of the Budget Act of 2021, and Control Section 19.56 of the Budget Act of 2022.

(2) State subventions pursuant to programs listed in paragraph (1) shall be included within the appropriations limit of the local agency, up to the amount representing the difference between the total amount of proceeds of taxes of the local agency, calculated without application of this section, and the full appropriations limit of the local agency, as determined pursuant to Section 7902.

(c) (1) No later than February 1 of each year, the Department of Finance shall do both of the following:

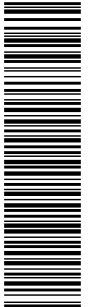
(A) Calculate for each local agency the individual subvention amounts for each program listed in paragraph (1) of subdivision (b).

(B) Provide the information described in subparagraph (A) to the California State Association of Counties and the League of California Cities for distribution to local agencies.

(2) Local agencies shall utilize the amounts calculated by the Department of Finance and provided to them pursuant to this subdivision for purposes of Article XIII B of the California Constitution and this division.

(d) (1) Any portion of state subventions pursuant to programs listed in paragraph (1) of subdivision (b) that exceeds the amount representing the difference between the total amount of proceeds of taxes of the local agency, calculated without application of this section, and the appropriations limit of the local agency shall be identified and reported to the Director of Finance by November 1, 2022, and by that date annually thereafter.

(2) The Director of Finance shall calculate the total amounts reported by local agencies pursuant to this subdivision and shall include those amounts within the state appropriations limit determined pursuant to Section 7902.



(e) The determinations and calculations required pursuant to this section shall be in addition to any determinations and calculations required pursuant to Section 7902.2.2 of the Government Code.

SEC. 2. Section 16310 of the Government Code is amended to read:

16310. (a) When the General Fund in the Treasury is or will be exhausted, the Controller shall notify the Governor and the Pooled Money Investment Board. The Governor, or his or her designee, may order the Controller to direct the transfer of all or any part of the moneys not needed in other funds or accounts to the General Fund from those funds or accounts, as determined by the Pooled Money Investment Board, including the Surplus Money Investment Fund or the Pooled Money Investment Account. All moneys so transferred shall be returned to the funds or accounts from which they were transferred as soon as there are sufficient moneys in the General Fund to return them. No interest shall be charged or paid on any transfer authorized by this section, exclusive of the Pooled Money Investment Account, except as provided in this section. This section does not authorize any transfer that will interfere with the object for which a special fund was created or any transfer from the Central Valley Water Project Construction Fund, the Central Valley Water Project Revenue Fund, or the California Water Resources Development Bond Fund.

(b) (1) Interest shall be paid on all moneys transferred to the General Fund from the following funds:

- (A) The Department of Food and Agriculture Fund.
- (B) The DNA Identification Fund.
- (C) ~~The Mental Behavioral~~ Health Services Fund.
- (D) All funds created pursuant to the California Children and Families Act of 1998, enacted by Proposition 10 at the November 3, 1998, statewide general election.
- (E) Any funds retained by or in the possession of the California Exposition and State Fair pursuant to this section.

(2) With respect to all other funds, and unless otherwise specified, if the total moneys transferred to the General Fund in any fiscal year from any special fund pursuant to this section exceed an amount equal to 10 percent of the total additions to surplus available for appropriation as shown in the statement of operations of a prior fiscal year as set forth in the most recent published annual report of the Controller, interest shall be paid on the excess. Interest payable under this section shall be computed at a rate determined by the Pooled Money Investment Board to be the current earning rate of the fund from which transferred.

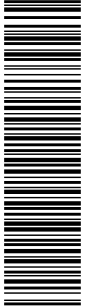
(c) Notwithstanding any other provision of law, except as described in subdivision (d), all moneys in the State Treasury may be loaned for the purposes described in subdivision (a).

(d) Subdivision (c) shall not apply to any of the following:

- (1) The Local Agency Investment Fund.
- (2) Funds classified in the State of California Uniform Codes Manual as bond funds or retirement funds.

(3) All or part of the moneys not needed in other funds or accounts for purposes of subdivision (a) where the Controller is prohibited by the California Constitution, bond indenture, or case law from transferring all or any part of those moneys.

SEC. 3. Section 30026.5 of the Government Code is amended to read:



30026.5. (a) “2011 Realignment Legislation” means legislation enacted on or before September 30, 2012, to implement the state budget plan, that is entitled 2011 Realignment and provides for the assignment to local agencies of responsibilities for Public Safety Services, including related reporting responsibilities. The 2011 Realignment Legislation shall provide local agencies with maximum flexibility and control over the design, administration, and delivery of those services consistent with federal law and funding requirements, as determined by the Legislature. However, the 2011 Realignment Legislation shall include no new programs assigned to local agencies after January 1, 2012, except for the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program and mental health managed care, which may also be referred to as specialty mental health care services.

(b) Any mandate of a new program or higher level of service on a local agency imposed by the 2011 Realignment Legislation, or by any regulation adopted or any executive order or administrative directive issued to implement that legislation, shall, if it constitutes a mandate requiring the state to provide a subvention of funds within the meaning of the California Constitution, be paid from the moneys provided for that activity.

(1) A reimbursable mandate for any program or increased level of service initially created by the 2011 Realignment Legislation, as defined in subdivision (a), that may be funded from the Protective Services Subaccount or the Behavioral Health Subaccount or funding received from the Protective Services Growth Special Account or the Behavioral Health Services Growth Special Account shall be paid from the applicable subaccount, and no other funding shall be required unless the total amount received into the subaccount of any county, including optional reallocation pursuant to subparagraph (A) of paragraph (4) of subdivision (f) of Section 30025, is insufficient to provide funding for any or all mandates funded from that subaccount.

(2) A reimbursable mandate for any program or service that may be funded from any of the subaccounts in the Law Enforcement Services Account or funding received from the Law Enforcement Services Growth Subaccount shall be paid from the applicable subaccount, and no other funding shall be required unless the total amount received into the subaccount of any county or city and county is insufficient to provide funding for that mandate.

(c) (1) Notwithstanding subdivision (b) or any other provision of law, legislation enacted after September 30, 2012, that has an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation shall apply to local agencies only to the extent that the state provides annual funding for the cost increase. Local agencies shall not be obligated to provide programs or levels of service required by legislation described in this paragraph above the level for which funding has been provided.

(2) Notwithstanding subdivision (b) or any other provision of law, regulations, executive orders, or administrative directives, implemented after October 9, 2011, that are not necessary to implement the 2011 Realignment Legislation and that have an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation, shall apply to local agencies only to the extent that the state provides annual funding for the cost increase. Local agencies shall not be obligated to provide programs or levels of service pursuant



to new regulations, executive orders, or administrative directives described in this paragraph above the level for which funding has been provided.

(3) Notwithstanding subdivision (b) or any other provision of law, any new program or higher level of service provided by local agencies, as described in paragraphs (1) and (2), above the level for which funding has been provided, shall not require a subvention of funds by the state as those costs incurred at the local level shall be optional.

(d) Notwithstanding subdivision (b) or any other provision of law, the state shall not submit to the federal government any plans or waivers, or amendments to those plans or waivers, that have an overall effect of increasing the cost borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation, except to the extent that the plans, waivers, or amendments are required by federal law, or the state provides annual funding for the cost increase.

(e) (1) Notwithstanding subdivisions (b), (c), and (d) or any other provision of law, the state shall not be required to provide a subvention of funds pursuant to this section for a mandate that is imposed by the state at the request of a local agency or to comply with federal law. Any state funds provided pursuant to subdivision (c) or (d) or this subdivision shall be from funding sources other than those described in subdivision (a) of Section 30025, ad valorem property taxes, or the Social Services Subaccount of the Sales Tax Account of the Local Revenue Fund.

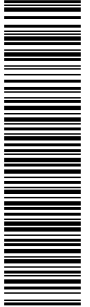
(2) For programs described in paragraphs (3), (4), and (5) of subdivision (i) of Section 30025 and included in the 2011 Realignment Legislation, if there are subsequent changes in federal statutes or regulations that alter the conditions under which federal matching funds as described in the 2011 Realignment Legislation are obtained, and those changes have the overall effect of increasing the costs incurred by a local agency, the state shall annually provide at least 50 percent of the nonfederal share of those costs as determined by the state.

(3) When the state is a party to any complaint brought in a federal judicial or administrative proceeding that involves one or more of the programs described in paragraphs (3), (4), and (5) of subdivision (i) of Section 30025 and included in the 2011 Realignment Legislation, and there is a settlement or judicial or administrative order that imposes a cost in the form of a monetary penalty or has the overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation, the state shall annually provide at least 50 percent of the nonfederal share of those costs as determined by the state. Payment is not required if the state determines that the settlement or order relates to one or more local agencies failing to perform a ministerial duty, failing to perform a legal obligation in good faith, or acting in a negligent or reckless manner.

(4) If the state or a local agency fails to perform a duty or obligation under this section or under the 2011 Realignment Legislation, an appropriate party may seek judicial relief. These proceedings shall have priority over all other civil matters.

(5) The funds deposited into a County Local Revenue Fund 2011 shall be spent in a manner designed to maintain the state's eligibility for federal matching funds and to ensure compliance by the state with applicable federal standards governing the state's provision of Public Safety Services.

(6) The funds deposited into a County Local Revenue Fund 2011 shall not be used by local agencies to supplant other funding for Public Safety Services.

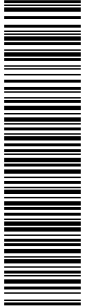


(f) Any decision of a county or a city and county to eliminate or significantly reduce the levels or types of optional or discretionary behavioral health services, adult protective services, or child welfare services pursuant to Sections 11403.1 and 11403.2 of, Chapter 2.3 (commencing with Section 16135) of Part 4 of Division 9 of, Sections 16508.2 and 16508.3 of, Article 4 (commencing with Section 16522) of Chapter 5 of Part 4 of Division 9 of, Article 2 (commencing with Section 16525.10) of Chapter 5.3 of Part 4 of Division 9 of, and Section 16605 of, the Welfare and Institutions Code and Section 10609.3 of the Welfare and Institutions Code that the county or city and county is or has previously funded, in whole or in part, from allocations received from the Support Services Account of the Local Revenue Fund 2011 may, as a condition of the county or city and county receiving funding, only be made in open session, as an action item, at a duly noticed meeting of the board of supervisors. For the purpose of this subdivision, “significant reduction” shall include a 10-percent reduction in funding in any one year or a cumulative 25-percent reduction over the previous three years.

(g) (1) Federal funding has been, and continues to be, provided for Public Safety Services described in the 2011 Realignment Legislation that are funded from the subaccounts within the Health and Human Services Account and its successor, the Support Services Account. Starting in the 2012–13 fiscal year, the state provided an additional source of funding for Specialty Mental Health Services, as described in clause (v) of subparagraph (B) of paragraph (16) of subdivision (f) of Section 30025, from the Local Revenue Fund 2011 in addition to providing funding to local government for mental health services from the Local Revenue Fund and the Mental Behavioral Health Services Fund. Starting in the 2011–12 fiscal year, the state provided funding for other Public Safety Services from the Local Revenue Fund and the Local Revenue Fund 2011.

(2) Except as required by subdivisions (c) to (e), inclusive, the state shall not have a share of cost for the Public Safety Services described in the 2011 Realignment Legislation funded from the Local Revenue Fund or the subaccounts within the Health and Human Services Account or its successor, the Support Services Account, in the Local Revenue Fund 2011. Funds for the increased county share of cost shall be provided through the subaccounts in the Health and Human Services Account, and from successors to those subaccounts. Before local entities may spend funds from these subaccounts for any other purpose, these funds shall first be expended for activities and providing services that preserve federal funding and to pay for any state-mandated costs for increased costs, duties, or levels of service as the programs are described in statute enacted on or before September 30, 2012, or regulations, executive orders, or administrative directives implemented prior to October 9, 2011, or those regulations that are not necessary to implement the 2011 Realignment Legislation, or State Plan, or any amendments in effect on June 30, 2012. This funding is specifically intended to be in an amount sufficient to fund the cost of the state mandates.

(3) Prior to a county electing to use any of its own funds to pay for an increased cost, duty, or level of service above that required by the 2011 Realignment Legislation, or that is optional under the 2011 Realignment Legislation, the county shall first exhaust the funding available to it from the Local Revenue Fund established pursuant to Section 17600 of the Welfare and Institutions Code and the Local Revenue Fund 2011 for state-mandated costs, duties, and levels of service.



(h) (1) Federal funding has been, and continues to be, provided for Public Safety Services described in the 2011 Realignment Legislation that are funded from the subaccounts within the Health and Human Services Account and its successor, the Support Services Account. Starting in the 2012–13 fiscal year, the state provided an additional source of funding for Specialty Mental Health Services, as described in clause (v) of subparagraph (B) of paragraph (16) of subdivision (f) of Section 30025, from the Local Revenue Fund 2011 in addition to providing funding to local government for mental health services from the Local Revenue Fund and the ~~Mental Behavioral~~ Health Services Fund. Starting in the 2011–12 fiscal year, the state provided funding for other Public Safety Services from the Local Revenue Fund and the Local Revenue Fund 2011.

(2) Except as required by subdivisions (c) to (e), inclusive, the state shall not have a share of cost for the health and human services programs described in the 2011 Realignment Legislation funded from the Local Revenue Fund established pursuant to Section 17600 of the Welfare and Institutions Code or the subaccounts within the Health and Human Services Account, or its successor, the Support Services Account, in the Local Revenue Fund 2011. Funds for the increased county share of cost shall be provided through the subaccounts of the Health and Human Services Account and its successors within the Support Services Account.

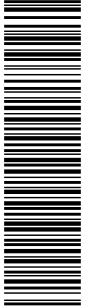
(3) This subdivision shall become operative on November 7, 2012, if a constitutional amendment adding Section 36 to Article XIII of the California Constitution is approved by the voters at the November 6, 2012, statewide general election.

(i) (1) Every month, the Controller shall post on the Controller's Internet Web site, the amount received by the Local Revenue Fund 2011 from revenues raised by Sections 6051.15, 6201.15, 11001.5, and 11005 of the Revenue and Taxation Code. Additionally, every month, the Controller shall post the amounts allocated to every account, subaccount, and special account in the Local Revenue Fund 2011.

(2) Annually, the Controller shall post on the Controller's Internet Web site the amounts allocated to each account, subaccount, and special account, and provide detailed information as to the source of that funding. The Controller shall also post the highest amount ever allocated to the Behavioral Health Subaccount, the Protective Services Subaccount, the Trial Court Security Subaccount, and the Juvenile Justice Subaccount, and, after the 2014–15 fiscal year, the highest amount ever allocated to the Community Corrections Subaccount, and the District Attorney and Public Defender Subaccount. In every fiscal year in which funding is not at the highest level for subaccounts specifically named in this paragraph, the Controller shall note how much growth funding may need to be provided as restoration funding in a future fiscal year to achieve that level.

(3) Annually, the Controller shall post on the Controller's Internet Web site the amount each county received pursuant to paragraph (1) of subdivision (a), paragraph (2) of subdivision (b), and paragraph (2) of subdivision (c) of Section 30027.9 for each of the county's or city and county's subaccounts.

(j) The enactment of the 2011 Realignment Legislation is not intended to, nor does it in any way, affect rights provided by federal entitlement programs. Nothing in the 2011 Realignment Legislation places any additional restrictions on eligibility, coverage, or access to services and care for any federal or state entitlement program.



(k) Counties, cities, and city and counties shall fund Medi-Cal Specialty Mental Health Services, including Early and Periodic Screening, Diagnosis and Treatment (EPSDT), from moneys received from the Behavioral Health Subaccount and the Behavioral Health Growth Special Account, both created pursuant to Section 30025, the Mental Health Subaccount created pursuant to Section 17600 of the Welfare and Institutions Code, the Mental Health Account created pursuant to Section 17600.10 of the Welfare and Institutions Code, and to the extent permissible under the Mental Health Services Act, the ~~Mental Behavioral~~ Health Services Fund created pursuant to Section 19602.5 of the Revenue and Taxation Code. Because this is a federal entitlement program, the provision of services shall be based on statute, regulation, the managed care waiver provisions of Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396n), or the State Plan or its amendment or amendments.

(l) Subdivisions (a), (b), and (g) shall become inoperative on November 7, 2012, if a constitutional amendment adding Section 36 to Article XIII of the California Constitution is approved by the voters at the November 6, 2012, statewide general election.

SEC. 4. Section 51312 of the Health and Safety Code is amended to read:
51312. (a) The primary purpose of this chapter is to provide an additional method of financing special needs housing.

(b) (1) For purposes of this chapter, "special needs housing" means any housing, including supportive housing, intended to benefit, in whole or in part, persons identified as having special needs relating to any of the following:

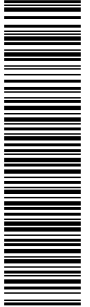
- (A) Mental health.
- (B) Physical disabilities.
- (C) Developmental disabilities, including, but not limited to, intellectual disability, cerebral palsy, epilepsy, and autism.
- (D) The risk of homelessness.

(2) Special needs housing shall also mean housing intended to meet the housing needs of persons eligible for mental health services funded in whole or in part by the ~~Mental Behavioral~~ Health Services Fund, created by Section 5890 of the Welfare and Institutions Code.

SEC. 5. Section 5014 of the Welfare and Institutions Code is amended to read:
5014. (a) To the extent otherwise permitted under state and federal law and consistent with the Mental Health Services Act, both of the following apply for purposes of Article 1 (commencing with Section 5150) and Article 4 (commencing with Section 5250) of Chapter 2 and Chapter 3 (commencing with Section 5350):

(1) Counties may pay for the provision of services using funds distributed to the counties from the Mental Health Subaccount, the Mental Health Equity Subaccount, and the Vehicle License Collection Account of the Local Revenue Fund, funds from the Mental Health Account and the Behavioral Health Subaccount within the Support Services Account of the Local Revenue Fund 2011, funds from the ~~Mental Behavioral~~ Health Services Fund when included in county plans pursuant to Section 5847, and any other funds from which the Controller makes distributions to the counties for those purposes.

(2) A person shall not be denied access to services funded by the ~~Mental Behavioral~~ Health Services Fund based solely on the person's voluntary or involuntary legal status.



(b) The provisions of this section are severable. If any provision of this section or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 6. Section 5349 of the Welfare and Institutions Code is amended to read:

5349. (a) A county or group of counties that does not wish to implement this article may opt out of the requirements of this article by a resolution passed by the governing body that state the reasons for opting out and any facts or circumstances relied on in making that decision. To the extent otherwise permitted under state and federal law, counties that implement this article may pay for the provision of services under Sections 5347 and 5348 using funds distributed to the counties from the Mental Health Subaccount, the Mental Health Equity Subaccount, and the Vehicle License Collection Account of the Local Revenue Fund, funds from the Mental Health Account and the Behavioral Health Subaccount within the Support Services Account of the Local Revenue Fund 2011, funds from the ~~Mental Behavioral~~ Health Services Fund when included in county plans pursuant to Section 5847, and any other funds from which the Controller makes distributions to the counties for those purposes. Compliance with this section shall be monitored by the State Department of Health Care Services as part of the review and approval of city, county, or group of county performance contracts.

(b) In lieu of the resolution to opt out pursuant to subdivision (a), a county may elect to implement this article in combination with one or more counties pursuant to the implementation provisions of subdivision (d).

(c) A county or group of counties implementing this article shall not reduce existing voluntary mental health programs serving adults or children's mental health programs as a result of implementation.

(d) If multiple counties choose to provide services pursuant to Section 5348, those counties shall execute a memorandum of understanding (MOU) that shall include, but not be limited to, a process for designating the lead county for an individual receiving services pursuant to the MOU for the following purposes:

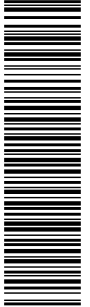
- (1) Making the finding set forth in subdivision (d) of Section 5346.
- (2) Ensuring that services are provided and determining where they are provided.
- (3) Determining the county incurring financial responsibility, as applicable, for an individual receiving services.
- (4) Ensuring that appropriate followup care is in place upon an individual's release from the treatment program.

(e) This section shall become operative on July 1, 2021.

SEC. 7. Section 5813.5 of the Welfare and Institutions Code, as amended by Section 39 of Chapter 790 of the Statutes of 2023, is amended to read:

5813.5. Subject to the availability of funds from the ~~Mental Behavioral~~ Health Services Fund, the state shall distribute funds for the provision of services under Sections 5801, 5802, and 5806 to county mental health programs. Services shall be available to adults and seniors with severe illnesses who meet the eligibility criteria in subdivisions (b) and (c) of Section 5600.3. For purposes of this act, "seniors" means older adult persons identified in Part 3 (commencing with Section 5800) of this division.

(a) Funding shall be provided at sufficient levels to ensure that counties can provide each adult and senior served pursuant to this part with the medically necessary



mental health services, medications, and supportive services set forth in the applicable treatment plan.

(b) The funding shall only cover the portions of those costs of services that cannot be paid for with other funds, including other mental health funds, public and private insurance, and other local, state, and federal funds.

(c) Each county mental health program's plan shall provide for services in accordance with the system of care for adults and seniors who meet the eligibility criteria in subdivisions (b) and (c) of Section 5600.3.

(d) Planning for services shall be consistent with the philosophy, principles, and practices of the Recovery Vision for mental health consumers:

(1) To promote concepts key to the recovery for individuals who have mental illness: hope, personal empowerment, respect, social connections, self-responsibility, and self-determination.

(2) To promote consumer-operated services as a way to support recovery.

(3) To reflect the cultural, ethnic, and racial diversity of mental health consumers.

(4) To plan for each consumer's individual needs.

(e) The plan for each county mental health program shall indicate, subject to the availability of funds as determined by Part 4.5 (commencing with Section 5890) of this division, and other funds available for mental health services, adults and seniors with a severe mental illness being served by this program are either receiving services from this program or have a mental illness that is not sufficiently severe to require the level of services required of this program.

(f) Each county plan and annual update pursuant to Section 5847 shall consider ways to provide services similar to those established pursuant to the Mentally Ill Offender Crime Reduction Grant Program. Funds shall not be used to pay for persons incarcerated in state prison. Funds may be used to provide services to persons who are participating in a presentencing or postsentencing diversion program or who are on parole, probation, postrelease community supervision, or mandatory supervision. When included in county plans pursuant to Section 5847, funds may be used for the provision of mental health services under Sections 5347 and 5348 in counties that elect to participate in the Assisted Outpatient Treatment Demonstration Project Act of 2002 (Article 9 (commencing with Section 5345) of Chapter 2 of Part 1), and for the provision of services to clients pursuant to Part 8 (commencing with Section 5970).

(g) The department shall contract for services with county mental health programs pursuant to Section 5897. After November 2, 2004, the term "grants," as used in Sections 5814 and 5814.5, shall refer to those contracts.

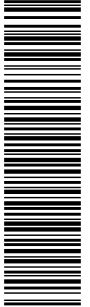
(h) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 8. Section 5840 of the Welfare and Institutions Code, as added by Section 50 of Chapter 790 of the Statutes of 2023, is amended to read:

5840. (a) (1) Each county shall establish and administer an early intervention program that is designed to prevent mental illnesses and substance use disorders from becoming severe and disabling and to reduce disparities in behavioral health.

(2) Early intervention programs shall be funded pursuant to clause (ii) of subparagraph (A) of paragraph (3) of subdivision (a) of Section 5892.

(b) An early intervention program shall include the following components:



(1) Outreach to families, employers, primary care health care providers, behavioral health urgent care, hospitals, inclusive of emergency departments, education, including early care and learning, T-12, and higher education, and others to recognize the early signs of potentially severe and disabling mental health illnesses and substance use disorders.

(2) (A) Access and linkage to medically necessary care provided by county behavioral health programs as early in the onset of these conditions as practicable.

(B) Access and linkage to care includes the scaling of, and referral to, the Early Psychosis Intervention (EPI) Plus Program, pursuant to Part 3.4 (commencing with Section 5835), Coordinated Specialty Care, or other similar evidence-based practices and community-defined evidence practices for early psychosis and mood disorder detection and intervention programs.

(3) (A) Mental health and substance use disorder treatment services, evidence-based practices and community-defined evidence practices for similar to those provided under other programs that are effective in preventing mental health illnesses and substance use disorders from becoming severe, and components similar to programs that have been successful in reducing the duration of untreated serious mental health illnesses and substance use disorders and assisting people in quickly regaining productive lives.

(B) Mental health treatment services may include services to address first episode psychosis.

(C) Mental health and substance use disorder services shall include services that are demonstrated to be effective at meeting the cultural and linguistic needs of diverse communities.

(D) Mental health and substance use disorder services may be provided to the following eligible children and youth:

~~(E) Mental health and substance use services may include services that prevent, respond, or treat a behavioral health crisis.~~

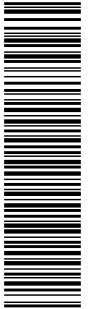
(i) Individual children and youth at high risk for a behavioral health disorder due to experiencing trauma, as evidenced by scoring in the high-risk range under a trauma screening tool such as an adverse childhood experiences (ACEs) screening tool, involvement in the child welfare system or juvenile justice system, or experiencing homelessness.

(ii) Individual children and youth in populations with identified disparities in behavioral health outcomes.

(E) Mental health and substance use services may include services that prevent, respond, or treat a behavioral health crisis.

(4) Additional components developed by the State Department of Health Care Services.

(c) (1) The State Department of Health Care Services, in consultation with the Behavioral Health Services Oversight and Accountability Commission, counties, and stakeholders, shall establish a biennial list of evidence-based practices and community-defined evidence practices that may include practices identified pursuant to the Children and Youth Behavioral Health Initiative Act set forth in Chapter 2 (commencing with Section 5961) of Part 7.



(2) Evidence-based practices and community-defined evidence practices may focus on addressing the needs of those who decompensate into severe behavioral health conditions.

(3) Local programs utilizing evidence-based practices and community-defined evidence practices may focus on addressing the needs of underserved communities, such as BIPOC and LGBTQ+.

(4) Counties shall utilize the list to determine which evidence-based practices and community-defined evidence practices to implement locally.

(5) The State Department of Health Care Services may require a county to implement specific evidence-based and community-defined evidence practices.

(d) The early intervention program shall emphasize the reduction of the likelihood of:

(1) Suicide and self-harm.

(2) Incarcerations.

(3) School, including early childhood 0 to 5 years of age, inclusive, TK-12, and higher education, suspension, expulsion, referral to an alternative or community school, or failure to complete.

(4) Unemployment.

(5) Prolonged suffering.

(6) Homelessness.

(7) Removal of children from their homes.

(8) Overdose.

(9) Mental illness in children and youth from social, emotional, developmental, and behavioral needs in early childhood.

(e) For purposes of this section, “substance use disorder” shall have the meaning as defined in subdivision (c) of Section 5891.5.

(f) For purposes of this section, “community-defined evidence practices” is defined as an alternative or complement to evidence-based practices, that offers culturally anchored interventions that reflect the values, practices, histories, and lived-experiences of the communities they serve. These practices come from the community and the organizations that serve them and are found to yield positive results as determined by community consensus over time.

(g) This section shall become operative on July 1, 2026, if amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election.

SEC. 9. Section 5840.6 of the Welfare and Institutions Code, as amended by Section 52 of Chapter 790 of the Statutes of 2023, is amended to read:

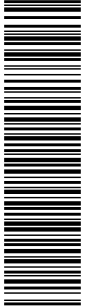
5840.6. For purposes of this chapter, the following definitions shall apply:

(a) “Commission” means the Mental Health Services Oversight and Accountability Commission established pursuant to Section 5845.

(b) “County” also includes a city receiving funds pursuant to Section 5701.5.

(c) “Prevention and early intervention funds” means funds from the ~~Mental~~ Behavioral Health Services Fund allocated for prevention and early intervention programs pursuant to paragraph (3) of subdivision (a) of Section 5892.

(d) “Childhood trauma prevention and early intervention” refers to a program that targets children exposed to, or who are at risk of exposure to, adverse and traumatic childhood events and prolonged toxic stress in order to deal with the early origins of



mental health needs and prevent long-term mental health concerns. This may include, but is not limited to, all of the following:

(1) Focused outreach and early intervention to at-risk and in-need populations.
(2) Implementation of appropriate trauma and developmental screening and assessment tools with linkages to early intervention services to children that qualify for these services.

(3) Collaborative, strengths-based approaches that appreciate the resilience of trauma survivors and support their parents and caregivers when appropriate.

(4) Support from peer support specialists and community health workers trained to provide mental health services.

(5) Multigenerational family engagement, education, and support for navigation and service referrals across systems that aid the healthy development of children and families.

(6) Linkages to primary care health settings, including, but not limited to, federally qualified health centers, rural health centers, community-based providers, school-based health centers, and school-based programs.

(7) Leveraging the healing value of traditional cultural connections, including policies, protocols, and processes that are responsive to the racial, ethnic, and cultural needs of individuals served and recognition of historical trauma.

(8) Coordinated and blended funding streams to ensure individuals and families experiencing toxic stress have comprehensive and integrated supports across systems.

(e) “Early psychosis and mood disorder detection and intervention” has the same meaning as set forth in paragraph (2) of subdivision (b) of Section 5835 and may include programming across the age span.

(f) “Youth outreach and engagement” means strategies that target secondary school and transition age youth, with a priority on partnerships with college mental health programs that educate and engage students and provide either on-campus, off-campus, or linkages to mental health services not provided through the campus to students who are attending colleges and universities, including, but not limited to, public community colleges. Outreach and engagement may include, but is not limited to, all of the following:

(1) Meeting the mental health needs of students that cannot be met through existing education funds.

(2) Establishing direct linkages for students to community-based mental health services.

(3) Addressing direct services, including, but not limited to, increasing college mental health staff-to-student ratios and decreasing wait times.

(4) Participating in evidence-based and community-defined best practice programs for mental health services.

(5) Serving underserved and vulnerable populations, including, but not limited to, lesbian, gay, bisexual, transgender, and queer persons, victims of domestic violence and sexual abuse, and veterans.

(6) Establishing direct linkages for students to community-based mental health services for which reimbursement is available through the students’ health coverage.

(7) Reducing racial disparities in access to mental health services.

(8) Funding mental health stigma reduction training and activities.



(9) Providing college employees and students with education and training in early identification, intervention, and referral of students with mental health needs.

(10) Interventions for youth with signs of behavioral or emotional problems who are at risk of, or have had any, contact with the juvenile justice system.

(11) Integrated youth mental health programming.

(12) Suicide prevention programming.

(g) “Culturally competent and linguistically appropriate prevention and intervention” refers to a program that creates critical linkages with community-based organizations, including, but not limited to, clinics licensed or operated under subdivision (a) of Section 1204 of the Health and Safety Code, or clinics exempt from clinic licensure pursuant to subdivision (c) of Section 1206 of the Health and Safety Code.

(1) “Culturally competent and linguistically appropriate” means the ability to reach underserved cultural populations and address specific barriers related to racial, ethnic, cultural, language, gender, age, economic, or other disparities in mental health services access, quality, and outcomes.

(2) “Underserved cultural populations” means those who are unlikely to seek help from any traditional mental health service because of stigma, lack of knowledge, or other barriers, including members of ethnically and racially diverse communities, members of the gay, lesbian, bisexual, and transgender communities, and veterans, across their lifespans.

(h) “Strategies targeting the mental health needs of older adults” means, but is not limited to, all of the following:

(1) Outreach and engagement strategies that target caregivers, victims of elder abuse, and individuals who live alone.

(2) Suicide prevention programming.

(3) Outreach to older adults who are isolated.

(4) Early identification programming of mental health symptoms and disorders, including, but not limited to, anxiety, depression, and psychosis.

(i) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

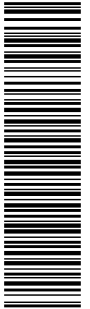
SEC. 10. Section 5847 of the Welfare and Institutions Code, as amended by Section 63 of Chapter 790 of the Statutes of 2023, is amended to read:

5847. Integrated Plans for Prevention, Innovation, and System of Care Services.

(a) Each county mental health program shall prepare and submit a three-year program and expenditure plan, and annual updates, adopted by the county board of supervisors, to the Mental Health Services Oversight and Accountability Commission and the State Department of Health Care Services within 30 days after adoption.

(b) The three-year program and expenditure plan shall be based on available unspent funds and estimated revenue allocations provided by the state and in accordance with established stakeholder engagement and planning requirements, as required in Section 5848. The three-year program and expenditure plan and annual updates shall include all of the following:

(1) A program for prevention and early intervention in accordance with Part 3.6 (commencing with Section 5840).



(2) A program for services to children in accordance with Part 4 (commencing with Section 5850), to include a program pursuant to Chapter 4 (commencing with Section 18250) of Part 6 of Division 9 or provide substantial evidence that it is not feasible to establish a wraparound program in that county.

(3) A program for services to adults and seniors in accordance with Part 3 (commencing with Section 5800).

(4) A program for innovations in accordance with Part 3.2 (commencing with Section 5830).

(5) A program for technological needs and capital facilities needed to provide services pursuant to Part 3 (commencing with Section 5800), Part 3.6 (commencing with Section 5840), and Part 4 (commencing with Section 5850). All plans for proposed facilities with restrictive settings shall demonstrate that the needs of the people to be served cannot be met in a less restrictive or more integrated setting, such as permanent supportive housing.

(6) Identification of shortages in personnel to provide services pursuant to the above programs and the additional assistance needed from the education and training programs established pursuant to Part 3.1 (commencing with Section 5820).

(7) Establishment and maintenance of a prudent reserve to ensure the county program will continue to be able to serve children, adults, and seniors that it is currently serving pursuant to Part 3 (commencing with Section 5800), the Adult and Older Adult Mental Health System of Care Act, Part 3.6 (commencing with Section 5840), Prevention and Early Intervention Programs, and Part 4 (commencing with Section 5850), the Children's Mental Health Services Act, during years in which revenues for the Mental Behavioral Health Services Fund are below recent averages adjusted by changes in the state population and the California Consumer Price Index.

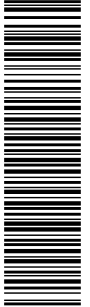
(8) Certification by the county behavioral health director, which ensures that the county has complied with all pertinent regulations, laws, and statutes of the Mental Health Services Act, including stakeholder participation and nonsupplantation requirements.

(9) Certification by the county behavioral health director and by the county auditor-controller that the county has complied with any fiscal accountability requirements as directed by the State Department of Health Care Services, and that all expenditures are consistent with the requirements of the Mental Health Services Act.

(c) The programs established pursuant to paragraphs (2) and (3) of subdivision (b) shall include services to address the needs of transition age youth 16 to 25 years of age, inclusive. In implementing this subdivision, county mental health programs shall consider the needs of transition age foster youth.

(d) Each year, the State Department of Health Care Services shall inform the County Behavioral Health Directors Association of California and the Mental Health Services Oversight and Accountability Commission of the methodology used for revenue allocation to the counties.

(e) Each county mental health program shall prepare expenditure plans pursuant to Part 3 (commencing with Section 5800) for adults and seniors, Part 3.2 (commencing with Section 5830) for innovative programs, Part 3.6 (commencing with Section 5840) for prevention and early intervention programs, and Part 4 (commencing with Section 5850) for services for children, and updates to the plans developed pursuant to this section. Each expenditure update shall indicate the number of children, adults, and



seniors to be served pursuant to Part 3 (commencing with Section 5800) and Part 4 (commencing with Section 5850) and the cost per person. The expenditure update shall include utilization of unspent funds allocated in the previous year and the proposed expenditure for the same purpose.

(f) A county mental health program shall include an allocation of funds from a reserve established pursuant to paragraph (7) of subdivision (b) for services pursuant to paragraphs (2) and (3) of subdivision (b) in years in which the allocation of funds for services pursuant to subdivision (e) are not adequate to continue to serve the same number of individuals as the county had been serving in the previous fiscal year.

(g) The department shall post on its internet website the three-year program and expenditure plans submitted by every county pursuant to subdivision (a) in a timely manner.

(h) (1) Notwithstanding subdivision (a), a county that is unable to complete and submit a three-year program and expenditure plan or annual update for the 2020–21 or 2021–22 fiscal years due to the COVID-19 Public Health Emergency may extend the effective timeframe of its currently approved three-year plan or annual update to include the 2020–21 and 2021–22 fiscal years. The county shall submit a three-year program and expenditure plan or annual update to the Mental Health Services Oversight and Accountability Commission and the State Department of Health Care Services by July 1, 2022.

(2) For purposes of this subdivision, “COVID-19 Public Health Emergency” means the federal Public Health Emergency declaration made pursuant to Section 247d of Title 42 of the United States Code on January 30, 2020, entitled “Determination that a Public Health Emergency Exists Nationwide as the Result of the 2019 Novel Coronavirus,” and any renewal of that declaration.

(i) Notwithstanding paragraph (7) of subdivision (b) and subdivision (f), a county may, during the 2020–21 and 2021–22 fiscal years, use funds from its prudent reserve for prevention and early intervention programs created in accordance with Part 3.6 (commencing with Section 5840) and for services to persons with severe mental illnesses pursuant to Part 4 (commencing with Section 5850) for the children’s system of care and Part 3 (commencing with Section 5800) for the adult and older adult system of care. These services may include housing assistance, as defined in Section 5892.5, to the target population specified in Section 5600.3.

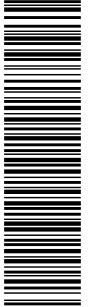
(j) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department, without taking any further regulatory action, may implement, interpret, or make specific subdivisions (h) and (i) of this section and subdivision (i) of Section 5892 by means of all-county letters or other similar instructions.

(k) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 11. Section 5849.35 of the Welfare and Institutions Code is amended to read:

5849.35. (a) The authority may do all of the following:

(1) Consult with the commission and the State Department of Health Care Services concerning the implementation of the No Place Like Home Program, including



the review of annual reports provided to the authority by the department pursuant to Section 5849.11.

(2) Enter into one or more single-year or multiyear contracts with the department for the department to provide, and the authority to pay the department for providing, services described in Sections 5849.7, 5849.8, and 5849.9, related to permanent supportive housing for the target population and to provide for payments to the department from amounts on deposit in the Supportive Housing Program Subaccount created within the ~~Mental~~ Behavioral Health Services Fund pursuant to paragraph (1) of subdivision (f) of Section 5890. Before entering into any contract pursuant to this paragraph, the executive director of the authority shall transmit to the commission a copy of the contract in substantially final form. The contract shall be deemed approved by the commission unless it acts within 10 days to disapprove the contract.

(3) On or before June 15 and December 15 of each year, the authority shall certify to the Controller the amounts the authority is required to pay as provided in Section 5890 for the following six-month period to the department pursuant to any service contract entered into pursuant to paragraph (2).

(b) The department may do all of the following:

(1) Enter into one or more single-year or multiyear contracts with the authority to provide services described in Sections 5849.7, 5849.8, and 5849.9, related to permanent supportive housing for the target population and to receive payments from amounts on deposit in the Supportive Housing Program Subaccount pursuant to paragraph (1) of subdivision (f) of Section 5890. Payments received by the department under any service contract authorized by this paragraph shall be used, before any other allocation or distribution, to repay loans from the authority pursuant to Section 15463 of the Government Code.

(2) Enter into one or more loan agreements with the authority as security for the repayment of the revenue bonds issued by the authority pursuant to Section 15463 of the Government Code. The department shall deposit the proceeds of these loans, excluding any refinancing loans to redeem, refund, or retire bonds, into the fund. The department's obligations to make payments under these loan agreements shall be limited obligations payable solely from amounts received pursuant to its service contracts with the authority.

(3) The department may pledge and assign its right to receive all or a portion of the payments under the service contracts entered into pursuant to paragraph (1) directly to the authority or its bond trustee for the payment of principal, premiums, if any, and interest under any loan agreement authorized by paragraph (2).

(c) The Legislature hereby finds and declares both of the following:

(1) The consideration to be paid by the authority to the department for the services provided pursuant to the contracts authorized by paragraph (2) of subdivision (a) and paragraph (1) of subdivision (b) is fair and reasonable and in the public interest.

(2) The service contracts and payments made by the authority to the department pursuant to a service contract authorized by paragraph (2) of subdivision (a) and paragraph (1) of subdivision (b) and the loan agreements and loan repayments made by the department to the authority pursuant to a loan agreement authorized by paragraph (2) of subdivision (b) shall not constitute a debt or liability, or a pledge of the faith and credit, of the state or any political subdivision, except as approved by the voters at the November 6, 2018, statewide general election.



(d) The state hereby covenants with the holders from time to time of any bonds issued by the authority pursuant to Section 15463 of the Government Code that it will not alter, amend, or restrict the provisions of this section, paragraph (1) of subdivision (f) of Section 5890, subdivision (b) of Section 5891, Section 19602.5 of the Revenue and Taxation Code, or any other provision requiring the deposit of the revenues derived from the additional tax imposed under Section 17043 of the Revenue and Taxation Code into the ~~Mental~~ Behavioral Health Services Fund in any manner adverse to the interests of those bondholders so long as any of those bonds remain outstanding. The authority may include this covenant in the resolution, indenture, or other documents governing the bonds.

(e) Agreements under this section are not subject to, and need not comply with, the requirements of any other law applicable to the execution of those agreements, including, but not limited to, the California Environmental Quality Act (Division 13 commencing with Section 21000) of the Public Resources Code.

(f) Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code shall not apply to any contract entered into between the authority and the department under this section.

SEC. 12. Section 5890 of the Welfare and Institutions Code, as amended by Section 87 of Chapter 790 of the Statutes of 2023, is amended to read:

5890. (a) The ~~Mental~~ Behavioral Health Services Fund is hereby created in the State Treasury. The fund shall be administered by the state. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are, except as provided in subdivision (d) of Section 5892, continuously appropriated, without regard to fiscal years, for the purpose of funding the following programs and other related activities as designated by other provisions of this division:

(1) Part 3 (commencing with Section 5800), the Adult and Older Adult Mental Health System of Care Act.

(2) Part 3.2 (commencing with Section 5830), Innovative Programs.

(3) Part 3.6 (commencing with Section 5840), Prevention and Early Intervention Programs.

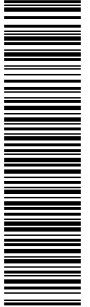
(4) Part 3.9 (commencing with Section 5849.1), No Place Like Home Program.

(5) Part 4 (commencing with Section 5850), the Children's Mental Health Services Act.

(b) The establishment of this fund and any other provisions of the act establishing it or the programs funded shall not be construed to modify the obligation of health care service plans and disability insurance policies to provide coverage for mental health services, including those services required under Section 1374.72 of the Health and Safety Code and Section 10144.5 of the Insurance Code, related to mental health parity. This act shall not be construed to modify the oversight duties of the Department of Managed Health Care or the duties of the Department of Insurance with respect to enforcing these obligations of plans and insurance policies.

(c) This act shall not be construed to modify or reduce the existing authority or responsibility of the State Department of Health Care Services.

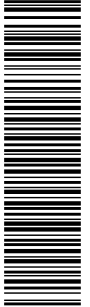
(d) The State Department of Health Care Services shall seek approval of all applicable federal Medicaid approvals to maximize the availability of federal funds and eligibility of participating children, adults, and seniors for medically necessary care.



(e) Share of costs for services pursuant to Part 3 (commencing with Section 5800) and Part 4 (commencing with Section 5850) of this division, shall be determined in accordance with the Uniform Method of Determining Ability to Pay applicable to other publicly funded mental health services, unless this Uniform Method is replaced by another method of determining copayments, in which case the new method applicable to other mental health services shall be applicable to services pursuant to Part 3 (commencing with Section 5800) and Part 4 (commencing with Section 5850) of this division.

(f) (1) The Supportive Housing Program Subaccount is hereby created in the ~~Mental Behavioral~~ Health Services Fund. Notwithstanding Section 13340 of the Government Code, all moneys in the subaccount are reserved and continuously appropriated, without regard to fiscal years, to the California Health Facilities Financing Authority to provide funds to meet its financial obligations pursuant to any service contracts entered into pursuant to Section 5849.35. Notwithstanding any other law, including any other provision of this section, no later than the last day of each month, the Controller shall, before any transfer or expenditure from the fund for any other purpose for the following month, transfer from the ~~Mental Behavioral~~ Health Services Fund to the Supportive Housing Program Subaccount an amount that has been certified by the California Health Facilities Financing Authority pursuant to paragraph (3) of subdivision (a) of Section 5849.35, but not to exceed an aggregate amount of one hundred forty million dollars (\$140,000,000) per year. If, in any month, the amounts in the ~~Mental Behavioral~~ Health Services Fund are insufficient to fully transfer to the subaccount or the amounts in the subaccount are insufficient to fully pay the amount certified by the California Health Facilities Financing Authority, the shortfall shall be carried over to the next month, to be transferred by the Controller with any transfer required by the preceding sentence. Moneys in the Supportive Housing Program Subaccount shall not be loaned to the General Fund pursuant to Section 16310 or 16381 of the Government Code.

(2) Prior to the issuance of any bonds pursuant to Section 15463 of the Government Code, the Legislature may appropriate for transfer funds in the ~~Mental Behavioral~~ Health Services Fund to the Supportive Housing Program Subaccount in an amount up to one hundred forty million dollars (\$140,000,000) per year. Any amount appropriated for transfer pursuant to this paragraph and deposited in the No Place Like Home Fund shall reduce the authorized but unissued amount of bonds that the California Health Facilities Financing Authority may issue pursuant to Section 15463 of the Government Code by a corresponding amount. Notwithstanding Section 13340 of the Government Code, all moneys in the subaccount transferred pursuant to this paragraph are reserved and continuously appropriated, without regard to fiscal years, for transfer to the No Place Like Home Fund, to be used for purposes of Part 3.9 (commencing with Section 5849.1). The Controller shall, before any transfer or expenditure from the fund for any other purpose for the following month but after any transfer from the fund for purposes of paragraph (1), transfer moneys appropriated from the ~~Mental Behavioral~~ Health Services Fund to the subaccount pursuant to this paragraph in equal amounts over the following 12-month period, beginning no later than 90 days after the effective date of the appropriation by the Legislature. If, in any month, the amounts in the ~~Mental Behavioral~~ Health Services Fund are insufficient to fully transfer to the subaccount or the amounts in the subaccount are insufficient to fully pay the amount



appropriated for transfer pursuant to this paragraph, the shortfall shall be carried over to the next month.

(3) The sum of any transfers described in paragraphs (1) and (2) shall not exceed an aggregate of one hundred forty million dollars (\$140,000,000) per year.

(4) Paragraph (2) shall become inoperative once any bonds authorized pursuant to Section 15463 of the Government Code are issued.

(g) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 13. Section 5891 of the Welfare and Institutions Code, as amended by Section 89 of Chapter 790 of the Statutes of 2023, is amended to read:

5891. (a) (1) (A) The funding established pursuant to this act shall be utilized to expand mental health services.

(B) Except as provided in subdivision (j) of Section 5892 due to the state's fiscal crisis, these funds shall not be used to supplant existing state or county funds utilized to provide mental health services.

(C) The state shall continue to provide financial support for mental health programs with not less than the same entitlements, amounts of allocations from the General Fund or from the Local Revenue Fund 2011 in the State Treasury, and formula distributions of dedicated funds as provided in the last fiscal year which ended prior to the effective date of this act.

(D) The state shall not make any change to the structure of financing mental health services, which increases a county's share of costs or financial risk for mental health services unless the state includes adequate funding to fully compensate for such increased costs or financial risk.

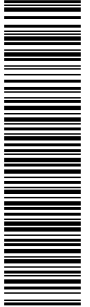
(E) These funds shall only be used to pay for the programs authorized in Sections 5890 and 5892. These funds may not be used to pay for any other program.

(F) These funds may not be loaned to the General Fund or any other fund of the state, or a county general fund or any other county fund for any purpose other than those authorized by Sections 5890 and 5892.

(2) To maximize federal financial participation in furtherance of subdivision (d) of Section 5890, a county shall submit claims for reimbursement to the State Department of Health Care Services in accordance with applicable Medi-Cal rules and procedures for a behavioral health service or supportive service eligible for reimbursement pursuant to Title XIX or XXI of the federal Social Security Act (42 U.S.C. Sec. 1396, et seq. and 1397aa, et seq.) when such service is paid, in whole or in part, using the funding established pursuant to this act.

(3) (A) To maximize funding from other sources, a county shall seek reimbursement for a behavioral health service, supportive service, housing intervention, or other related activity provided, pursuant to subdivision (a) of Section 5892, that is covered by or can be paid from another available funding source, including other mental health funds, substance use disorder funds, public and private insurance, and other local, state, and federal funds. This paragraph does not require counties to exhaust other funding sources before using behavioral health services fund moneys to pay for a service-related activity.

(B) A county shall make a good faith effort to enter into contracts, single case agreements, or other agreements to obtain reimbursement with health care service plans



and disability insurance plans, pursuant to Section 1374.72 of the Health and Safety Code and Section 10144.5 of the Insurance Code.

(C) A county shall also submit requests for prior authorization for services, request letters of agreement for payment as an out-of-network provider, and pursue other means to obtain reimbursement in accordance with state and federal laws.

(b) (1) Notwithstanding subdivision (a), and except as provided in paragraph (2), the Controller may use the funds created pursuant to this part for loans to the General Fund as provided in Sections 16310 and 16381 of the Government Code. Any such loan shall be repaid from the General Fund with interest computed at 110 percent of the Pooled Money Investment Account rate, with interest commencing to accrue on the date the loan is made from the fund. This subdivision does not authorize any transfer that would interfere with the carrying out of the object for which these funds were created.

(2) This subdivision does not apply to the Supportive Housing Program Subaccount created by subdivision (f) of Section 5890 or any moneys paid by the California Health Facilities Financing Authority to the Department of Housing and Community Development as a service fee pursuant to a service contract authorized by Section 5849.35.

(c) Commencing July 1, 2012, on or before the 15th day of each month, pursuant to a methodology provided by the State Department of Health Care Services, the Controller shall distribute to each Local Mental Health Service Fund established by counties pursuant to subdivision (f) of Section 5892, all unexpended and unreserved funds on deposit as of the last day of the prior month in the ~~Mental Behavioral Health Services Fund~~, established pursuant to Section 5890, for the provision of programs and other related activities set forth in Part 3 (commencing with Section 5800), Part 3.2 (commencing with Section 5830), Part 3.6 (commencing with Section 5840), Part 3.9 (commencing with Section 5849.1), and Part 4 (commencing with Section 5850).

(d) (1) Counties shall base their expenditures on the county mental health program's three-year program and expenditure plan or annual update, as required by Section 5847.

(2) This subdivision does not affect subdivision (a) or (b).

(e) This act shall not be construed to modify or reduce a health plan's obligations under the Knox-Keene Health Care Service Plan Act of 1975.

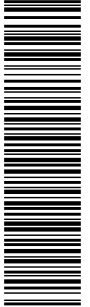
(f) This section shall become operative immediately if amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election.

(g) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 14. Section 5892 of the Welfare and Institutions Code, as added by Section 94 of Chapter 790 of the Statutes of 2023, is amended to read:

5892. (a) To promote efficient implementation of this act, the county shall use funds distributed from the ~~Mental Behavioral Health Services Fund~~ as follows:

(1) Twenty percent of funds distributed to the counties pursuant to subdivision (c) of Section 5891 shall be used for prevention and early intervention programs in accordance with Part 3.6 (commencing with Section 5840).



(2) The expenditure for prevention and early intervention may be increased in a county in which the department determines that the increase will decrease the need and cost for additional services to persons with severe mental illness in that county by an amount at least commensurate with the proposed increase.

(3) The balance of funds shall be distributed to county mental health programs for services to persons with severe mental illnesses pursuant to Part 4 (commencing with Section 5850) for the children's system of care and Part 3 (commencing with Section 5800) for the adult and older adult system of care. These services may include housing assistance, as defined in Section 5892.5, to the target population specified in Section 5600.3.

(4) Five percent of the total funding for each county mental health program for Part 3 (commencing with Section 5800), Part 3.6 (commencing with Section 5840), and Part 4 (commencing with Section 5850) shall be utilized for innovative programs in accordance with Sections 5830, 5847, and 5963.03.

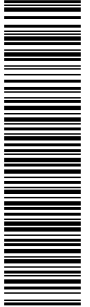
(b) (1) Programs for services pursuant to Part 3 (commencing with Section 5800) and Part 4 (commencing with Section 5850) may include funds for technological needs and capital facilities, human resource needs, and a prudent reserve to ensure services do not have to be significantly reduced in years in which revenues are below the average of previous years. The total allocation for purposes authorized by this subdivision shall not exceed 20 percent of the average amount of funds allocated to that county for the previous five fiscal years pursuant to this section.

(2) A county shall calculate a maximum amount it establishes as the prudent reserve for its Local Behavioral Health Services Fund, not to exceed 33 percent of the average of the total funds distributed to the county pursuant to subdivision (c) of Section 5891 in the preceding five years.

(3) A county with a population of less than 200,000 shall calculate a maximum amount it establishes as the prudent reserve for its Local Behavioral Health Services Fund, not to exceed 25 percent of the average of the total funds distributed to the county pursuant to subdivision (c) of Section 5891 in the preceding five years.

(c) Notwithstanding subdivision (a) of Section 5891, the allocations pursuant to subdivisions (a) and (b) shall include funding for annual planning costs pursuant to Sections 5847 and 5963.03. The total of these costs shall not exceed 5 percent of the total of annual revenues received for the Local Behavioral Health Services Fund. The planning costs shall include funds for county mental health programs to pay for the costs of consumers, family members, and other stakeholders to participate in the planning process and for the planning and implementation required for private provider contracts to be significantly expanded to provide additional services pursuant to Part 3 (commencing with Section 5800) and Part 4 (commencing with Section 5850).

(d) (1) Notwithstanding subdivision (a) of Section 5891, the allocations pursuant to subdivision (a) may include funding to improve plan operations, quality outcomes, fiscal and programmatic data reporting, and monitoring of subcontractor compliance for all county behavioral health programs, including, but not limited to, programs administered by a Medi-Cal behavioral health delivery system, as defined in subdivision (i) of Section 14184.101, and programs funded by the Projects for Assistance in Transition from Homelessness grant, the Community Mental Health Services Block Grant, and other Substance Abuse and Mental Health Services Administration grants.



(2) The total of these costs shall not exceed 2 percent of the total of annual revenues received for the Local Behavioral Health Services Fund.

(3) A county may commence use of funding pursuant to this paragraph on July 1, 2025.

(e) (1) (A) Prior to making the allocations pursuant to subdivisions (a), (b), (c), and (d), funds shall be reserved for state directed purposes for the California Health and Human Services Agency, the State Department of Health Care Services, the California Behavioral Health Planning Council, the Department of Health Care Access and Information, the Behavioral Health Services Oversight and Accountability Commission, the State Department of Public Health, and any other state agency.

(B) These costs shall not exceed 5 percent of the total of annual revenues received for the fund.

(C) The costs shall include funds to assist consumers and family members to ensure the appropriate state and county agencies give full consideration to concerns about quality, structure of service delivery, or access to services.

(D) The amounts allocated for state directed purposes shall include amounts sufficient to ensure adequate research and evaluation regarding the effectiveness of services being provided and achievement of the outcome measures set forth in Part 3 (commencing with Section 5800), Part 3.6 (commencing with Section 5840), and Part 4 (commencing with Section 5850).

(E) The amount of funds available for the purposes of this subdivision in any fiscal year is subject to appropriation in the annual Budget Act.

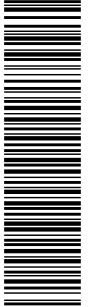
(2) Prior to making the allocations pursuant to subdivisions (a), (b), (c), and (d), funds shall be reserved for the costs of the Department of Health Care Access and Information to administer a behavioral health workforce initiative in collaboration with the California Health and Human Services Agency. Funding for this purpose shall not exceed thirty-six million ~~dollars~~ dollars (\$36,000,000). The amount of funds available for the purposes of this subdivision in any fiscal year is subject to appropriation in the annual Budget Act.

(f) Each county shall place all funds received from the State ~~Mental Behavioral~~ Health Services Fund in a local Mental Health Services Fund. The Local Mental Health Services Fund balance shall be invested consistent with other county funds and the interest earned on the investments shall be transferred into the fund. The earnings on investment of these funds shall be available for distribution from the fund in future fiscal years.

(g) All expenditures for county mental health programs shall be consistent with a currently approved plan or update pursuant to Section 5847.

(h) (1) Other than funds placed in a reserve in accordance with an approved plan, any funds allocated to a county that have not been spent for their authorized purpose within three years, and the interest accruing on those funds, shall revert to the state to be deposited into the Reversion Account, hereby established in the fund, and available for other counties in future years, provided, however, that funds, including interest accrued on those funds, for capital facilities, technological needs, or education and training may be retained for up to 10 years before reverting to the Reversion Account.

(2) (A) If a county receives approval from the Mental Health Services Oversight and Accountability Commission of a plan for innovative programs, pursuant to subdivision (e) of Section 5830, the county's funds identified in that plan for innovative



programs shall not revert to the state pursuant to paragraph (1) so long as they are encumbered under the terms of the approved project plan, including any subsequent amendments approved by the commission, or until three years after the date of approval, whichever is later.

(B) Subparagraph (A) applies to all plans for innovative programs that have received commission approval and are in the process at the time of enactment of the act that added this subparagraph, and to all plans that receive commission approval thereafter.

(3) Notwithstanding paragraph (1), funds allocated to a county with a population of less than 200,000 that have not been spent for their authorized purpose within five years shall revert to the state as described in paragraph (1).

(4) (A) Notwithstanding paragraphs (1) and (2), if a county with a population of less than 200,000 receives approval from the Mental Health Services Oversight and Accountability Commission of a plan for innovative programs, pursuant to subdivision (e) of Section 5830, the county's funds identified in that plan for innovative programs shall not revert to the state pursuant to paragraph (1) so long as they are encumbered under the terms of the approved project plan, including any subsequent amendments approved by the commission, or until five years after the date of approval, whichever is later.

(B) Subparagraph (A) applies to all plans for innovative programs that have received commission approval and are in the process at the time of enactment of the act that added this subparagraph, and to all plans that receive commission approval thereafter.

(i) Notwithstanding subdivision (h) and Section 5892.1, unspent funds allocated to a county, and interest accruing on those funds, which are subject to reversion as of July 1, 2019, and July 1, 2020, shall be subject to reversion on July 1, 2021.

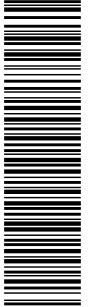
(j) If there are revenues available in the fund after the State Department of Health Care Services has determined there are prudent reserves and no unmet needs for any of the programs funded pursuant to this section, the department, in consultation with counties, shall develop a plan for expenditures of these revenues to further the purposes of this act and the Legislature may appropriate these funds for any purpose consistent with the department's plan that furthers the purposes of this act.

(k) This section shall become operative on January 1, 2025, if amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election.

(l) This section shall become inoperative on July 1, 2026, if amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election.

SEC. 15. Section 5892.5 of the Welfare and Institutions Code, as amended by Section 99 of Chapter 790 of the Statutes of 2023, is amended to read:

5892.5. (a) (1) The California Housing Finance Agency, with the concurrence of the State Department of Health Care Services, shall release unencumbered ~~Mental Behavioral~~ Health Services Fund moneys dedicated to the Mental Health Services Act housing program upon the written request of the respective county. The county shall use these ~~Mental Behavioral~~ Health Services Fund moneys released by the agency to provide housing assistance to the target populations who are identified in Section 5600.3.



(2) For purposes of this section, “housing assistance” means each of the following:

(A) Rental assistance or capitalized operating subsidies.

(B) Security deposits, utility deposits, or other move-in cost assistance.

(C) Utility payments.

(D) Moving cost assistance.

(E) Capital funding to build or rehabilitate housing for homeless, mentally ill persons or mentally ill persons who are at risk of being homeless.

(b) For purposes of administering those funds released to a respective county pursuant to subdivision (a), the county shall comply with all of the requirements described in the Mental Health Services Act, including, but not limited to, Sections 5664, 5847, subdivision (h) of Section 5892, and 5899.

(c) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 16. Section 5893 of the Welfare and Institutions Code, as amended by Section 101 of Chapter 790 of the Statutes of 2023, is amended to read:

5893. (a) In any year in which the funds available exceed the amount allocated to counties, such funds shall be carried forward to the next fiscal year to be available for distribution to counties in accordance with Section 5892 in that fiscal year.

(b) All funds deposited into the ~~Mental~~ Behavioral Health Services Fund shall be invested in the same manner in which other state funds are invested. The fund shall be increased by its share of the amount earned on investments.

(c) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 17. Section 5895 of the Welfare and Institutions Code, as amended by Section 103 of Chapter 790 of the Statutes of 2023, is amended to read:

5895. (a) If any provisions of Part 3 (commencing with Section 5800) or Part 4 (commencing with Section 5850) are repealed or modified so the purposes of this act cannot be accomplished, the funds in the ~~Mental~~ Behavioral Health Services Fund shall be administered in accordance with those sections as they read on January 1, 2004.

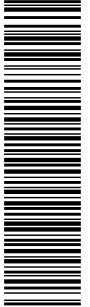
(b) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 18. Section 5899 of the Welfare and Institutions Code, as amended by Section 108 of Chapter 790 of the Statutes of 2023, is amended to read:

5899. (a) (1) The State Department of Health Care Services, in consultation with the Mental Health Services Oversight and Accountability Commission and the County Behavioral Health Directors Association of California, shall develop and administer instructions for the Annual Mental Health Services Act Revenue and Expenditure Report.

(2) The instructions shall include a requirement that the county certify the accuracy of this report.

(3) With the exception of expenditures and receipts related to the capital facilities and technology needs component described in paragraph (6) of subdivision (d), each county shall adhere to uniform accounting standards and procedures that conform to



the Generally Accepted Accounting Principles prescribed by the Controller pursuant to Section 30200 of the Government Code when accounting for receipts and expenditures of Mental Health Services Act (MHSA) funds in preparing the report.

(4) Counties shall report receipts and expenditures related to capital facilities and technology needs using the cash basis of accounting, which recognizes expenditures at the time payment is made.

(5) Each county shall electronically submit the report to the department and to the Mental Health Services Oversight and Accountability Commission.

(6) The department and the commission shall annually post each county's report in a text-searchable format on its internet website in a timely manner.

(b) The department, in consultation with the commission and the County Behavioral Health Directors Association of California, shall revise the instructions described in subdivision (a) by July 1, 2017, and as needed thereafter, to improve the timely and accurate submission of county revenue and expenditure data.

(c) The purpose of the Annual Mental Health Services Act Revenue and Expenditure Report is as follows:

(1) Identify the expenditures of MHSA funds that were distributed to each county.

(2) Quantify the amount of additional funds generated for the mental health system as a result of the MHSA.

(3) Identify unexpended funds and interest earned on MHSA funds.

(4) Determine reversion amounts, if applicable, from prior fiscal year distributions.

(d) This report is intended to provide information that allows for the evaluation of all of the following:

(1) Children's systems of care.

(2) Prevention and early intervention strategies.

(3) Innovative projects.

(4) Workforce education and training.

(5) Adults and older adults systems of care.

(6) Capital facilities and technology needs.

(e) If a county does not submit the annual revenue and expenditure report described in subdivision (a) by the required deadline, the department may withhold MHSA funds until the reports are submitted.

(f) A county shall also report the amount of MHSA funds that were spent on mental health services for veterans.

(g) By October 1, 2018, and by October 1 of each subsequent year, the department shall, in consultation with counties, publish on its internet website a report detailing funds subject to reversion by county and by originally allocated purpose. The report also shall include the date on which the funds will revert to the ~~Mental Behavioral~~ Health Services Fund.

(h) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 19. Section 14705 of the Welfare and Institutions Code is amended to read:

14705. (a) (1) This section shall apply to specialty mental health services provided by counties to Medi-Cal eligible individuals. Counties shall provide services



to Medi-Cal beneficiaries and seek the maximum federal reimbursement possible for services rendered to persons with mental illnesses.

(2) To the extent permitted under federal law and Section 5892, funds distributed to the counties from the Mental Health Subaccount, the Mental Health Equity Subaccount, and the Vehicle License Collection Account of the Local Revenue Fund, funds from the Mental Health Account and the Behavioral Health Subaccount of the Local Revenue Fund 2011, funds from the ~~Mental~~ Behavioral Health Services Fund, and any other funds from which the Controller makes distributions to the counties may be used to pay for services provided by these funds that the counties can then certify as public expenditures in order to achieve the maximum federal reimbursement possible for services pursuant to this chapter.

(3) The standards and guidelines for the administration of specialty mental health services to Medi-Cal eligible persons shall be consistent with federal Medicaid requirements, as specified in the approved Medicaid state plan and waivers to ensure full and timely federal reimbursement to counties for services that are rendered and claimed consistent with federal Medicaid requirements.

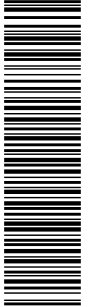
(b) With regard to each person receiving specialty mental health services from a mental health plan, the mental health plan shall verify whether the person is Medi-Cal eligible and, if determined to be Medi-Cal eligible, the person shall be referred when appropriate to a facility, clinic, or program that is certified for Medi-Cal reimbursement.

(c) With regard to county operated facilities, clinics, or programs for which claims are submitted to the department for Medi-Cal reimbursement for specialty mental health services to Medi-Cal eligible individuals, the county shall ensure that all requirements necessary for Medi-Cal reimbursement for these services are complied with, including, but not limited to, utilization review and the submission of yearend cost reports by December 31 following the close of the fiscal year.

(d) Counties shall certify to the state that they have incurred public expenditures prior to requesting the reimbursement of federal funds.

~~(e) This section shall become operative on July 1, 2012.~~

SEC. 20. The amendments to Sections 7903, 16310, and 30026.5 of the Government Code, Section 51312 of the Health and Safety Code, and Sections 5014, 5349, 5813.5, 5840.6, 5847, 5849.35, 5890, 5891, 5893, 5895, 5899, and 14705 of the Welfare and Institutions Code, as amended by the act that added this section shall become operative January 1, 2025.



LEGISLATIVE COUNSEL'S DIGEST

Bill No.
as introduced, _____.
General Subject: Behavioral Health Services Act.

Existing law, the Mental Health Services Act (MHSA), an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, funds a system of county mental health plans for the provision of mental health services. The MHSA establishes the Mental Health Services Fund. Existing law, the Behavioral Health Services Act (BHSA), approved by the voters as Proposition 1 at the March 5, 2024, statewide primary election, commencing January 1, 2025, revises and recasts the MHSA by, among other things, creating the Behavioral Health Services Fund. Existing law requires that any moneys remaining in the Mental Health Services Fund on January 1, 2025, be transferred to the Behavioral Health Services Fund.

This bill would make conforming technical changes consistent with the creation of, and the transfer of moneys to, the Behavioral Health Services Fund, operative January 1, 2025. The bill would make technical, nonsubstantive changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

