SB 326 – Sections NOT Included in Proposition 1

SB 326 sections to Proposition 1 – Sections 1, 2, 14, 15, 18 to 23, 28 to 30, 35 to 40, 42 to 44, 49 to 59, 62 to 64, 73 to 81, 86 to 95, 98 to 100, 103 to 112, 116, and 117 (70 of 119 total sections).

SB 326 sections **NOT** included in Proposition 1: Sections 3-13, 16-17, 24-27, 31-34, 41, 45-48, 60-61, 65-72, 82-85, 96-97, 101-102, 113-115, 118-119

Section	Code Section	Issue	Effective Date
3	EC 99277	Repeals section establishing advisory board for the CA Bench to School Initiative.	Repeal 1/1/25, contingent on approval of MHSA amends
4	EC 99277	Readds section with technical change from MHSOAC to BHSOAC.	1/1/25, contingent on approval of MHSA amends
5	HSC 131315	Repeals section requiring Office of Suicide Prevention to consult with MHSOAC to implement specified prevention efforts.	Repeal 1/1/25, contingent on approval of MHSA amends
6	HSC 131315	Readds section with technical change from MHSOAC to BHSOAC.	1/1/25, contingent on approval of MHSA amends
7	RTC 19602.5	Repeals section establishing Mental Health Services Fund (MHSF).	Repeal 1/1/25, contingent on approval of MHSA amends
8	RTC 19602.5	Readds section and revises MHSF to BH Services Fund. **NEW**: To the extent that there are moneys remaining in the MHSF on the date this section becomes operative, those moneys shall be transferred to the Behavioral Health Services Fund. Amounts owed or encumbered at the time of transfer shall be used in the manner required by the MHSA. Any funds not owed or encumbered by the MHSA may be used in the same manner as any other moneys in the BHSF.	1/1/25, contingent on approval of MHSA amends
9	UIC 1095.5	Repeals section authorizing EDD Director to share info as necessary with MHSOAC to receive quarterly wage data on MH consumers.	Repeal 1/1/25, contingent on approval of MHSA amends

SB 326 – Sections NOT Included in Proposition 1

10	UIC 1095.5	Readds section with technical change from MHSOAC to BHSOAC and adds authority to receive wage data on those with MH, SUD, or both.	1/1/25, contingent on approval of MHSA amends
11	WIC 4090	Allows DHCS to develop and revise documentation standards for social rehabilitation facilities and community residential treatment programs to be consistent with the standards developed pursuant to Section 14184.402(h)(3).	Immediate
12	WIC 4094	Allows DHCS to develop and revise documentation standards for community treatment facilities to be consistent with the standards developed pursuant to Section 14184.402(h)(3).	Immediate
13	WIC 4096.5	Allows DHCS to develop and revise documentation standards for STRTPs to be consistent with the standards developed pursuant to Section 14184.402(h)(3). Requires DHCS to require STRTPs to implement the documentation standards developed pursuant to paragraph (1) and shall monitor compliance with these standards as part of program reviews.	Immediate
16	WIC 5604.1	Repeals section specifying MH boards are subject to the Brown Act.	Repeal 1/1/25, contingent on approval of MHSA amends
17	WIC 5604.1	Readds section and specifies behavioral health (BH) boards are subject to the Brown Act.	1/1/25, contingent on approval of MHSA amends
24	WIC 5610	Repeals section on county MH reporting requirements.	Repeal 7/1/26, contingent on approval of MHSA amends
25	WIC 5610	Readds section and requires county BH (vs MH) systems to comply with reporting requirements developed by DHCS.	7/1/26, contingent on approval of MHSA amends
26	WIC 5613	Repeals section requiring annual reporting by counties on performance measures to MH boards and DHCS.	Repeal 1/1/25, contingent on approval of MHSA amends
27	WIC 5613	Readds section and requires annual reporting by counties on performance measures to BH (vs MH) boards and DHCS.	1/1/25, contingent on approval of MHSA amends

SB 326 – Sections NOT Included in Proposition 1

31	WIC 5664	Readds section requiring county BH to provide reports and data to the state, and revises reference from MHSOAC to BHSOAC	1/1/25, contingent on approval of MHSA amends
32	WIC 5675	MH rehabilitation centers - DHCS authorized to develop and revise documentation stds and required to conduct annual licensing inspections. Requires MH rehab centers to implement these documentation stds.	Immediate
33	WIC 5771.1	Repeals section specifying members of MHSOAC are members of CA BH Planning Council.	Repeal 7/1/26, contingent on approval of MHSA amends
34	WIC 5771.1	Readds section to revise MHSOAC to BHSOAC.	7/1/26, contingent on approval of MHSA amends
41	WIC 5813.6	Removes DHCS requirement to submit data on Jan 10 (leaves requirement to submit at May Revision) to Legislature re projected Prop 63 expenditures.	Immediate
45	WIC 5835	Repeals section – Early Psychosis Intervention (EPI) Plus Program	Repeal 7/1/26, contingent on approval of MHSA amends
46	WIC 5835	Readds section with technical changes	7/1/26, contingent on approval of MHSA amends
47	WIC 5835.2	Repeals section - advisory committee to MHSOAC	Repeal 7/1/26, contingent on approval of MHSA amends
48	WIC 5835.2	Readds section with technical changes	7/1/26, contingent on approval of MHSA amends
60	WIC 5845.5	Repeals section - MHSOAC Fellowship Program	Repeal 1/1/25, contingent on approval of MHSA amends
61	WIC 5845.5	Readds section with technical changes	1/1/25, contingent on approval of MHSA amends
65	WIC 5848.5	Repeals Investment in MH Wellness Act of 2013	Repeal 1/1/25, contingent on approval of MHSA amends
66	WIC 5848.5	Readds section with technical changes	1/1/25, contingent on approval of MHSA amends

SB 326 – Sections NOT Included in Proposition 1

67	WIC 5849.1	Repeals provisions re No Place Like Home (NPLH)	Repeal 1/1/25, contingent on approval of MHSA amends
68	WIC 5849.1	Readds section with technical changes	1/1/25, contingent on approval of MHSA amends
69	WIC 5849.2	Repeals section - definitions including homeless, chronically homeless.	Repeal 1/1/25, contingent on approval of MHSA amends
70	WIC 5849.2	Readds section and revises definition of "chronically homeless" for NPLH to include "or as otherwise modified or expanded by DHCS." (conforms to definition throughout BHSA)	1/1/25, contingent on approval of MHSA amends
71	WIC 5849.3	Repeals section - NPLH Advisory Committee	Repeal 1/1/25, contingent on approval of MHSA amends
72	WIC 5849.3	Readds section with technical changes	1/1/25, contingent on approval of MHSA amends
82	WIC 5881	Repeals section re evaluations by county staff	Repeal 1/1/25, contingent on approval of MHSA amends
83	WIC 5881	Readds section with technical changes	1/1/25, contingent on approval of MHSA amends
84	WIC 5886	Repeals section - MH Student Services Act	Repeal 1/1/25, contingent on approval of MHSA amends
85	WIC 5886	Readds section and renames BH Student Svcs Act	1/1/25, contingent on approval of MHSA amends
96	WIC 5892.1	Repeals section - reversion of unspent funds	Repeal 7/1/26, contingent on approval of MHSA amends
97	WIC 5892.1	Readds section with technical changes	7/1/26, contingent on approval of MHSA amends
101	WIC 5893	Repeals section - fund carryforward	Repeal 7/1/26, contingent on approval of MHSA amends
102	WIC 5893	Readds section with technical changes	7/1/26, contingent on approval of MHSA amends
113	WIC 14707.5	Repeals existing provision of law requiring DHCS, in consultation with CalHHS and MHSOAC, to create a plan for	Repeal 1/1/25, contingent on approval of MHSA amends

		a performance outcome system for EPSDT mental health services.	
114	WIC 14707.5	Readds section requiring DHCS to create a plan for a performance outcome system for EPSDT to reference BHSOAC instead of MHSOAC.	1/1/25, contingent on approval of MHSA amends
115		DHCS regs/notice authority	Immediate
118		Specifies sections of Prop 1	Immediate
119		Urgency clause	Immediate

SEC. 3.

Section 99277 of the Education Code is amended to read:

99277.

(a) Upon receiving funding for purposes of this chapter, UCSF, the UC college named in Section 92200, and the UC/CSU California Collaborative on Neurodiversity and Learning shall each appoint one member from the respective institutions. This group shall be charged with the development and oversight of the initiative, and shall function as the institute's management committee. The management committee shall be permitted, but not obligated, to retain a program director to assist in the implementation of the initiative.

(b) An advisory board, with its title and members to be named by the institute, shall be established to serve as an oversight body for the initiative in order to monitor progress and provide leadership from the perspectives of their respective participating organizations, departments, and divisions, and to facilitate collaboration among researchers, practitioners, administrators, legislators, and community stakeholders. The advisory board shall provide expertise and support to the management committee. The membership of the advisory board shall be constituted as set forth in subdivision (c). The advisory board shall be a check on accountability in order to ensure that the initiative is meeting its goals. The advisory board shall also conduct a fiscal review of the distribution of funds to ensure alignment with the goals of the initiative.

(c) The members of the advisory board shall be representatives from the following institutions, organizations, agencies, and groups:

(1) UCSF.

(2) UC college named in Section 92200.

(3) The UC/CSU California Collaborative for Learning and Neurodiversity.

(4) The Mental Health Services Oversight and Accountability Commission.

(5) A Member of the Assembly selected by the Speaker of the Assembly.

(6) A Senator selected by the President pro Tempore of the Senate.

(7) Community representatives, including formerly justice-involved persons and their family members, selected by the Governor, the Speaker of the Assembly, and the President pro Tempore of the Senate.

(d) The advisory board shall meet twice per year, with the potential for additional working group meetings. At each meeting, the advisory board shall participate in a review of reports, including updates on research, practice, and policy efforts, as well as fiscal reporting.

(e) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 4.

Section 99277 is added to the Education Code, to read:

99277.

(a) Upon receiving funding for purposes of this chapter, UCSF, the UC college named in Section 92200, and the UC/CSU California Collaborative on Neurodiversity and Learning shall each appoint one member from the respective institutions. This group shall be charged with the development and oversight of the initiative and shall function as the institute's management committee. The management committee shall be permitted, but not obligated, to retain a program director to assist in the implementation of the initiative.

(b) (1) An advisory board, with its title and members to be named by the institute, shall be established to serve as an oversight body for the initiative in order to monitor progress and provide leadership from the perspectives of their respective participating organizations, departments, and divisions and to facilitate collaboration among researchers, practitioners, administrators, legislators, and community stakeholders.

(2) The advisory board shall provide expertise and support to the management committee.

(3) The advisory board shall be a check on accountability to ensure that the initiative is meeting its goals.

(4) The advisory board shall conduct a fiscal review of the distribution of funds to ensure alignment with the goals of the initiative.

(5) The membership of the advisory board shall be constituted as set forth in subdivision (c).

(c) The members of the advisory board shall be representatives from the following institutions, organizations, agencies, and groups:

(1) UCSF.

(2) UC college named in Section 92200.

(3) The UC/CSU California Collaborative for Learning and Neurodiversity.

(4) The Behavioral Health Services Oversight and Accountability Commission.

(5) A Member of the Assembly selected by the Speaker of the Assembly.

(6) A Senator selected by the President pro Tempore of the Senate.

(7) Community representatives, including formerly justice-involved persons and their family members, selected by the Governor, the Speaker of the Assembly, and the President pro Tempore of the Senate.

(d) (1) The advisory board shall meet twice per year, with the potential for additional working group meetings.

(2) At each meeting, the advisory board shall participate in a review of reports, including updates on research, practice, and policy efforts, as well as fiscal reporting.

(e) 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.

SEC. 5.

Section 131315 of the Health and Safety Code is amended to read:

131315.

If the Office of Suicide Prevention is established pursuant to Section 131300, all of the following shall apply:

(a) The Office of Suicide Prevention shall consult with the Mental Health Services Oversight and Accountability Commission to implement suicide prevention efforts consistent with the Mental Health Services Oversight and Accountability Commission's Suicide Prevention Report "Striving for Zero" and described pursuant to Provision 1 of Item 4560-001-3085 of Section 2.00 of the Budget Act of 2020.

(b) This section does not authorize the Office of Suicide Prevention to perform any of the duties required by the commission under Part 3.7 (commencing with Section 5845) of Division 5 of, or administer any program funded by Part 4.5 (commencing with Section 5890) of Division 5 of, the Welfare and Institutions Code.

(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 remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 6.

Section 131315 is added to the Health and Safety Code, to read:

131315.

(a) If the Office of Suicide Prevention is established pursuant to Section 131300, both of the following shall apply:

(1) The Office of Suicide Prevention shall consult with the Behavioral Health Services Oversight and Accountability Commission to implement suicide prevention efforts consistent with the Suicide Prevention Report "Striving for Zero," as described pursuant to Provision 1 of Item 4560-001-3085 of Section 2.00 of the Budget Act of 2020.

(2) This section does not authorize the Office of Suicide Prevention to perform any of the duties required by the commission under Part 3.7 (commencing with Section 5845) of Division 5 of, or administer a program funded by Part 4.5 (commencing with Section 5890) of Division 5 of, the Welfare and Institutions Code.

(b) 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.

SEC. 7.

Section 19602.5 of the Revenue and Taxation Code is amended to read:

19602.5.

(a) There is in the State Treasury the Mental Health Services Fund (MHS Fund). The estimated revenue from the additional tax imposed under Section 17043 for the applicable fiscal year, as determined under subparagraph (B) of paragraph (3) of subdivision (c), shall be deposited to the MHS Fund on a monthly basis, subject to an annual adjustment as described in this section.

(b) (1) Beginning with fiscal year 2004–05 and for each fiscal year thereafter, the Controller shall deposit on a monthly basis in the MHS Fund an amount equal to the applicable percentage of net personal income tax receipts as defined in paragraph (4).

(2) (A) Except as provided in subparagraph (B), the applicable percentage referred to in paragraph (1) shall be 1.76 percent.

(B) For fiscal year 2004–05, the applicable percentage shall be 0.70 percent.

(3) Beginning with fiscal year 2006–07, monthly deposits to the MHS Fund pursuant to this subdivision are subject to suspension pursuant to subdivision (f).

(4) For purposes of this subdivision, "net personal income tax receipts" refers to amounts received by the Franchise Tax Board and the Employment Development Department under the Personal Income Tax Law, as reported by the Franchise Tax Board to the Department of Finance pursuant to law, regulation, procedure, and practice (commonly referred to as the "102 Report") in effect on the effective date of the act establishing this section.

(c) No later than March 1, 2006, and each March 1 thereafter, the Department of Finance, in consultation with the Franchise Tax Board, shall determine the annual adjustment amount for the following fiscal year.

(1) The "annual adjustment amount" for any fiscal year shall be an amount equal to the amount determined by subtracting the "revenue adjustment amount" for the applicable revenue adjustment fiscal year, as determined by the Franchise Tax Board under paragraph (3), from the "tax liability adjustment amount" for applicable tax liability adjustment tax year, as determined by the Franchise Tax Board under paragraph (2).

(2) (A) (i) The "tax liability adjustment amount" for a tax year is equal to the amount determined by subtracting the estimated tax liability increase from the additional tax imposed under Section 17043 for the applicable year under subparagraph (B) from the amount of the actual tax liability increase from the additional tax imposed under Section 17043 for the applicable tax year, based on the returns filed for that tax year.

(ii) For purposes of the determinations required under this paragraph, actual tax liability increase from the additional tax means the increase in tax liability resulting from the tax of 1 percent imposed under Section 17043, as reflected on the original returns filed by October 15 of the year after the close of the applicable tax year.

(iii) The applicable tax year referred to in this paragraph means the 12-calendar month taxable year beginning on January 1 of the year that is two years before the beginning of the fiscal year for which an annual adjustment amount is calculated.

(B) (i) The estimated tax liability increase from the additional tax for the following tax years is:

Tax Year	Estimated Tax Liability Increase from the Additional Tax
2005	$634 million
2006	$672 million
2007	$713 million
2008	$758 million

(ii) The "estimated tax liability increase from the additional tax" for the tax year beginning in 2009 and each tax year thereafter shall be determined by applying an annual growth rate of 7 percent to the "estimated tax liability increase from additional tax" of the immediately preceding tax year.

(3) (A) The "revenue adjustment amount" is equal to the amount determined by subtracting the "estimated revenue from the additional tax" for the applicable fiscal year, as determined under subparagraph (B), from the actual amount transferred for the applicable fiscal year.

(B) (i) The "estimated revenue from the additional tax" for the following applicable fiscal years is:

Applicable Fiscal Year	Estimated Revenue from Additional Tax
2004–05	$254 million
2005–06	$683 million
2006–07	$690 million
2007–08	$733 million

(ii) The "estimated revenue from the additional tax" for applicable fiscal year 2007–08 and each applicable fiscal year thereafter shall be determined by applying an annual growth rate of 7 percent to the "estimated revenue from the additional tax" of the immediately preceding applicable fiscal year.

(iii) The applicable fiscal year referred to in this paragraph means the fiscal year that is two years before the fiscal year for which an annual adjustment amount is calculated.

(d) The Department of Finance shall notify the Legislature and the Controller of the results of the determinations required under subdivision (c) no later than 10 business days after the determinations are final.

(e) If the annual adjustment amount for a fiscal year is a positive number, the Controller shall transfer that amount from the General Fund to the MHS Fund on July 1 of that fiscal year.

(f) If the annual adjustment amount for a fiscal year is a negative number, the Controller shall suspend monthly transfers to the MHS Fund for that fiscal year, as otherwise required by paragraph (1) of subdivision (b), until the total amount of suspended deposits for that fiscal year equals the amount of the negative annual adjustment amount for that fiscal year.

(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 remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 8.

Section 19602.5 is added to the Revenue and Taxation Code, to read:

19602.5.

(a) There is in the State Treasury the Behavioral Health Services (BHS) Fund. The estimated revenue from the additional tax imposed under Section 17043 for the applicable fiscal year, as determined under subparagraph (B) of paragraph (3) of subdivision (c), shall be deposited to the BHS Fund on a monthly basis, subject to an annual adjustment as described in this section.

(b) (1) Each fiscal year, the Controller shall deposit on a monthly basis in the BHS Fund an amount equal to the applicable percentage of net personal income tax receipts as defined in paragraph (4).

(2) The applicable percentage referred to in paragraph (1) shall be 1.76 percent.

(3) Monthly deposits to the BHS Fund pursuant to this subdivision are subject to suspension pursuant to subdivision (f).

(4) For purposes of this subdivision, "net personal income tax receipts" refers to amounts received by the Franchise Tax Board and the Employment Development Department under the Personal Income Tax Law, as reported by the Franchise Tax Board to the Department of Finance pursuant to law, regulation, procedure, and practice (commonly referred to as the "102 Report") in effect on the effective date of the act establishing this section.

(c) No later than March 1, 2006, and each March 1 thereafter, the Department of Finance, in consultation with the Franchise Tax Board, shall determine the annual adjustment amount for the following fiscal year.

SB 326 – Sections NOT Included in Proposition 1

(1) The "annual adjustment amount" for a fiscal year shall be an amount equal to the amount determined by subtracting the "revenue adjustment amount" for the applicable revenue adjustment fiscal year, as determined by the Franchise Tax Board under paragraph (3), from the "tax liability adjustment amount" for applicable tax liability adjustment tax year, as determined by the Franchise Tax Board under paragraph (2).

(2) (A) (i) The "tax liability adjustment amount" for a tax year is equal to the amount determined by subtracting the estimated tax liability increase from the additional tax imposed under Section 17043 for the applicable year under subparagraph (B) from the amount of the actual tax liability increase from the additional tax imposed under Section 17043 for the applicable tax year, based on the returns filed for that tax year.

(ii) For purposes of the determinations required under this paragraph, actual tax liability increase from the additional tax means the increase in tax liability resulting from the tax of 1 percent imposed under Section 17043 as reflected on the original returns filed by October 15 of the year after the close of the applicable tax year.

(iii) The applicable tax year referred to in this paragraph means the 12-calendar month taxable year beginning on January 1 of the year that is two years before the beginning of the fiscal year for which an annual adjustment amount is calculated.

(B) The "estimated tax liability increase from the additional tax" for each tax year shall be determined by applying an annual growth rate of 7 percent to the "estimated tax liability increase from additional tax" of the immediately preceding tax year.

(3) (A) The "revenue adjustment amount" is equal to the amount determined by subtracting the "estimated revenue from the additional tax" for the applicable fiscal year, as determined under subparagraph (B), from the actual amount transferred for the applicable fiscal year.

(B) (i) The "estimated revenue from the additional tax" for each applicable fiscal year shall be determined by applying an annual growth rate of 7 percent to the "estimated revenue from the additional tax" of the immediately preceding applicable fiscal year.

(ii) The applicable fiscal year referred to in this paragraph means the fiscal year that is two years before the fiscal year for which an annual adjustment amount is calculated.

(d) The Department of Finance shall notify the Legislature and the Controller of the results of the determinations required under subdivision (c) no later than 10 business days after the determinations are final.

(e) If the annual adjustment amount for a fiscal year is a positive number, the Controller shall transfer that amount from the General Fund to the BHS Fund on July 1 of that fiscal year.

(f) If the annual adjustment amount for a fiscal year is a negative number, the Controller shall suspend monthly transfers to the BHS Fund for that fiscal year, as otherwise required by paragraph (1) of subdivision (b), until the total amount of suspended deposits for that fiscal year equals the amount of the negative annual adjustment amount for that fiscal year.

(g) To the extent that there are moneys remaining in the Mental Health Services Fund on the date this section becomes operative, those moneys shall be transferred to the Behavioral Health Services Fund. Amounts owed or encumbered at the time of transfer shall be used in

the manner required by the MHSA. Any funds not owed or encumbered by the MHSA may be used in the same manner as any other moneys in the BHS Fund.

(h) 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.

SEC. 9.

Section 1095.5 of the Unemployment Insurance Code is amended to read:

1095.5.

(a) (1) The director shall permit the use of any information in their possession to the extent necessary to enable the Mental Health Services Oversight and Accountability Commission to receive quarterly wage data of mental health consumers served by the California public mental health system for the purpose of monitoring and evaluating employment outcomes to determine the effectiveness of those services.

(2) The director may require reimbursement for all direct costs incurred in providing any information specified in this section.

(3) The information shall be provided to the extent permitted under applicable federal statute and regulation.

(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 remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 10.

Section 1095.5 is added to the Unemployment Insurance Code, to read:

1095.5.

(a) (1) The director shall permit the use of any information in their possession to the extent necessary to enable the Behavioral Health Services Oversight and Accountability Commission to receive quarterly wage data of individuals with a mental health disorder or a substance use disorder, or both, served by the California public mental health and substance use disorder system for the purpose of monitoring and evaluating employment outcomes to determine the effectiveness of those services.

(2) The director may require reimbursement for all direct costs incurred in providing any information specified in this section.

(3) The information shall be provided to the extent permitted under applicable federal statute and regulation.

(b) 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.

SEC. 11.

Section 4090 of the Welfare and Institutions Code is amended to read:

4090.

(a) The State Department of Health Care Services shall establish, by regulation, standards for the programs listed in Chapter 2.5 (commencing with Section 5670) of Part 2 of Division 5. These standards shall also be applied by the department to any facility licensed as a social rehabilitation facility pursuant to paragraph (7) of subdivision (a) of Section 1502 of the Health and Safety Code.

(b) In establishing the standards required by this section, the department shall not establish standards that in themselves impose any new or increased costs on the programs or facilities affected by the standards.

(c) (1) Notwithstanding subdivision (a), pursuant to Section 5963.05, the State Department of Health Care Services may develop and revise documentation standards for social rehabilitation facilities and community residential treatment programs to be consistent with the standards developed pursuant to paragraph (3) of subdivision (h) of Section 14184.402.

(2) The department shall require social rehabilitation facilities and community residential treatment programs to implement these documentation standards and shall monitor compliance with these standards as part of program reviews.

SEC. 12.

Section 4094 of the Welfare and Institutions Code is amended to read:

4094.

(a) The State Department of Mental Health shall establish, by regulations adopted at the earliest possible date, but no later than December 31, 1994, program standards for any facility licensed as a community treatment facility. This section shall apply only to community treatment facilities described in this subdivision.

(b) Commencing July 1, 2012, the State Department of Health Care Services may adopt or amend regulations pertaining to the program standards for any facility licensed as a community treatment facility.

(c) A certification of compliance issued by the State Department of Health Care Services shall be a condition of licensure for the community treatment facility by the State Department of Social Services. The department may, upon the request of a county, delegate the certification and supervision of a community treatment facility to the county department of mental health.

(d) The State Department of Health Care Services shall adopt regulations to include, but not be limited to, the following:

(1) Procedures by which the Director of Health Care Services shall certify that a facility requesting licensure as a community treatment facility pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code is in compliance with program standards established pursuant to this section.

(2) Procedures by which the Director of Health Care Services shall deny a certification to a facility or decertify a facility that is licensed as a community treatment facility pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code, but no longer complying with program standards established pursuant to this section, in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(3) Provisions for site visits by the State Department of Health Care Services for the purpose of reviewing a facility's compliance with program standards established pursuant to this section.

(4) Provisions for the community care licensing staff of the State Department of Social Services to report to the State Department of Health Care Services when there is reasonable cause to believe that a community treatment facility is not in compliance with program standards established pursuant to this section.

(5) Provisions for the State Department of Health Care Services to provide consultation and documentation to the State Department of Social Services in any administrative proceeding regarding denial, suspension, or revocation of a community treatment facility license.

(e) The standards adopted by regulations pursuant to subdivisions (a) and (b) shall include, but not be limited to, standards for treatment, staffing, and for the use of psychotropic medication, discipline, and restraints in the facilities. The standards shall also meet the requirements of Section 4094.5.

(f) (1) A community treatment facility shall not be required by the State Department of Health Care Services to have 24-hour onsite licensed nursing staff, but shall retain at least one full-time, or full-time-equivalent, registered nurse onsite if all of the following are applicable:

(A) The facility does not use mechanical restraint.

(B) The facility only admits children who have been assessed, at the point of admission, by a licensed primary care provider and a licensed psychiatrist, who have concluded, with respect to each child, that the child does not require medical services that require 24-hour nursing coverage. For purposes of this section, a "primary care provider" includes a person defined in Section 14254, or a nurse practitioner who has the responsibility for providing initial and primary care to patients, for maintaining the continuity of care, and for initiating referral for specialist care.

(C) Other medical or nursing staff shall be available on call to provide appropriate services, when necessary, within one hour. In order for a placement in a community treatment facility to be funded with federal Aid to Families with Dependent Children-Foster Care on behalf of an eligible child, the facility shall maintain registered or licensed nursing staff and other licensed clinical staff who are onsite, according to the facility's treatment model, and who are available 24 hours a day and 7 days a week. If consistent with the facility's treatment model, a community treatment facility may access the same nursing resources as those made available to a short-term residential therapeutic program pursuant to Section 4096.55.

(D) All direct care staff shall be trained in first aid and cardiopulmonary resuscitation, and in emergency intervention techniques and methods approved by the Community Care Licensing Division of the State Department of Social Services.

(2) The State Department of Health Care Services may adopt emergency regulations as necessary to implement this subdivision. The adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, and general welfare. The regulations shall be exempt from review by the Office of Administrative Law and shall become effective immediately upon filing with the Secretary of State. The regulations shall not remain in effect more than 180 days unless the adopting agency complies with all the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, as required by subdivision (e) of Section 11346.1 of the Government Code.

(g) During the initial public comment period for the adoption of the regulations required by this section, the community care facility licensing regulations proposed by the State Department of Social Services and the program standards proposed by the State Department of Health Care Services shall be presented simultaneously.

(h) A minor shall be admitted to a community treatment facility only if the requirements of Section 4094.5 of this code, Section 1530.9 of the Health and Safety Code, and either of the following conditions are met:

(1) The minor is within the jurisdiction of the juvenile court, and has made voluntary application for mental health services pursuant to Section 6552.

(2) Informed consent is given by a parent, guardian, conservator, or other person having custody of the minor.

(i) Any minor admitted to a community treatment facility shall have the same due process rights afforded to a minor who may be admitted to a state hospital, pursuant to the holding in In re Roger S. (1977) 19 Cal.3d 921. Minors who are wards or dependents of the court and to whom this subdivision applies shall be afforded due process in accordance with Section 6552 and related case law, including In re Michael E. (1975) 15 Cal.3d 183. Regulations adopted pursuant to Section 4094 shall specify the procedures for ensuring these rights, including provisions for notification of rights and the time and place of hearings.

(j) (1) Notwithstanding subdivisions (a) and (b), pursuant to Section 5963.05, the State Department of Health Care Services may develop and revise documentation standards for community treatment facilities to be consistent with the standards developed pursuant to paragraph (3) of subdivision (h) of Section 14184.402.

(2) The department or the department's delegate shall require community treatment facilities to implement these documentation standards and shall monitor compliance with these standards as part of the program reviews required for certification pursuant to subdivision (c).

SEC. 13.

Section 4096.5 of the Welfare and Institutions Code is amended to read:

4096.5.

(a) This section governs standards for the mental health program approval for short-term residential therapeutic programs, which is required under subdivision (c) of Section 1562.01 of the Health and Safety Code.

(b) All short-term residential therapeutic programs that serve children who have either been assessed as meeting the medical necessity criteria for Medi-Cal specialty mental health services, as provided for in Section 1830.205 or 1830.210 of Title 9 of the California Code of Regulations, or who have been assessed as seriously emotionally disturbed, as defined in subdivision (a) of Section 5600.3, shall obtain and have in good standing a mental health program approval and a Medi-Cal mental health certification, as described in Section 11462.01, issued by the State Department of Health Care Services or a county mental health plan to which the department has delegated approval authority. This approval, which is required pursuant to subdivision (c) of Section 1562.01 of the Health and Safety Code, is a condition for receiving an Aid to Families with Dependent Children-Foster Care rate pursuant to Section 11462.01.

(c) (1) A short-term residential therapeutic program shall not directly provide specialty mental health services without a current mental health program approval. A licensed short-term residential therapeutic program that has not obtained a program approval shall provide children in its care access to appropriate mental health services.

(2) County mental health plans shall ensure that Medi-Cal specialty mental health services, including, but not limited to, services under the Early and Periodic Screening, Diagnosis and Treatment benefit, are provided to all Medi-Cal beneficiaries served by short-term residential therapeutic programs who meet medical necessity criteria, as provided for in Section 1830.205 or 1830.210 of Title 9 of the California Code of Regulations.

(d) (1) The State Department of Health Care Services or a county mental health plan to which the department has delegated mental health program approval authority shall approve or deny mental health program approval requests within 45 days of receiving a request. The State Department of Health Care Services or a county mental health plan to which the department has delegated mental health program approval authority shall issue each mental health program approval for a period of one year, except for approvals granted pursuant to paragraph (2) and provisional approvals granted pursuant to regulations promulgated under subdivision (e), and shall specify the effective date of the approval. Approved entities shall meet all program standards to be reapproved.

(2) (A) Between January 1, 2017, and December 31, 2017, the State Department of Health Care Services, or a county mental health plan to which the department has delegated mental health program approval authority, shall approve or deny a mental health program approval request within 90 days of receipt.

(B) Between January 1, 2017, and December 31, 2017, the State Department of Health Care Services, or a county mental health plan to which the department has delegated mental health program approval authority, may issue a mental health program approval for a period of less than one year.

(e) (1) The State Department of Health Care Services and the county mental health plans to which the department has delegated mental health program approval authority may enforce the mental health program approval standards by taking any of the following actions against a noncompliant short-term residential therapeutic program:

(A) Suspend or revoke a mental health program approval.

(B) Impose monetary penalties.

(C) Place a mental health program on probation.

(D) Require a mental health program to prepare and comply with a corrective action plan.

(2) The State Department of Health Care Services and the county mental health plans to which the department has delegated mental health program approval authority shall provide short-term residential therapeutic programs with due process protections when taking any of the actions described in paragraph (1).

(f) The State Department of Health Care Services, in consultation with the State Department of Social Services, shall promulgate regulations regarding program standards, oversight, enforcement, issuance of mental health program approvals, including provisional approvals that

are effective for a period of less than one year, and due process protections related to the mental health program approval process for short-term residential therapeutic programs.

(g) (1) Except for mental health program approval of short-term residential therapeutic programs operated by a county, the State Department of Health Care Services may, upon the request of a county, delegate to that county mental health plan the mental health program approval of short-term residential therapeutic programs within its borders.

(2) Any county to which mental health program approval is delegated pursuant to paragraph (1) shall be responsible for the oversight and enforcement of program standards and the provision of due process for approved and denied entities.

(h) The State Department of Health Care Services or a county mental health plan to which the department has delegated mental health program approval authority shall notify the State Department of Social Services immediately upon the termination of any mental health program approval issued in accordance with subdivisions (b) and (d).

(i) The State Department of Social Services shall notify the State Department of Health Care Services and, if applicable, a county to which the department has delegated mental health program approval authority, immediately upon the revocation of any license issued pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code.

(j) Revocation of a license or a mental health program approval or failure to meet the requirements of subdivision (c) of Section 1562.01 of the Health and Safety Code shall be a basis for rate termination.

(k) (1) Notwithstanding subdivision (f), pursuant to Section 5963.05, the State Department of Health Care Services may develop and revise documentation standards to be consistent with the standards developed pursuant to paragraph (3) of subdivision (h) of Section 14184.402.

(2) The department shall require short-term residential therapeutic programs to implement the documentation standards developed pursuant to paragraph (1) and shall monitor compliance with these standards as part of program reviews.

SEC. 16.

Section 5604.1 of the Welfare and Institutions Code is amended to read:

5604.1.

(a) Local mental health advisory boards shall be subject to the provisions of Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code, relating to meetings of local agencies.

(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 January 1, 2025, and as of January 1, 2026, is repealed.

SEC. 17.

Section 5604.1 is added to the Welfare and Institutions Code, to read:

5604.1.

(a) Local behavioral health boards are subject to the provisions of Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code, relating to meetings of local agencies.

(b) 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.

SEC. 24.

Section 5610 of the Welfare and Institutions Code is amended to read:

5610.

(a) Each county mental health system shall comply with reporting requirements developed by the State Department of Health Care Services, in consultation with the California Behavioral Health Planning Council and the Mental Health Services Oversight and Accountability Commission, which shall be uniform and simplified. The department shall review existing data requirements to eliminate unnecessary requirements and consolidate requirements that are necessary. These requirements shall provide comparability between counties in reports.

(b) The department shall develop, in consultation with the Performance Outcome Committee, the California Behavioral Health Planning Council, and the Mental Health Services Oversight and Accountability Commission, pursuant to Section 5611, and with the California Health and Human Services Agency, uniform definitions and formats for a statewide, nonduplicative client-based information system that includes all information necessary to meet federal mental health grant requirements and state and federal Medicaid reporting requirements, and any other state requirements established by law. The data system, including performance outcome measures reported pursuant to Section 5613, shall be developed by July 1, 1992.

(c) Unless determined necessary by the department to comply with federal law and regulations, the data system developed pursuant to subdivision (b) shall not be more costly than that in place during the 1990–91 fiscal year.

(d) (1) The department shall develop unique client identifiers that permit development of client-specific cost and outcome measures and related research and analysis.

(2) The department's collection and use of client information, and the development and use of client identifiers, shall be consistent with clients' constitutional and statutory rights to privacy and confidentiality.

(3) Data reported to the department may include name and other personal identifiers. That information is confidential and subject to Section 5328 and any other state and federal laws regarding confidential client information.

(4) Personal client identifiers reported to the department shall be protected to ensure confidentiality during transmission and storage through encryption and other appropriate means.

(5) Information reported to the department may be shared with local public mental health agencies submitting records for the same person and that information is subject to Section 5328.

(e) All client information reported to the department pursuant to Chapter 2 (commencing with Section 4030) of Part 1 of Division 4, Sections 5328 to 5772.5, inclusive, Chapter 8.9 (commencing with Section 14700) of Part 3 of Division 9, and any other state and federal laws regarding reporting requirements, consistent with Section 5328, shall not be used for purposes other than those purposes expressly stated in the reporting requirements referred to in this subdivision.

(f) The department may adopt emergency regulations to implement this section in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of emergency regulations to implement this section that are filed with the Office of Administrative Law within one year of the date on which the act that added this subdivision took effect shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare and shall remain in effect for no more than 180 days.

(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. 25.

Section 5610 is added to the Welfare and Institutions Code, to read:

5610.

(a) (1) Each county behavioral health system shall comply with reporting requirements developed by the State Department of Health Care Services, in consultation with the California Behavioral Health Planning Council and the Behavioral Health Services Oversight and Accountability Commission, which shall be uniform and simplified.

(2) The department shall review existing data requirements to eliminate unnecessary requirements and consolidate requirements that are necessary.

(3) These requirements shall provide comparability between counties in reports.

(b) (1) The department and the California Health and Human Services Agency shall develop, in consultation with the Performance Outcome Committee, the California Behavioral Health Planning Council, and the Behavioral Health Services Oversight and Accountability Commission, pursuant to Section 5611, uniform definitions and formats for a statewide, nonduplicative, client-based information system that includes all information necessary to meet federal mental health grant requirements, state and federal Medicaid reporting requirements, and other state requirements established by law.

(2) The data system, including performance outcome measures reported pursuant to Section 5613, shall be developed by July 1, 1992.

(c) Unless determined necessary by the department to comply with federal law and regulations, the data system developed pursuant to subdivision (b) shall not be more costly than that in place during the 1990–91 fiscal year.

(d) (1) The department shall develop unique client identifiers that permit development of client-specific cost and outcome measures and related research and analysis.

(2) The department's collection and use of client information, and the development and use of client identifiers, shall be consistent with clients' constitutional and statutory rights to privacy and confidentiality.

(3) (A) Data reported to the department may include name and other personal identifiers.

(B) That information is confidential and subject to Section 5328 and any other state and federal law regarding confidential client information.

(4) Personal client identifiers reported to the department shall be protected to ensure confidentiality during transmission and storage through encryption and other appropriate means.

(5) (A) Information reported to the department may be shared with local public behavioral health agencies submitting records for the same person.

(B) The information described in this paragraph is subject to Section 5328.

(e) All client information reported to the department pursuant to Chapter 2 (commencing with Section 4030) of Part 1 of Division 4 and Sections 5328 to 5772.5, inclusive, Chapter 8.9 (commencing with Section 14700), and any other state and federal law regarding reporting requirements, consistent with Section 5328, shall not be used for purposes other than those purposes expressly stated in the reporting requirements referred to in this subdivision.

(f) The department may adopt emergency regulations to implement this section in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of emergency regulations to implement this section that are filed with the Office of Administrative Law within one year of the date on which the act that added this subdivision took effect shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare and shall remain in effect for no more than 180 days.

(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. 26.

Section 5613 of the Welfare and Institutions Code is amended to read:

5613.

(a) Counties shall annually report data on performance measures established pursuant to Section 5612 to the local mental health advisory board and to the Director of Health Care Services.

(b) The Director of Health Care Services shall annually make data on county performance available to the Legislature, and post that data on the department's Internet Web site, by no later than March 15 of each year.

(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 January 1, 2025, and as of January 1, 2027, is repealed.

SB 326 – Sections NOT Included in Proposition 1

SEC. 27.

Section 5613 is added to the Welfare and Institutions Code, to read:

5613.

(a) Counties shall annually report data on performance measures established pursuant to Section 5612 to the local behavioral health board and to the Director of Health Care Services.

(b) The Director of Health Care Services shall annually make data on county performance available to the Legislature and post that data on the department's internet website by no later than March 15 of each year.

(c) 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.

SEC. 31.

Section 5664 is added to the Welfare and Institutions Code, to read:

5664.

(a) In consultation with the County Behavioral Health Directors Association of California, the State Department of Health Care Services, the Behavioral Health Services Oversight and Accountability Commission, the California Behavioral Health Planning Council, and the California Health and Human Services Agency, county behavioral health systems shall provide reports and data to meet the information needs of the state, as necessary.

(b) 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.

SEC. 32.

Section 5675 of the Welfare and Institutions Code is amended to read:

5675.

(a) (1) Mental health rehabilitation centers shall only be licensed by the State Department of Health Care Services subsequent to application by counties, county contract providers, or other organizations.

(2) In the application for a mental health rehabilitation center, program evaluation measures shall include, but not be limited to, all of the following:

(A) That the clients placed in the facilities show improved global assessment scores as measured by preadmission and postadmission tests.

(B) That the clients placed in the facilities demonstrate improved functional behavior as measured by preadmission and postadmission tests.

(C) That the clients placed in the facilities have reduced medication levels as determined by comparison of preadmission and postadmission records.

(b) The State Department of Health Care Services shall conduct annual licensing inspections of mental health rehabilitation centers.

(c) (1) All regulations relating to the licensing of mental health rehabilitation centers, heretofore adopted by the State Department of Mental Health, or its successor, shall remain in effect and shall be fully enforceable by the State Department of Health Care Services with respect to any facility or program required to be licensed as a mental health rehabilitation center, unless and until readopted, amended, or repealed by the Director of Health Care Services.

(2) The State Department of Health Care Services shall succeed to and be vested with all duties, powers, purposes, functions, responsibilities, and jurisdiction of the State Department of Mental Health, and its successor, if any, as they relate to licensing mental health rehabilitation centers.

(d) (1) Notwithstanding subdivision (c), pursuant to Section 5963.05, the State Department of Health Care Services may develop and revise documentation standards for individual service plans to be consistent with the standards developed pursuant to paragraph (3) of subdivision (h) of Section 14184.402.

(2) The department shall require mental health rehabilitation centers to implement these documentation standards and shall conduct annual licensing inspections and investigations to determine compliance with these standards.

SEC. 33.

Section 5771.1 of the Welfare and Institutions Code is amended to read:

5771.1.

(a) The members of the Mental Health Services Oversight and Accountability Commission established pursuant to Section 5845 are members of the California Behavioral Health Planning Council. They serve in an ex officio capacity when the council is performing its statutory duties pursuant to Section 5772. This membership does not affect the composition requirements for the council specified in Section 5771.

(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. 34.

Section 5771.1 is added to the Welfare and Institutions Code, to read:

5771.1.

(a) The members of the Behavioral Health Services Oversight and Accountability Commission established pursuant to Section 5845 are members of the California Behavioral Health Planning Council.

(b) These members serve in an ex officio capacity when the council is performing its statutory duties pursuant to Section 5772.

(c) This membership does not affect the composition requirements for the council specified in Section 5771.

(d) 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. 41.

Section 5813.6 of the Welfare and Institutions Code is amended to read:

5813.6.

(a) (1) By July 1 of each year, the Director of Health Care Services shall submit to the Legislature final budget enactment information regarding the expenditure of Proposition 63 funding for each state department, and for each major program category specified in the measure, for local assistance.

(2) This shall include actual past-year expenditures, estimated current-year expenditures, and projected budget-year expenditures of local assistance funding.

(3) It shall also include a complete listing of state support expenditures for the current year and for the budget year by the State Department of Health Care Services, including the number of state positions and any contract funds.

(4) A description of these state expenditures shall accompany the fiscal information the director is required to submit to the Legislature pursuant to this section.

(b) (1) During each fiscal year, the Director of Health Care Services shall submit to the fiscal committees of the Legislature, 30 days in advance, written notice of the intention to expend Proposition 63 local assistance funding in excess of the amounts presented in its May Revision projection for that fiscal year.

(2) The written notice shall include information regarding the amount of the additional spending and its purpose.

SEC. 45.

Section 5835 of the Welfare and Institutions Code is amended to read:

5835.

(a) This part shall be known, and may be cited, as the Early Psychosis Intervention Plus (EPI Plus) Program to encompass early psychosis and mood disorder detection and intervention.

(b) As used in this part, the following definitions shall apply:

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

(2) “Early psychosis and mood disorder detection and intervention” refers to a program that utilizes evidence-based approaches and services to identify and support clinical and functional recovery of individuals by reducing the severity of first, or early, episode psychotic symptoms, other early markers of serious mental illness, such as mood disorders, keeping individuals in school or at work, and putting them on a path to better health and wellness. This may include, but is not limited to, all of the following:

(A) Focused outreach to at-risk and in-need populations as applicable.

(B) Recovery-oriented psychotherapy, including cognitive behavioral therapy focusing on cooccurring disorders.

(C) Family psychoeducation and support.

(D) Supported education and employment.

(E) Pharmacotherapy and primary care coordination.

(F) Use of innovative technology for mental health information feedback access that can provide a valued and unique opportunity to assist individuals with mental health needs and to optimize care.

(G) Case management.

(3) "County" includes a city receiving funds pursuant to Section 5701.5.

(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. 46.

Section 5835 is added to the Welfare and Institutions Code, to read:

5835.

(a) This part shall be known, and may be cited, as the Early Psychosis Intervention (EPI) Plus Program to encompass early psychosis and mood disorder detection and intervention.

(b) As used in this part, the following definitions shall apply:

(1) "Commission" means the Behavioral Health Services Oversight and Accountability Commission established pursuant to Section 5845.

(2) "Early psychosis and mood disorder detection and intervention" refers to a program that utilizes evidence-based approaches and services to identify and support clinical and functional recovery of individuals by reducing the severity of first, or early, episode psychotic symptoms, other early markers of serious mental illness, such as mood disorders, keeping individuals in school or at work, and putting them on a path to better health and wellness. This may include, but is not limited to, all of the following:

(A) Focused outreach to at-risk and in-need populations as applicable.

(B) Recovery-oriented psychotherapy, including cognitive behavioral therapy focusing on cooccurring disorders.

(C) Family psychoeducation and support.

(D) Supported education and employment.

(E) Pharmacotherapy and primary care coordination.

(F) Use of innovative technology for mental health information feedback access that can provide a valued and unique opportunity to assist individuals with mental health needs and to optimize care.

(G) Case management.

(3) "County" includes a city receiving funds pursuant to Section 5701.5.

(c) 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. 47.

Section 5835.2 of the Welfare and Institutions Code is amended to read:

5835.2.

(a) There is hereby established an advisory committee to the commission. The Mental Health Services Oversight and Accountability Commission shall accept nominations and applications to the committee, and the chair of the Mental Health Services Oversight and Accountability Commission shall appoint members to the committee, unless otherwise specified. Membership on the committee shall be as follows:

(1) The chair of the Mental Health Services Oversight and Accountability Commission, or their designee, who shall serve as the chair of the committee.

(2) The president of the County Behavioral Health Directors Association of California, or their designee.

(3) The director of a county behavioral health department that administers an early psychosis and mood disorder detection and intervention-type program in their county.

(4) A representative from a nonprofit community mental health organization that focuses on service delivery to transition-aged youth and young adults.

(5) A psychiatrist or psychologist.

(6) A representative from the Behavioral Health Center of Excellence at the University of California, Davis, or a representative from a similar entity with expertise from within the University of California system.

(7) A representative from a health plan participating in the Medi-Cal managed care program and the employer-based health care market.

(8) A representative from the medical technologies industry who is knowledgeable in advances in technology related to the use of innovative social media and mental health information feedback access.

(9) A representative knowledgeable in evidence-based practices as they pertain to the operations of an early psychosis and mood disorder detection and intervention-type program, including knowledge of other states' experiences.

(10) A representative who is a parent or guardian caring for a young child with a mental illness.

(11) An at-large representative identified by the chair.

(12) A representative who is a person with lived experience of a mental illness.

(13) A primary care provider from a licensed primary care clinic that provides integrated primary and behavioral health care.

(b) The advisory committee shall be convened by the chair and shall, at a minimum, do all of the following:

(1) Provide advice and guidance broadly on approaches to early psychosis and mood disorder detection and intervention programs from an evidence-based perspective.

(2) Review and make recommendations on the commission's guidelines or any regulations in the development, design, selection of awards pursuant to this part, and the implementation or oversight of the early psychosis and mood disorder detection and intervention competitive selection process established pursuant to this part.

(3) Assist and advise the commission in the overall evaluation of the early psychosis and mood disorder detection and intervention competitive selection process.

(4) Provide advice and guidance as requested and directed by the chair.

(5) Recommend a core set of standardized clinical and outcome measures that the funded programs would be required to collect, subject to future revision. A free data sharing portal shall be available to all participating programs.

(6) Inform the funded programs about the potential to participate in clinical research studies.

(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. 48.

Section 5835.2 is added to the Welfare and Institutions Code, to read:

5835.2.

(a) There is hereby established an advisory committee to the commission. The Behavioral Health Services Oversight and Accountability Commission shall accept nominations and applications to the committee, and the chair of the Behavioral Health Services Oversight and Accountability Commission shall appoint members to the committee, unless otherwise specified. Membership on the committee shall be as follows:

SB 326 – Sections NOT Included in Proposition 1

(1) The chair of the Behavioral Health Services Oversight and Accountability Commission, or their designee, who shall serve as the chair of the committee.

(2) The president of the County Behavioral Health Directors Association of California, or their designee.

(3) The director of a county behavioral health department that administers an early psychosis and mood disorder detection and intervention-type program in their county.

(4) A representative from a nonprofit community mental health organization that focuses on service delivery to transition-aged youth and young adults.

(5) A psychiatrist or psychologist.

(6) A representative from the Behavioral Health Center of Excellence at the University of California, Davis, or a representative from a similar entity with expertise from within the University of California system.

(7) A representative from a health plan participating in the Medi-Cal managed care program and the employer-based health care market.

(8) A representative from the medical technologies industry who is knowledgeable in advances in technology related to the use of innovative social media and mental health information feedback access.

(9) A representative knowledgeable in evidence-based practices as they pertain to the operations of an early psychosis and mood disorder detection and intervention-type program, including knowledge of other states' experiences.

(10) A representative who is a parent or guardian caring for a young child with a mental illness.

(11) An at-large representative identified by the chair.

(12) A representative who is a person with lived experience of a mental illness.

(13) A primary care provider from a licensed primary care clinic that provides integrated primary and behavioral health care.

(14) A school social worker, school psychologist, or school counselor holding a pupil personnel services credential.

(15) A California public school administrator.

(16) A representative knowledgeable in community-defined evidence practices and reducing behavioral health disparities.

(b) The advisory committee shall be convened by the chair and shall, at a minimum, do all of the following:

(1) Provide advice and guidance broadly on approaches to early psychosis and mood disorder detection and intervention programs from an evidence-based perspective.

(2) Review and make recommendations on the commission's guidelines or regulations in the development, design, and selection of awards pursuant to this part, and the implementation or oversight of the early psychosis and mood disorder detection and intervention competitive selection process established pursuant to this part.

(3) Assist and advise the commission in the overall evaluation of the early psychosis and mood disorder detection and intervention competitive selection process.

(4) Provide advice and guidance as requested and directed by the chair.

(5) Recommend a core set of standardized clinical and outcome measures that the funded programs would be required to collect, subject to future revision. A free data sharing portal shall be available to all participating programs.

(6) Inform the funded programs about the potential to participate in clinical research studies.

(c) 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. 60.

Section 5845.5 of the Welfare and Institutions Code is amended to read:

5845.5.

In addition to the activities authorized under Section 5845, the commission may establish a fellowship program in accordance with this section for the purpose of providing an experiential learning opportunity for a mental health consumer and a mental health professional.

(a) Participants in the fellowship shall serve on an annual basis and may serve only one term as a fellow.

(b) The fellowship program established under this section shall support the broad goals of the commission, including, but not limited to, subdivision (d) of Section 5846, and be based upon the following principles:

(1) To enhance opportunities for the work of the commission to reflect the perspective of persons with personal experience and state-of-the-art practices in the mental health field.

(2) To strengthen opportunities for the goals of the Mental Health Services Act, and the work of the commission in promoting those goals, to be accessible and understandable to mental health consumers, mental health professionals, and the general public.

(3) To improve opportunities for outreach and engagement with mental health consumers and mental health professionals relating to the work of the commission.

(4) To increase the awareness for mental health consumers and professionals of the goals of the Mental Health Services Act and the role of the state in meeting those goals; the role of public policy, regulation development, fiscal strategies, use of data, research, and evaluation; and communication strategies to improve mental health outcomes in California.

(c) The commission shall establish an advisory committee to provide guidance on the fellowship program goals, design, eligibility criteria, application process, and other issues as the commission deems necessary. The advisory committee shall include persons with personal experience with the mental health system, mental health professionals, persons with experience with similar fellowship programs, and others with diverse perspectives who can assist the commission to meet the goals of the fellowship program.

(d) The commission may enter into an interagency agreement or other contractual agreement with a state, local, or private entity, as determined by the commission, to receive technical assistance or relevant services to support the establishment and implementation of the fellowship program.

(e) The commission shall ensure that the fellowship program does not cause the displacement of any civil service employee. For purposes of this subdivision, "displacement" means a layoff, a demotion, an involuntary transfer to a new class, an involuntary transfer to a new location requiring a change of residence, a time base reduction, a change in shift or days off, or a reassignment to another position within the same class and general location.

(f) 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 January 1, 2025, and as of that date is repealed.

SEC. 61.

Section 5845.5 is added to the Welfare and Institutions Code, to read:

5845.5.

In addition to the activities authorized under Section 5845, the commission may establish a fellowship program in accordance with this section for the purpose of providing an experiential learning opportunity for mental health or substance use disorder consumers and mental health or substance use disorder professionals.

(a) Participants in the fellowship shall serve on an annual basis and may serve only one term as a fellow.

(b) The fellowship program established under this section shall support the broad goals of the commission and be based upon the following principles:

(1) To enhance opportunities for the work of the commission to reflect the perspective of persons with personal experience and state-of-the-art practices in the mental health and substance use disorder fields.

(2) To strengthen opportunities for the goals of the Behavioral Health Services Act and the work of the commission in promoting those goals and to be accessible and understandable to mental health and substance use disorder individuals, mental health and substance use disorder professionals, and the general public.

(3) To improve opportunities for outreach and engagement with individuals who have a mental health disorder or a substance use disorder and mental health and substance use disorder professionals relating to the work of the commission.

(4) To increase the awareness of mental health and substance use disorder individuals and professionals of the goals of the Behavioral Health Services Act and both of the following:

(A) The role of the state in meeting those goals.

(B) The role of public policy, regulation development, fiscal strategies, use of data, research, and evaluation and communication strategies to improve mental health and substance use disorder outcomes in California.

(c) (1) The commission shall establish an advisory committee to provide guidance on the fellowship program goals, design, eligibility criteria, application process, and other issues as the commission deems necessary.

(2) The advisory committee shall include persons with personal experience with the mental health and substance use disorder system, mental health and substance use disorder professionals, persons with experience with similar fellowship programs, and others with diverse perspectives who can assist the commission to meet the goals of the fellowship program.

(d) The commission may enter into an interagency agreement or other contractual agreement with a state, local, or private entity, as determined by the commission, to receive technical assistance or relevant services to support the establishment and implementation of the fellowship program.

(e) (1) The commission shall ensure that the fellowship program does not cause the displacement of a civil service employee.

(2) For purposes of this subdivision, "displacement" means a layoff, a demotion, an involuntary transfer to a new class, an involuntary transfer to a new location requiring a change of residence, a time base reduction, a change in shift or days off, or a reassignment to another position within the same class and general location.

(f) 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.

SEC. 65.

Section 5848.5 of the Welfare and Institutions Code is amended to read:

5848.5.

(a) The Legislature finds and declares all of the following:

(1) California has realigned public community mental health services to counties and it is imperative that sufficient community-based resources be available to meet the mental health needs of eligible individuals.

(2) Increasing access to effective prevention, early intervention, outpatient, and crisis stabilization services provides an opportunity to reduce costs associated with expensive inpatient and emergency room care and to better meet the needs of individuals with mental health disorders in the least restrictive manner possible.

(3) Almost one-fifth of people with mental health disorders visit a hospital emergency room at least once per year. If an adequate array of crisis services is not available, it leaves an individual with little choice but to access an emergency room for assistance and, potentially, an unnecessary inpatient hospitalization.

(4) Recent reports have called attention to a continuing problem of inappropriate and unnecessary utilization of hospital emergency rooms in California due to limited community-based services for individuals in psychological distress and acute psychiatric crisis. Hospitals report that 70 percent of people taken to emergency rooms for psychiatric evaluation can be stabilized and transferred to a less intensive level of crisis care. Law enforcement personnel report that their personnel need to stay with people in the emergency room waiting area until a placement is found, and that less intensive levels of care tend not to be available.

(5) Comprehensive public and private partnerships at both local and regional levels, including across physical health services, mental health, substance use disorder, law enforcement, social services, and related supports, are necessary to develop and maintain high-quality, patient-centered, and cost-effective care for individuals with mental health disorders that facilitates their recovery and leads towards wellness.

(6) The recovery of individuals with mental health disorders is important for all levels of government, business, and the local community.

(b) This section shall be known, and may be cited, as the Investment in Mental Health Wellness Act of 2013. The objectives of this section are to do all of the following:

(1) Expand access to prevention, early intervention, and treatment services to improve the client experience, achieve recovery and wellness, and reduce costs.

(2) Expand the continuum of services to address crisis prevention, crisis intervention, crisis stabilization, and crisis residential treatment needs that are wellness, resiliency, and recovery oriented.

(3) Add at least 25 mobile crisis support teams and at least 2,000 crisis stabilization and crisis residential treatment beds to bolster capacity at the local level to improve access to mental health crisis services and address unmet mental health care needs.

(4) Add at least 600 triage personnel to provide intensive case management and linkage to services for individuals with mental health care disorders at various points of access, such as at designated community-based service points, homeless shelters, and clinics.

(5) Reduce unnecessary hospitalizations and inpatient days by appropriately utilizing community-based services and improving access to timely assistance.

(6) Reduce recidivism and mitigate unnecessary expenditures of local law enforcement.

(7) Provide local communities with increased financial resources to leverage additional public and private funding sources to achieve improved networks of care for individuals with mental health disorders.

(8) Provide a complete continuum of crisis services for children and youth 21 years of age and under regardless of where they live in the state. The funds included in the 2016 Budget Act for the purpose of developing the continuum of mental health crisis services for children and youth 21 years of age and under shall be for the following objectives:

(A) Provide a continuum of crisis services for children and youth 21 years of age and under, regardless of where they live in the state.

(B) Provide for early intervention and treatment services to improve the client experience, achieve recovery and wellness, and reduce costs.

(C) Expand the continuum of community-based services to address crisis intervention, crisis stabilization, and crisis residential treatment needs that are wellness-, resiliency-, and recovery-oriented.

(D) Add at least 200 mobile crisis support teams.

(E) Add at least 120 crisis stabilization services and beds and crisis residential treatment beds to increase capacity at the local level to improve access to mental health crisis services and address unmet mental health care needs.

(F) Add triage personnel to provide intensive case management and linkage to services for individuals with mental health care disorders at various points of access, such as at designated community-based service points, homeless shelters, schools, and clinics.

(G) Expand family respite care to help families and sustain caregiver health and well-being.

(H) Expand family supportive training and related services designed to help families participate in the planning process, access services, and navigate programs.

(I) Reduce unnecessary hospitalizations and inpatient days by appropriately utilizing community-based services.

(J) Reduce recidivism and mitigate unnecessary expenditures of local law enforcement.

(K) Provide local communities with increased financial resources to leverage additional public and private funding sources to achieve improved networks of care for children and youth 21 years of age and under with mental health disorders.

(c) Through appropriations provided in the annual Budget Act for this purpose, it is the intent of the Legislature to authorize the California Health Facilities Financing Authority, hereafter referred to as the authority, and the Mental Health Services Oversight and Accountability Commission, hereafter referred to as the commission, to administer competitive selection processes or a sole-source contracting process as provided in this section for capital capacity and program expansion to increase capacity for mobile crisis support, crisis intervention, crisis stabilization services, crisis residential treatment, and specified personnel resources.

(d) Funds appropriated by the Legislature to the authority for purposes of this section shall be made available to selected counties, or counties acting jointly. The authority may, at its discretion, also give consideration to private nonprofit corporations and public agencies in an area or region of the state if a county, or counties acting jointly, affirmatively supports this designation and collaboration in lieu of a county government directly receiving grant funds.

(1) Grant awards made by the authority shall be used to expand local resources for the development, capital, equipment acquisition, and applicable program startup or expansion costs to increase capacity for client assistance and services in the following areas:

(A) Crisis intervention, as authorized by Sections 14021.4, 14680, and 14684.

(B) Crisis stabilization, as authorized by Sections 14021.4, 14680, and 14684.

(C) Crisis residential treatment, as authorized by Sections 14021.4, 14680, and 14684 and as provided at a children's crisis residential program, as defined in Section 1502 of the Health and Safety Code.

(D) Rehabilitative mental health services, as authorized by Sections 14021.4, 14680, and 14684.

(E) Mobile crisis support teams, including personnel and equipment, such as the purchase of vehicles.

(2) The authority shall develop selection criteria to expand local resources, including those described in paragraph (1), and processes for awarding grants after consulting with representatives and interested stakeholders from the mental health community, including, but not limited to, the County Behavioral Health Directors Association of California, service providers, consumer organizations, and other appropriate interests, such as health care providers and law enforcement, as determined by the authority. The authority shall ensure that grants result in cost-effective expansion of the number of community-based crisis resources in regions and communities selected for funding. The authority shall also take into account at least the following criteria and factors when selecting recipients of grants and determining the amount of grant awards:

(A) Description of need, including, at a minimum, a comprehensive description of the project, community need, population to be served, linkage with other public systems of health and mental health care, linkage with local law enforcement, social services, and related assistance, as applicable, and a description of the request for funding.

(B) Ability to serve the target population, which includes individuals eligible for Medi-Cal and individuals eligible for county health and mental health services.

(C) Geographic areas or regions of the state to be eligible for grant awards, which may include rural, suburban, and urban areas, and may include use of the five regional designations utilized by the County Behavioral Health Directors Association of California.

(D) Level of community engagement and commitment to project completion.

(E) Financial support that, in addition to a grant that may be awarded by the authority, will be sufficient to complete and operate the project for which the grant from the authority is awarded.

(F) Ability to provide additional funding support to the project, including public or private funding, federal tax credits and grants, foundation support, and other collaborative efforts.

(G) Memorandum of understanding among project partners, if applicable.

(H) Information regarding the legal status of the collaborating partners, if applicable.

(I) Ability to measure key outcomes, including improved access to services, health and mental health outcomes, and cost benefit of the project.

(3) The authority shall determine maximum grants awards, which shall take into consideration the number of projects awarded to the grantee, as described in paragraph (1), and shall reflect reasonable costs for the project and geographic region. The authority may allocate a grant in increments contingent upon the phases of a project.

(4) Funds awarded by the authority pursuant to this section may be used to supplement, but not to supplant, existing financial and resource commitments of the grantee or any other member of a collaborative effort that has been awarded a grant.

(5) All projects that are awarded grants by the authority shall be completed within a reasonable period of time, to be determined by the authority. Funds shall not be released by the authority until the applicant demonstrates project readiness to the authority's satisfaction. If the authority determines that a grant recipient has failed to complete the project under the terms specified in awarding the grant, the authority may require remedies, including the return of all or a portion of the grant.

(6) A grantee that receives a grant from the authority under this section shall commit to using that capital capacity and program expansion project, such as the mobile crisis team, crisis stabilization unit, or crisis residential treatment program, for the duration of the expected life of the project.

(7) The authority may consult with a technical assistance entity, as described in paragraph (5) of subdivision (a) of Section 4061, for purposes of implementing this section.

(8) The authority may adopt emergency regulations relating to the grants for the capital capacity and program expansion projects described in this section, including emergency regulations that define eligible costs and determine minimum and maximum grant amounts.

(9) The authority shall provide reports to the fiscal and policy committees of the Legislature on or before May 1, 2014, and on or before May 1, 2015, on the progress of implementation, that include, but are not limited to, the following:

(A) A description of each project awarded funding.

(B) The amount of each grant issued.

(C) A description of other sources of funding for each project.

(D) The total amount of grants issued.

(E) A description of project operation and implementation, including who is being served.

(10) A recipient of a grant provided pursuant to paragraph (1) shall adhere to all applicable laws relating to scope of practice, licensure, certification, staffing, and building codes.

(e) Of the funds specified in paragraph (8) of subdivision (b), it is the intent of the Legislature to authorize the authority to administer competitive selection processes as provided in this section for capital capacity and program expansion to increase capacity for mobile crisis support, crisis intervention, crisis stabilization services, crisis residential treatment, family respite care, family supportive training and related services, and triage personnel resources for children and youth 21 years of age and under.

(f) Funds appropriated by the Legislature to the authority to address crisis services for children and youth 21 years of age and under for the purposes of this section shall be made available to selected counties or counties acting jointly. The authority may, at its discretion, also

give consideration to private nonprofit corporations and public agencies in an area or region of the state if a county, or counties acting jointly, affirmatively support this designation and collaboration in lieu of a county government directly receiving grant funds.

(1) Grant awards made by the authority shall be used to expand local resources for the development, capital, equipment acquisition, and applicable program startup or expansion costs to increase capacity for client assistance and crisis services for children and youth 21 years of age and under in the following areas:

(A) Crisis intervention, as authorized by Sections 14021.4, 14680, and 14684.

(B) Crisis stabilization, as authorized by Sections 14021.4, 14680, and 14684.

(C) Crisis residential treatment, as authorized by Sections 14021.4, 14680, and 14684 and as provided at a children's crisis residential program, as defined in Section 1502 of the Health and Safety Code.

(D) Mobile crisis support teams, including the purchase of equipment and vehicles.

(E) Family respite care.

(2) The authority shall develop selection criteria to expand local resources, including those described in paragraph (1), and processes for awarding grants after consulting with representatives and interested stakeholders from the mental health community, including, but not limited to, county mental health directors, service providers, consumer organizations, and other appropriate interests, such as health care providers and law enforcement, as determined by the authority. The authority shall ensure that grants result in cost-effective expansion of the number of community-based crisis resources in regions and communities selected for funding. The authority shall also take into account at least the following criteria and factors when selecting recipients of grants and determining the amount of grant awards:

(A) Description of need, including, at a minimum, a comprehensive description of the project, community need, population to be served, linkage with other public systems of health and mental health care, linkage with local law enforcement, social services, and related assistance, as applicable, and a description of the request for funding.

(B) Ability to serve the target population, which includes individuals eligible for Medi-Cal and individuals eligible for county health and mental health services.

(C) Geographic areas or regions of the state to be eligible for grant awards, which may include rural, suburban, and urban areas, and may include use of the five regional designations utilized by the California Behavioral Health Directors Association.

(D) Level of community engagement and commitment to project completion.

(E) Financial support that, in addition to a grant that may be awarded by the authority, will be sufficient to complete and operate the project for which the grant from the authority is awarded.

(F) Ability to provide additional funding support to the project, including public or private funding, federal tax credits and grants, foundation support, and other collaborative efforts.

(G) Memorandum of understanding among project partners, if applicable.

(H) Information regarding the legal status of the collaborating partners, if applicable.

(I) Ability to measure key outcomes, including utilization of services, health and mental health outcomes, and cost benefit of the project.

(3) The authority shall determine maximum grant awards, which shall take into consideration the number of projects awarded to the grantee, as described in paragraph (1), and shall reflect reasonable costs for the project, geographic region, and target ages. The authority may allocate a grant in increments contingent upon the phases of a project.

(4) Funds awarded by the authority pursuant to this section may be used to supplement, but not to supplant, existing financial and resource commitments of the grantee or any other member of a collaborative effort that has been awarded a grant.

(5) All projects that are awarded grants by the authority shall be completed within a reasonable period of time, to be determined by the authority. Funds shall not be released by the authority until the applicant demonstrates project readiness to the authority's satisfaction. If the authority determines that a grant recipient has failed to complete the project under the terms specified in awarding the grant, the authority may require remedies, including the return of all, or a portion, of the grant.

(6) A grantee that receives a grant from the authority under this section shall commit to using that capital capacity and program expansion project, such as the mobile crisis team, crisis stabilization unit, family respite care, or crisis residential treatment program, for the duration of the expected life of the project.

(7) The authority may consult with a technical assistance entity, as described in paragraph (5) of subdivision (a) of Section 4061, for the purposes of implementing this section.

(8) The authority may adopt emergency regulations relating to the grants for the capital capacity and program expansion projects described in this section, including emergency regulations that define eligible costs and determine minimum and maximum grant amounts.

(9) The authority shall provide reports to the fiscal and policy committees of the Legislature on or before January 10, 2018, and annually thereafter, on the progress of implementation, that include, but are not limited to, the following:

(A) A description of each project awarded funding.

(B) The amount of each grant issued.

(C) A description of other sources of funding for each project.

(D) The total amount of grants issued.

(E) A description of project operation and implementation, including who is being served.

(10) A recipient of a grant provided pursuant to paragraph (1) shall adhere to all applicable laws relating to scope of practice, licensure, certification, staffing, and building codes.

(g) Funds appropriated by the Legislature to the commission for purposes of this section shall be allocated to support crisis prevention, early intervention, and crisis response strategies, as determined by the commission with input from peers, county behavioral health agencies, community-based organizations, and others. In allocating these funds, the commission shall consult with the California Health and Human Services Agency and other state agencies as needed, in order to leverage existing funds and share best practices, and shall take into consideration data on populations at risk for experiencing a mental health crisis, including the needs of early childhood, children and youth, transition age youth, adults, and older adults. These funds shall be made available to selected entities, including, but not limited to, counties, counties acting jointly, city mental health departments, other local governmental agencies and community-based organizations such as health care providers, hospitals, health systems, childcare providers, early childhood education providers, and other entities, as determined by the commission through a competitive selection process or a sole-source process, as determined by the commission. The commission may utilize a sole-source process when it determines, during a public hearing, that it is in the public interest to do so and would address barriers to participation for local governmental agencies, including small counties, other local agencies, and community-based organizations, or is aligned with the goals of this section. It is the intent of the Legislature for these funds to be allocated in an efficient manner to encourage prevention, early intervention, and receipt of needed services for individuals with mental health needs, or who are at risk of needing crisis services, and to assist in navigating the local service sector to improve efficiencies and the delivery of services. The commission shall consider existing data sources for populations who are at higher risk for experiencing a mental health crisis when allocating these funds.

(1) Funding may be used to support services, supports, education, and training that are offered in person, by telephone, by videoconference, or by telehealth with the individual in need of assistance, their significant support person, or others, and may be provided anywhere in the community. These service and related activities may include, but are not limited to, the following:

(A) Communication, coordination, and referral.

(B) Monitoring service delivery to ensure the individual accesses and receives services.

(C) Monitoring the individual's progress.

(D) Providing placement service assistance and service plan development.

(E) Education and training.

(F) Innovative, best practice, evidence-based, and related approaches to support crisis prevention, early intervention, and crisis response.

(2) The commission shall take into account at least the following criteria and factors when selecting recipients and determining the amount of grant awards as follows:

(A) Description of need, including potential gaps in local service connections.

(B) Description of funding request, including use of peers and peer support.

(C) Description of how funding will be used to facilitate linkage and access to services, including objectives and anticipated outcomes.

(D) Ability to obtain federal Medicaid reimbursement, when applicable.

(E) Ability to administer an effective service program and the degree to which local agencies and service providers will support and collaborate with the effort.

(F) Geographic areas or regions of the state to be eligible for grant awards, which shall include rural, suburban, and urban areas, and may include use of the five regional designations utilized by the County Behavioral Health Directors Association of California.

(3) The commission shall determine maximum grant awards, and shall take into consideration the level of need, population to be served, and related criteria, as described in paragraph (2), and shall reflect reasonable costs.

(4) Funds awarded by the commission for purposes of this section may be used to supplement, but not supplant, existing financial and resource commitments of the entities that receive the grant.

(5) Notwithstanding any other law, a county, counties acting jointly, a city mental health department, a community-based organization, or other entity that receives an award of funds for the purpose of supporting crisis prevention, early intervention, and crisis response strategies pursuant to this subdivision may be required to provide a matching contribution of local funds. The commission may, at its discretion, allow and approve grants that include matching funds, in whole or in part, to enhance the impact of limited public funding. Matching fund requirements shall not be designed in a manner that will prevent participation from local agencies, community-based organizations, or other entities that are eligible to participate in the funding opportunities created by this section.

(6) Notwithstanding any other law, the commission, without taking any further regulatory action, may implement, interpret, or make specific this section by means of informational letters, bulletins, or similar instructions.

(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 January 1, 2025, and as of that date is repealed.

SEC. 66.

Section 5848.5 is added to the Welfare and Institutions Code, to read:

5848.5.

(a) The Legislature finds and declares all of the following:

(1) California has realigned public community mental health services to counties, and it is imperative that sufficient community-based resources be available to meet the mental health needs of eligible individuals.

(2) Increasing access to effective prevention, early intervention, outpatient, and crisis stabilization services provides an opportunity to reduce costs associated with expensive inpatient and emergency room care and better meet the needs of individuals with mental health disorders in the least restrictive manner possible.

(3) Almost one-fifth of people with mental health disorders visit a hospital emergency room at least once per year. If an adequate array of crisis services is not available, it leaves an individual with little choice but to access an emergency room for assistance and, potentially, an unnecessary inpatient hospitalization.

(4) Recent reports have called attention to a continuing problem of inappropriate and unnecessary utilization of hospital emergency rooms in California due to limited community-based services for individuals in psychological distress and acute psychiatric crisis. Hospitals report that 70 percent of people taken to emergency rooms for psychiatric evaluation can be stabilized and transferred to a less-intensive level of crisis care. Law enforcement personnel report that their personnel need to stay with people in the emergency room waiting area until a placement is found and that less intensive levels of care tend not to be available.

(5) Comprehensive public and private partnerships at both local and regional levels, including across physical health services, mental health, substance use disorder, law enforcement, social services, and related supports, are necessary to develop and maintain high-quality, patient-centered, and cost-effective care for individuals with mental health disorders that facilitates their recovery and leads towards wellness.

(6) The recovery of individuals with mental health disorders is important for all levels of government, business, and the local community.

(b) This section shall be known, and may be cited, as the Investment in Mental Health Wellness Act of 2013. The objectives of this section are to do all of the following:

(1) Expand access to prevention, early intervention, and treatment services to improve the client experience, achieve recovery and wellness, and reduce costs.

(2) Expand the continuum of services to address crisis prevention, crisis intervention, crisis stabilization, and crisis residential treatment needs that are wellness-, resiliency-, and recovery-oriented.

(3) Add at least 25 mobile crisis support teams and at least 2,000 crisis stabilization and crisis residential treatment beds to bolster capacity at the local level to improve access to mental health crisis services and address unmet mental health care needs.

(4) Add at least 600 triage personnel to provide intensive case management and linkage to services for individuals with a mental health disorder at various points of access, such as at designated community-based service points, homeless shelters, and clinics.

(5) Reduce unnecessary hospitalizations and inpatient days by appropriately utilizing community-based services and improving access to timely assistance.

(6) Reduce recidivism and mitigate unnecessary expenditures of local law enforcement.

(7) Provide local communities with increased financial resources to leverage additional public and private funding sources to achieve improved networks of care for individuals with mental health disorders.

(8) (A) Provide a complete continuum of crisis services for children and youth 21 years of age and under regardless of where they live in the state.

SB 326 – Sections NOT Included in Proposition 1

(B) The funds included in the 2016 Budget Act for the purpose of developing the continuum of mental health crisis services for children and youth 21 years of age and under shall be for the following objectives:

(i) Provide a continuum of crisis services for children and youth 21 years of age and under, regardless of where they live in the state.

(ii) Provide for early intervention and treatment services to improve the client experience, achieve recovery and wellness, and reduce costs.

(iii) Expand the continuum of community-based services to address crisis intervention, crisis stabilization, and crisis residential treatment needs that are wellness-, resiliency-, and recovery-oriented.

(iv) Add at least 200 mobile crisis support teams.

(v) Add at least 120 crisis stabilization services and beds and crisis residential treatment beds to increase capacity at the local level and improve access to mental health crisis services and address unmet mental health care needs.

(vi) Add triage personnel to provide intensive case management and linkage to services for individuals with mental health disorders at various points of access, such as at designated community-based service points, homeless shelters, schools, and clinics.

(vii) Expand family respite care to help families and sustain caregiver health and well-being.

(viii) Expand family supportive training and related services designed to help families participate in the planning process, access services, and navigate programs.

(ix) Reduce unnecessary hospitalizations and inpatient days by appropriately utilizing community-based services.

(x) Reduce recidivism and mitigate unnecessary expenditures of local law enforcement.

(xi) Provide local communities with increased financial resources to leverage additional public and private funding sources to achieve improved networks of care for children and youth 21 years of age and under with a mental health disorder.

(c) Through appropriations provided in the annual Budget Act for this purpose, it is the intent of the Legislature to authorize the California Health Facilities Financing Authority, hereafter referred to as the authority, and the Behavioral Health Services Oversight and Accountability Commission, hereafter referred to as the commission, to administer competitive selection processes or a sole-source contracting process as provided in this section for capital capacity and program expansion to increase capacity for mobile crisis support, crisis intervention, crisis stabilization services, crisis residential treatment, and specified personnel resources.

(d) (1) Funds appropriated by the Legislature to the authority for purposes of this section shall be made available to selected counties or counties acting jointly.

(2) The authority may, at its discretion, give consideration to private nonprofit corporations and public agencies in an area or region of the state if a county, or counties acting jointly, affirmatively supports this designation and collaboration in lieu of a county government directly receiving grant funds.

(3) Grant awards made by the authority shall be used to expand local resources for the development, capital, equipment acquisition, and applicable program startup or expansion costs to increase capacity for client assistance and services in the following areas:

(A) Crisis intervention as authorized by Sections 14021.4, 14680, and 14684.

(B) Crisis stabilization as authorized by Sections 14021.4, 14680, and 14684.

(C) Crisis residential treatment as authorized by Sections 14021.4, 14680, and 14684 and as provided at a children's crisis residential program as defined in Section 1502 of the Health and Safety Code.

(D) Rehabilitative mental health services as authorized by Sections 14021.4, 14680, and 14684.

(E) Mobile crisis support teams, including personnel and equipment, such as the purchase of vehicles.

(4) (A) The authority shall develop selection criteria to expand local resources, including those described in paragraph (3), and processes for awarding grants after consulting with representatives and interested stakeholders from the mental health community, including, but not limited to, the County Behavioral Health Directors Association of California, service providers, consumer organizations, and other appropriate interests, such as health care providers and law enforcement, as determined by the authority.

(B) The authority shall ensure that grants result in cost-effective expansion of the number of community-based crisis resources in regions and communities selected for funding.

(C) The authority shall also take into account at least the following criteria and factors when selecting recipients of grants and determining the amount of grant awards:

(i) Description of need, including, at a minimum, a comprehensive description of the project, community need, population to be served, linkage with other public systems of health and mental health care, linkage with local law enforcement, social services, and related assistance, as applicable, and a description of the request for funding.

(ii) Ability to serve the target population, which includes individuals eligible for Medi-Cal and individuals eligible for county health and mental health services.

(iii) Geographic areas or regions of the state to be eligible for grant awards, which may include rural, suburban, and urban areas, and may include use of the five regional designations utilized by the County Behavioral Health Directors Association of California.

(iv) Level of community engagement and commitment to project completion.

(v) Financial support that, in addition to a grant that may be awarded by the authority, will be sufficient to complete and operate the project for which the grant from the authority is awarded.

(vi) Ability to provide additional funding support to the project, including public or private funding, federal tax credits and grants, foundation support, and other collaborative efforts.

(vii) Memorandum of understanding among project partners, if applicable.

(viii) Information regarding the legal status of the collaborating partners, if applicable.

(ix) Ability to measure key outcomes, including improved access to services, health, and mental health outcomes, and cost benefit of the project.

(5) (A) The authority shall determine maximum grants awards, which shall take into consideration the number of projects awarded to the grantee, as described in paragraph (3), and shall reflect reasonable costs for the project and geographic region.

(B) The authority may allocate a grant in increments contingent upon the phases of a project.

(6) Funds awarded by the authority pursuant to this section may be used to supplement, but not to supplant, existing financial and resource commitments of the grantee or another member of a collaborative effort that has been awarded a grant.

(7) (A) All projects that are awarded grants by the authority shall be completed within a reasonable period of time, to be determined by the authority.

(B) Funds shall not be released by the authority until the applicant demonstrates project readiness to the authority's satisfaction.

(C) If the authority determines that a grant recipient has failed to complete the project under the terms specified in awarding the grant, the authority may require remedies, including the return of all or a portion of the grant.

(8) A grantee that receives a grant from the authority under this section shall commit to using that capital capacity and program expansion project, such as the mobile crisis team, crisis stabilization unit, or crisis residential treatment program, for the duration of the expected life of the project.

(9) The authority may consult with a technical assistance entity, as described in paragraph (5) of subdivision (a) of Section 4061, for purposes of implementing this section.

(10) The authority may adopt emergency regulations relating to the grants for the capital capacity and program expansion projects described in this section, including emergency regulations that define eligible costs and determine minimum and maximum grant amounts.

(11) The authority shall provide reports to the fiscal and policy committees of the Legislature on or before May 1, 2014, and on or before May 1, 2015, on the progress of implementation, that include, but are not limited to, the following:

(A) A description of each project awarded funding.

(B) The amount of each grant issued.

(C) A description of other sources of funding for each project.

(D) The total amount of grants issued.

(E) A description of project operation and implementation, including who is being served.

(12) A recipient of a grant provided pursuant to paragraph (1) shall adhere to all applicable laws relating to scope of practice, licensure, certification, workforce, and building codes.

(e) Of the funds specified in paragraph (8) of subdivision (b), it is the intent of the Legislature to authorize the authority to administer competitive selection processes as provided in this section for capital capacity and program expansion to increase capacity for mobile crisis support, crisis intervention, crisis stabilization services, crisis residential treatment, family respite care, family supportive training and related services, and triage personnel resources for children and youth 21 years of age and under.

(f) (1) Funds appropriated by the Legislature to the authority to address crisis services for children and youth 21 years of age and under for the purposes of this section shall be made available to selected counties or counties acting jointly.

(2) The authority may, at its discretion, also give consideration to private nonprofit corporations and public agencies in an area or region of the state if a county, or counties acting jointly, affirmatively support this designation and collaboration in lieu of a county government directly receiving grant funds.

(3) Grant awards made by the authority shall be used to expand local resources for the development, capital, equipment acquisition, and applicable program startup or expansion costs to increase capacity for client assistance and crisis services for children and youth 21 years of age and under in the following areas:

(A) Crisis intervention as authorized by Sections 14021.4, 14680, and 14684.

(B) Crisis stabilization as authorized by Sections 14021.4, 14680, and 14684.

(C) Crisis residential treatment as authorized by Sections 14021.4, 14680, and 14684 and as provided at a children's crisis residential program as defined in Section 1502 of the Health and Safety Code.

(D) Mobile crisis support teams, including the purchase of equipment and vehicles.

(E) Family respite care.

(4) (A) The authority shall develop selection criteria to expand local resources, including those described in paragraph (3), and processes for awarding grants after consulting with representatives and interested stakeholders from the mental health community, including, but not limited to, county mental health directors, service providers, consumer organizations, and other appropriate interests, such as health care providers and law enforcement, as determined by the authority.

(B) The authority shall ensure that grants result in cost-effective expansion of the number of community-based crisis resources in regions and communities selected for funding.

(C) The authority shall also take into account at least the following criteria and factors when selecting recipients of grants and determining the amount of grant awards:

SB 326 – Sections NOT Included in Proposition 1

(i) Description of need, including, at a minimum, a comprehensive description of the project, community need, population to be served, linkage with other public systems of health and mental health care, linkage with local law enforcement, social services, and related assistance, as applicable, and a description of the request for funding.

(ii) Ability to serve the target population, which includes individuals eligible for Medi-Cal and individuals eligible for county health and mental health services.

(iii) Geographic areas or regions of the state to be eligible for grant awards, which may include rural, suburban, and urban areas, and may include use of the five regional designations utilized by the California Behavioral Health Directors Association.

(iv) Level of community engagement and commitment to project completion.

(v) Financial support that, in addition to a grant that may be awarded by the authority, will be sufficient to complete and operate the project for which the grant from the authority is awarded.

(vi) Ability to provide additional funding support to the project, including public or private funding, federal tax credits and grants, foundation support, and other collaborative efforts.

(vii) Memorandum of understanding among project partners, if applicable.

(viii) Information regarding the legal status of the collaborating partners, if applicable.

(ix) Ability to measure key outcomes, including utilization of services, health and mental health outcomes, and cost benefit of the project.

(5) (A) The authority shall determine maximum grant awards, which shall take into consideration the number of projects awarded to the grantee, as described in paragraph (1), and shall reflect reasonable costs for the project, geographic region, and target ages.

(B) The authority may allocate a grant in increments contingent upon the phases of a project.

(6) Funds awarded by the authority pursuant to this section may be used to supplement, but not to supplant, existing financial and resource commitments of the grantee or another member of a collaborative effort that has been awarded a grant.

(7) (A) All projects that are awarded grants by the authority shall be completed within a reasonable period of time, to be determined by the authority.

(B) Funds shall not be released by the authority until the applicant demonstrates project readiness to the authority's satisfaction.

(C) If the authority determines that a grant recipient has failed to complete the project under the terms specified in awarding the grant, the authority may require remedies, including the return of all, or a portion, of the grant.

(8) A grantee that receives a grant from the authority under this section shall commit to using that capital capacity and program expansion project, such as the mobile crisis team, crisis stabilization unit, family respite care, or crisis residential treatment program, for the duration of the expected life of the project.

(9) The authority may consult with a technical assistance entity, as described in paragraph (5) of subdivision (a) of Section 4061, for the purposes of implementing this section.

(10) The authority may adopt emergency regulations relating to the grants for the capital capacity and program expansion projects described in this section, including emergency regulations that define eligible costs and determine minimum and maximum grant amounts.

(11) The authority shall provide reports to the fiscal and policy committees of the Legislature on or before January 10, 2018, and annually thereafter, on the progress of implementation, that include, but are not limited to, all of the following:

(A) A description of each project awarded funding.

(B) The amount of each grant issued.

(C) A description of other sources of funding for each project.

(D) The total amount of grants issued.

(E) A description of project operation and implementation, including who is being served.

(12) A recipient of a grant provided pursuant to paragraph (1) shall adhere to all applicable laws relating to scope of practice, licensure, certification, workforce, and building codes.

(g) (1) (A) Funds appropriated by the Legislature to the commission for purposes of this section shall be allocated to support crisis prevention, early intervention, and crisis response strategies, as determined by the commission with input from peers, county behavioral health agencies, community-based organizations, and others.

(B) In allocating these funds, the commission shall consult with the California Health and Human Services Agency and other state agencies as needed, to leverage existing funds and share best practices and shall take into consideration data on populations at risk for experiencing a mental health crisis, including the needs of early childhood, children and youth, transition age youth, adults, and older adults.

(C) These funds shall be made available to selected entities, including, but not limited to, counties, counties acting jointly, city mental health departments, other local governmental agencies and community-based organizations, such as health care providers, hospitals, health systems, childcare providers, early childhood education providers, and other entities as determined by the commission through a competitive selection process or a sole-source process, as determined by the commission.

(D) The commission may utilize a sole-source process when it determines, during a public hearing, that it is in the public interest to do so and would address barriers to participation for local governmental agencies, including small counties, other local agencies, and community-based organizations or is aligned with the goals of this section.

(E) It is the intent of the Legislature for these funds to be allocated in an efficient manner to encourage prevention, early intervention, and receipt of needed services for individuals with mental health needs, or who are at risk of needing crisis services, and to assist in navigating the local service sector to improve efficiencies and the delivery of services.

SB 326 – Sections NOT Included in Proposition 1

(F) The commission shall consider existing data sources for populations who are at higher risk for experiencing a mental health crisis when allocating these funds.

(2) Funding may be used to support services, supports, education, and training that are offered in person, by telephone, by videoconference, or by telehealth with the individual in need of assistance, their significant support person, or others, and may be provided anywhere in the community. These service and related activities may include, but are not limited to, the following:

(A) Communication, coordination, and referral.

(B) Monitoring service delivery to ensure the individual accesses and receives services.

(C) Monitoring the individual's progress.

(D) Providing placement service assistance and service plan development.

(E) Education and training.

(F) Innovative, best practice, evidence-based, and related approaches to support crisis prevention, early intervention, and crisis response.

(3) The commission shall take into account at least the following criteria and factors when selecting recipients and determining the amount of grant awards as follows:

(A) Description of need, including potential gaps in local service connections.

(B) Description of funding request, including use of peers and peer support.

(C) Description of how funding will be used to facilitate linkage and access to services, including objectives and anticipated outcomes.

(D) Ability to obtain federal Medicaid reimbursement, if applicable.

(E) Ability to administer an effective service program and the degree to which local agencies and service providers will support and collaborate with the effort.

(F) Geographic areas or regions of the state to be eligible for grant awards, which shall include rural, suburban, and urban areas, and may include use of the five regional designations utilized by the County Behavioral Health Directors Association of California.

(4) The commission shall determine maximum grant awards and shall take into consideration the level of need, population to be served, and related criteria, as described in paragraph (2), and shall reflect reasonable costs.

(5) Funds awarded by the commission for purposes of this section may be used to supplement, but not supplant, existing financial and resource commitments of the entities that receive the grant.

(6) (A) Notwithstanding any other law, a county, counties acting jointly, a city mental health department, a community-based organization, or other entity that receives an award of funds for the purpose of supporting crisis prevention, early intervention, and crisis response strategies pursuant to this subdivision may be required to provide a matching contribution of local funds.

(B) The commission may, at its discretion, allow and approve grants that include matching funds, in whole or in part, to enhance the impact of limited public funding. Matching fund requirements shall not be designed in a manner that will prevent participation from local agencies, community-based organizations, or other entities that are eligible to participate in the funding opportunities created by this section.

(7) Notwithstanding any other law, the commission, without taking any further regulatory action, may implement, interpret, or make specific this section by means of informational letters, bulletins, or similar instructions.

(h) 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.

SEC. 67.

Section 5849.1 of the Welfare and Institutions Code is amended to read:

5849.1.

(a) The Legislature finds and declares that this part is consistent with and furthers the purposes of the Mental Health Services Act, enacted by Proposition 63 at the November 2, 2004, statewide general election, within the meaning of Section 18 of that measure.

(b) The Legislature further finds and declares all of the following:

(1) Housing is a key factor for stabilization and recovery to occur and results in improved outcomes for individuals living with a mental illness.

(2) Untreated mental illness can increase the risk of homelessness, especially for single adults.

(3) California has the nation's largest homeless population that is disproportionally comprised of women with children, veterans, and the chronically homeless.

(4) California has the largest number of homeless veterans in the United States at 24 percent of the total population in our nation. Fifty percent of California's veterans live with serious mental illness and 70 percent have a substance use disorder.

(5) Fifty percent of mothers experiencing homelessness have experienced a major depressive episode since becoming homeless and 36 percent of these mothers live with post-traumatic stress disorder and 41 percent have a substance use disorder.

(6) Ninety-three percent of supportive housing tenants who live with mental illness and substance use disorders voluntarily participated in the services offered.

(7) Adults who receive two years of "whatever-it-takes," or Full-Service Partnership services, experience a 68-percent reduction in homelessness.

(8) For every dollar of bond funds invested in permanent supportive housing, the state and local governments can leverage a significant amount of additional dollars through tax credits, Medicaid health services funding, and other housing development funds.

(9) Tenants of permanent supportive housing reduced their visits to the emergency department by 56 percent, and their hospital admissions by 45 percent.

(10) The cost in public services for a chronically homeless Californian ranges from $60,000 to $100,000 annually. When housed, these costs are cut in half and some reports show reductions in cost of more than 70 percent, including potentially less involvement with the health and criminal justice systems.

(11) Californians have identified homelessness as their top tier priority; this measure seeks to address the needs of the most vulnerable people within this population.

(12) Having counties provide mental health programming and services is a benefit to the state.

(13) The Department of Housing and Community Development is the state entity with sufficient expertise to implement and oversee a grant or loan program for permanent supportive housing of the target population.

(14) The California Health Facilities Financing Authority is authorized by law to issue bonds and to consult with the Mental Health Services Oversight and Accountability Commission and the State Department of Health Care Services concerning the implementation of a grant or loan program for California counties to support the development of programs that increase access to, and capacity for, crisis mental health services. It is therefore appropriate for the authority to issue bonds and contract for services with the Department of Housing and Community Development to provide grants or loans to California counties for permanent supportive housing for the target population.

(15) Use of bond funding will accelerate the availability of funding for the grant or loan program to provide permanent supportive housing for the target population as compared to relying on annual allocations from the Mental Health Services Fund and better allow counties to provide permanent supportive housing for homeless individuals living with mental illness.

(16) The findings and declarations set forth in subdivision (c) of Section 5849.35 are hereby incorporated herein.

(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 January 1, 2025, and as of that date, is repealed.

SEC. 68.

Section 5849.1 is added to the Welfare and Institutions Code, to read:

5849.1.

(a) The Legislature finds and declares that this part is consistent with and furthers the purposes of the Mental Health Services Act, enacted by Proposition 63 at the November 2, 2004, statewide general election, within the meaning of Section 18 of that measure.

(b) The Legislature further finds and declares all of the following:

SB 326 – Sections NOT Included in Proposition 1

(1) Housing is a key factor for stabilization and recovery to occur and results in improved outcomes for individuals living with a mental illness.

(2) Untreated mental illness can increase the risk of homelessness, especially for single adults.

(3) California has the nation's largest homeless population, which is disproportionally comprised of women with children and youth, veterans, and the chronically homeless.

(4) California has the largest number of homeless veterans in the United States at 24 percent of the total population in our nation. Fifty percent of California's homeless veterans live with serious mental illness and 70 percent have a substance use disorder.

(5) Fifty percent of mothers experiencing homelessness have experienced a major depressive episode since becoming homeless, and 36 percent of these mothers live with post-traumatic stress disorder and 41 percent have a substance use disorder.

(6) Ninety-three percent of supportive housing tenants who live with mental illness and substance use disorders voluntarily participated in the services offered.

(7) Adults who receive two years of "whatever-it-takes," or Full-Service Partnership services, experience a 68-percent reduction in homelessness.

(8) For every dollar of bond funds invested in permanent supportive housing, the state and local governments can leverage a significant amount of additional dollars through tax credits, Medicaid health services funding, and other housing development funds.

(9) Tenants of permanent supportive housing reduced their visits to the emergency department by 56 percent and their hospital admissions by 45 percent.

(10) The cost in public services for a chronically homeless Californian ranges from $60,000 to $100,000 annually. When housed, these costs are cut in half and some reports show reductions in cost of more than 70 percent, including potentially less involvement with the health and criminal justice systems.

(11) Californians have identified homelessness as their top tier priority. This measure seeks to address the needs of the most vulnerable people within this population.

(12) Having counties provide mental health programming and services is a benefit to the state.

(13) The Department of Housing and Community Development is the state entity with sufficient expertise to implement and oversee a grant or loan program for permanent supportive housing of the target population.

(14) The California Health Facilities Financing Authority is authorized by law to issue bonds and to consult with the Behavioral Health Services Oversight and Accountability Commission and the State Department of Health Care Services concerning the implementation of a grant or loan program for California counties to support the development of programs that increase access to, and capacity for, crisis mental

health services. It is therefore appropriate for the authority to issue bonds and contract for services with the Department of Housing and Community Development to provide grants or loans to California counties for permanent supportive housing for the target population.

(15) Use of bond funding will accelerate the availability of funding for the grant or loan program to provide permanent supportive housing for the target population as compared to relying on annual allocations from the Behavioral Health Services Fund and better allow counties to provide permanent supportive housing for homeless individuals living with mental illness.

(16) The findings and declarations set forth in subdivision (c) of Section 5849.35 are hereby incorporated herein.

(c) 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.

SEC. 69.

Section 5849.2 of the Welfare and Institutions Code is amended to read:

5849.2.

As used in this part, the following definitions shall apply:

(a) "At risk of chronic homelessness" includes, but is not limited to, persons who are at high risk of long-term or intermittent homelessness, including persons with mental illness exiting institutionalized settings, including, but not limited to, jail and mental health facilities, who were homeless prior to admission, transition age youth experiencing homelessness or with significant barriers to housing stability, and others, as defined in program guidelines.

(b) "Authority" means the California Health Facilities Financing Authority established pursuant to Part 7.2 (commencing with Section 15430) of Division 3 of Title 2 of the Government Code.

(c) "Chronically homeless" has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on May 1, 2016.

(d) "Commission" means the Mental Health Services Oversight and Accountability Commission established by Section 5845.

(e) "Committee" means the No Place Like Home Program Advisory Committee established pursuant to Section 5849.3.

(f) "County" includes, but is not limited to, a city and county, and a city receiving funds pursuant to Section 5701.5.

(g) "Department" means the Department of Housing and Community Development.

(h) "Development sponsor" has the same meaning as "sponsor" as defined in Section 50675.2 of the Health and Safety Code.

(i) "Fund" means the No Place Like Home Fund established pursuant to Section 5849.4.

(j) "Homeless" has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, as that section read on May 1, 2016.

(k) "Permanent supportive housing" has the same meaning as "supportive housing," as defined in Section 50675.14 of the Health and Safety Code, except that "permanent supportive housing" shall include associated facilities if used to provide services to housing residents.

(l) "Program" means the process for awarding funds and distributing moneys to applicants established in Sections 5849.7, 5849.8, and 5849.9 and the ongoing monitoring and enforcement of the applicants' activities pursuant to Sections 5849.8, 5849.9, and 5849.11.

(1) "Competitive program" means that portion of the program established by Section 5849.8.

(2) "Distribution program" means that portion of the program described in Section 5849.9.

(m) "Target population" means individuals or households as provided in Section 5600.3 who are homeless, chronically homeless, or at risk of chronic homelessness.

(n) 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 January 1, 2025, and as of that date is repealed.

SEC. 70.

Section 5849.2 is added to the Welfare and Institutions Code, to read:

5849.2.

As used in this part, the following definitions shall apply:

(a) "At risk of chronic homelessness" includes, but is not limited to, persons who are at high risk of long-term or intermittent homelessness, including persons with mental illness exiting institutionalized settings, including, but not limited to, jail, mental health, and substance use disorder facilities, who were homeless prior to admission, transition age youth experiencing homelessness or with significant barriers to housing stability, and others, as defined in program guidelines.

(b) "Authority" means the California Health Facilities Financing Authority established pursuant to Part 7.2 (commencing with Section 15430) of Division 3 of Title 2 of the Government Code.

(c) "Chronically homeless" has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations as that section read on May 1, 2016, or as otherwise modified or expanded by the State Department of Health Care Services.

(d) "Commission" means the Behavioral Health Services Oversight and Accountability Commission established by Section 5845.

(e) "Committee" means the No Place Like Home Program Advisory Committee established pursuant to Section 5849.3.

(f) "County" includes, but is not limited to, a city and a city and county receiving funds pursuant to Section 5701.5.

(g) "Department" means the Department of Housing and Community Development.

(h) "Development sponsor" has the same meaning as "sponsor" as defined in Section 50675.2 of the Health and Safety Code.

(i) "Fund" means the No Place Like Home Fund established pursuant to Section 5849.4.

(j) "Homeless" has the same meaning as defined in Section 578.3 of Title 24 of the Code of Federal Regulations as that section read on May 1, 2016.

(k) "Permanent supportive housing" has the same meaning as "supportive housing," as defined in Section 50675.14 of the Health and Safety Code, except that "permanent supportive housing" shall include associated facilities if used to provide services to housing residents.

(l) (1) "Program" means the process for awarding funds and distributing moneys to applicants established in Sections 5849.7, 5849.8, and 5849.9 and the ongoing monitoring and enforcement of the applicants' activities pursuant to Sections 5849.8, 5849.9, and 5849.11.

(2) "Competitive program" means the portion of the program established by Section 5849.8.

(3) "Distribution program" means the portion of the program described in Section 5849.9.

(m) "Target population" means individuals or households, as provided in Section 5600.3, who are homeless, chronically homeless, or at risk of chronic homelessness.

(n) 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.

SEC. 71.

Section 5849.3 of the Welfare and Institutions Code is amended to read:

5849.3.

(a) There is hereby established the No Place Like Home Program Advisory Committee. Membership on the committee shall be as follows:

(1) The Director of Housing and Community Development, or their designee, who shall serve as the chairperson of the committee.

(2) The Director of Health Care Services, or their designee, and an additional representative.

(3) The Secretary of Veterans Affairs, or their designee.

(4) The Director of Social Services, or their designee.

(5) The Treasurer, or their designee.

(6) The Chair of the Mental Health Services Oversight and Accountability Commission, or their designee.

(7) A chief administrative officer of a small county or a member of a county board of supervisors of a small county, as provided by subdivision (d) of Section 5849.6, to be appointed by the Governor.

(8) A chief administrative officer of a large county or a member of a county board of supervisors of a large county, as provided by subdivision (b) of Section 5849.6, to be appointed by the Governor.

(9) A director of a county behavioral health department, to be appointed by the Governor.

(10) An administrative officer of a city, to be appointed by the Governor.

(11) A representative of an affordable housing organization, to be appointed by the Speaker of the Assembly.

(12) A resident of supportive housing, to be appointed by the Governor.

(13) A representative of a community mental health organization, to be appointed by the Senate Committee on Rules.

(14) A representative of a local or regional continuum of care organization that coordinates homelessness funding, to be appointed by the Governor.

(b) The committee shall do all of the following:

(1) Assist and advise the department in the implementation of the program.

(2) Review and make recommendations on the department's guidelines.

(3) Review the department's progress in distributing moneys pursuant to this part.

(4) Provide advice and guidance more broadly on statewide homelessness issues.

(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 January 1, 2025, and as of that date is repealed.

SEC. 72.

Section 5849.3 is added to the Welfare and Institutions Code, to read:

5849.3.

(a) There is hereby established the No Place Like Home Program Advisory Committee. Membership on the committee shall be as follows:

(1) The Director of Housing and Community Development, or their designee, who shall serve as the chairperson of the committee.

(2) The Director of Health Care Services, or their designee, and an additional representative.

(3) The Secretary of Veterans Affairs or their designee.

(4) The Director of Social Services or their designee.

(5) The Treasurer or their designee.

(6) The Chair of the Behavioral Health Services Oversight and Accountability Commission or their designee.

(7) A chief administrative officer of a small county or a member of a county board of supervisors of a small county, as provided by subdivision (d) of Section 5849.6, to be appointed by the Governor.

(8) A chief administrative officer of a large county or a member of a county board of supervisors of a large county, as provided by subdivision (b) of Section 5849.6, to be appointed by the Governor.

(9) A director of a county behavioral health department, to be appointed by the Governor.

(10) An administrative officer of a city, to be appointed by the Governor.

(11) A representative of an affordable housing organization, to be appointed by the Speaker of the Assembly.

(12) A resident of supportive housing, to be appointed by the Governor.

(13) A representative of a community behavioral health organization, to be appointed by the Senate Committee on Rules.

(14) A representative of a local or regional continuum of care organization that coordinates homelessness funding, to be appointed by the Governor.

(b) The committee shall do all of the following:

(1) Assist and advise the department in the implementation of the program.

(2) Review and make recommendations on the department's guidelines.

(3) Review the department's progress in distributing moneys pursuant to this part.

(4) Provide advice and guidance more broadly on statewide homelessness issues.

(c) 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.

SEC. 82.

Section 5881 of the Welfare and Institutions Code is amended to read:

5881.

(a) Evaluation shall be conducted by participating county evaluation staff and, subject to the availability of funds, by the State Department of Health Care Services and the Mental Health Services Oversight and Accountability Commission.

(b) Evaluation at both levels shall do all of the following:

(1) Ensure that county level systems of care are serving the targeted population.

(2) Ensure that the timely performance data related to client outcome and cost avoidance is collected, analyzed, and reported.

(3) Ensure that system of care components are implemented as intended.

(4) Provide information documenting needs for future planning.

(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 January 1, 2025, and as of that date is repealed.

SEC. 83.

Section 5881 is added to the Welfare and Institutions Code, to read:

5881.

(a) Evaluation shall be conducted by participating county evaluation staff and, subject to the availability of funds, by the State Department of Health Care Services and the Behavioral Health Services Oversight and Accountability Commission.

(b) Evaluation at both levels shall do all of the following:

(1) Ensure county level systems of care are serving the targeted population.

(2) Ensure the timely performance data related to client outcome and cost avoidance is collected, analyzed, and reported.

(3) Ensure system of care components are implemented as intended.

(4) Provide information documenting needs for future planning.

(c) 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.

SEC. 84.

Section 5886 of the Welfare and Institutions Code is amended to read:

5886.

(a) The Mental Health Student Services Act is hereby established as a mental health partnership grant program for the purpose of establishing mental health partnerships between a county's mental health or behavioral health departments and school districts, charter schools, and the county office of education within the county.

(b) The Mental Health Services Oversight and Accountability Commission shall award grants to county mental health or behavioral health departments to fund partnerships between educational and county mental health entities. Subject to an appropriation for this purpose, commencing with the 2021–22 fiscal year, the commission shall award a grant under this section to a county mental health or behavioral health department or another lead agency, as identified by the partnership within each county that meets the requirements of this section.

(1) County, city, or multicounty mental health or behavioral health departments, or a consortium of those entities, including multicounty partnerships, may, in partnership with one or more school districts and at least one of the following educational entities located within the county, apply for a grant to fund activities of the partnership:

(A) The county office of education.

(B) A charter school.

(2) An educational entity may be designated as the lead agency at the request of the county, city, or multicounty department, or consortium, and authorized to submit the application. The county, city, or multicounty department, or consortium, shall be the grantee and receive any grant funds awarded pursuant to this section even if an educational entity is designated as the lead agency and submits the application pursuant to this paragraph.

(c) The commission shall establish criteria for awarding funds under the grant program, including the allocation of grant funds pursuant to this section, and shall require that applicants comply with, at a minimum, all of the following requirements:

(1) That all school districts, charter schools, and the county office of education have been invited to participate in the partnership, to the extent possible.

(2) That applicants include with their application a plan developed and approved in collaboration with participating educational entity partners and that include a letter of intent, a memorandum of understanding, or other evidence of support or approval by the governing boards of all partners.

(3) That plans address all of the following goals:

(A) Preventing mental illnesses from becoming severe and disabling.

(B) Improving timely access to services for underserved populations.

(C) Providing outreach to families, employers, primary care health care providers, and others to recognize the early signs of potentially severe and disabling mental illnesses.

(D) Reducing the stigma associated with the diagnosis of a mental illness or seeking mental health services.

(E) Reducing discrimination against people with mental illness.

(F) Preventing negative outcomes in the targeted population, including, but not limited to:

(i) Suicide and attempted suicide.

(ii) Incarceration.

(iii) School failure or dropout.

(iv) Unemployment.

(v) Prolonged suffering.

(vi) Homelessness.

(vii) Removal of children from their homes.

(viii) Involuntary mental health detentions.

(4) That the plan includes a description of the following:

(A) The need for mental health services for children and youth, including campus-based mental health services, as well as potential gaps in local service connections.

(B) The proposed use of funds, which shall include, at a minimum, that funds will be used to provide personnel or peer support.

(C) How the funds will be used to facilitate linkage and access to ongoing and sustained services, including, but not limited to, objectives and anticipated outcomes.

(D) How the partnership will collaborate with preschool and childcare providers, or other early childhood service organizations, to ensure the mental health needs of children are met before and after they transition to a school setting.

(E) The partnership's ability to do all of the following:

(i) Obtain federal Medicaid or other reimbursement, including Early and Periodic Screening, Diagnostic, and Treatment funds, when applicable, or to leverage other funds, when feasible.

(ii) Collect information on the health insurance carrier for each child or youth, with the permission of the child or youth's parent, to allow the partnership to seek reimbursement for mental health services provided to children and youth, where applicable.

(iii) Engage a health care service plan or a health insurer in the mental health partnership, when applicable, and to the extent mutually agreed to by the partnership and the plan or insurer.

(iv) Administer an effective service program and the degree to which mental health providers and educational entities will support and collaborate to accomplish the goals of the effort.

(v) Connect children and youth to a source of ongoing mental health services, including, but not limited to, through Medi-Cal, specialty mental health plans, county mental health programs, or private health coverage.

(vi) Continue to provide services and activities under this program after grant funding has been expended.

(d) Grants awarded pursuant to this section shall be used to provide support services that include, at a minimum, all of the following:

(1) Services provided on school campuses, to the extent practicable.

(2) Suicide prevention services.

(3) Drop-out prevention services.

(4) Outreach to high-risk youth and young adults, including, but not limited to, foster youth, youth who identify as lesbian, gay, bisexual, transgender, or queer, and youth who have been expelled or suspended from school.

(5) Placement assistance and development of a service plan that can be sustained over time for students in need of ongoing services.

(e) Funding may also be used to provide other prevention, early intervention, and direct services, including, but not limited to, hiring qualified mental health personnel, professional development for school staff on trauma-informed and evidence-based mental health practices, and other strategies that respond to the mental health needs of children and youth, as determined by the commission.

(f) The commission shall determine the amount of grants and shall take into consideration the level of need and the number of schoolage youth in participating educational entities when determining grant amounts. In determining the distribution of funds appropriated in the 2021–22 fiscal year, the commission shall take into consideration any previous funding the grantee received under this section.

(g) The commission may establish incentives to provide matching funds by awarding additional grant funds to partnerships that do so.

(h) If the commission is unable to provide a grant to a partnership in a county because of a lack of applicants or because no applicants met the minimum requirements within the timeframes established by the commission, the commission may redistribute those funds to other eligible grantees.

(i) Partnerships currently receiving grants from the Investment in Mental Health Wellness Act of 2013 (Part 3.8 (commencing with Section 5848.5)) are eligible to receive a grant under this section for the expansion of services funded by that grant or for the inclusion of additional educational entity partners within the mental health partnership.

(j) Grants awarded pursuant to this section may be used to supplement, but not supplant, existing financial and resource commitments of the county, city, or multicounty mental health or behavioral health departments, or a consortium of those entities, or educational entities that receive a grant.

(k) (1) The commission shall develop metrics and a system to measure and publicly report on the performance outcomes of services provided using the grants.

(2) (A) The commission shall provide a status report to the fiscal and policy committees of the Legislature on the progress of implementation of this section no later than March 1, 2022, and provide an updated report no later than March 1, 2024. The reports shall address, at a minimum, all of the following:

(i) Successful strategies.

(ii) Identified needs for additional services.

(iii) Lessons learned.

(iv) Numbers of, and demographic information for, the schoolage children and youth served.

(v) Available data on outcomes, including, but not limited to, linkages to ongoing services and success in meeting the goals identified in paragraph (3) of subdivision (c).

(B) The reports to be submitted pursuant to this paragraph shall be submitted in compliance with Section 9795 of the Government Code.

(l) This section does not require the use of funds allocated for the purpose of satisfying the minimum funding obligation under Section 8 of Article XVI of the California Constitution for the partnerships established by this section.

(m) The commission may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis in order to implement this section. Contracts entered into or amended pursuant to this subdivision are exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of any division of the Department of General Services.

(n) This section shall be implemented only to the extent moneys are appropriated in the annual Budget Act or another statute for purposes of this section.

(o) 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 January 1, 2025, and as of that date is repealed.

SEC. 85.

Section 5886 is added to the Welfare and Institutions Code, to read:

5886.

(a) The Behavioral Health Student Services Act is hereby established as a mental health partnership grant program for the purpose of establishing mental health partnerships between a county's mental health or behavioral health departments and school districts, charter schools, and the county office of education within the county.

(b) The Behavioral Health Services Oversight and Accountability Commission shall award grants to county mental health or behavioral health departments to fund partnerships between educational and county mental health entities. Subject to an appropriation for this purpose, commencing with the 2021–22 fiscal year, the commission shall award a grant under this section to a county mental health or behavioral health department, or another lead agency, as identified by the partnership within each county that meets the requirements of this section.

(1) County, city, or multicounty mental health or behavioral health departments, or a consortium of those entities, including multicounty partnerships, may, in partnership with one or more school districts and at least one of the following educational entities located within the county, apply for a grant to fund activities of the partnership:

(A) The county office of education.

(B) A charter school.

(2) (A) An educational entity may be designated as the lead agency at the request of the county, city, or multicounty department, or consortium, and authorized to submit the application.

(B) The county, city, or multicounty department, or consortium, shall be the grantee and receive grant funds awarded pursuant to this section, even if an educational entity is designated as the lead agency and submits the application pursuant to this paragraph.

SB 326 – Sections NOT Included in Proposition 1

(c) The commission shall establish criteria for awarding funds under the grant program, including the allocation of grant funds pursuant to this section, and shall require that applicants comply with, at a minimum, all of the following requirements:

(1) That all school districts, charter schools, and the county office of education have been invited to participate in the partnership, to the extent possible.

(2) That applicants include with their application a plan developed and approved in collaboration with participating educational entity partners and that include a letter of intent, a memorandum of understanding, or other evidence of support or approval by the governing boards of all partners.

(3) That plans address all of the following goals:

(A) Preventing mental illnesses from becoming severe and disabling.

(B) Improving timely access to services for underserved populations.

(C) Providing outreach to families, employers, primary care health care providers, and others to recognize the early signs of potentially severe and disabling mental illnesses.

(D) Reducing the stigma associated with the diagnosis of a mental illness or seeking mental health services.

(E) Reducing discrimination against people with mental illness.

(F) Preventing negative outcomes in the targeted population, including, but not limited to, all of the following:

(i) Suicide and attempted suicide.

(ii) Incarceration.

(iii) School failure or dropout.

(iv) Unemployment.

(v) Prolonged suffering.

(vi) Homelessness.

(vii) Removal of children and youth from their homes.

(viii) Involuntary mental health detentions.

(4) That plans include a description of the following:

(A) The need for mental health services for children and youth, including campus-based mental health services and potential gaps in local service connections.

SB 326 – Sections NOT Included in Proposition 1

(B) The proposed use of funds, which shall include, at a minimum, that funds will be used to provide personnel or peer support.

(C) How the funds will be used to facilitate linkage and access to ongoing and sustained services, including, but not limited to, objectives and anticipated outcomes.

(D) How the partnership will collaborate with preschool and childcare providers, or other early childhood service organizations, to ensure the mental health needs of children are met before and after they transition to a school setting.

(E) The partnership's ability to do all of the following:

(i) Obtain federal Medicaid or other reimbursement, including Early and Periodic Screening, Diagnostic, and Treatment funds, when applicable, or to leverage other funds, when feasible.

(ii) Collect information on the health insurance carrier for each child or youth, with the permission of the child or youth's parent, to allow the partnership to seek reimbursement for mental health services provided to children and youth, where applicable.

(iii) Engage a health care service plan or a health insurer in the mental health partnership, when applicable, and to the extent mutually agreed to by the partnership and the plan or insurer.

(iv) Administer an effective service program and the degree to which mental health providers and educational entities will support and collaborate to accomplish the goals of the effort.

(v) Connect children and youth to a source of ongoing mental health services, including, but not limited to, through Medi-Cal, specialty mental health plans, county mental health programs, or private health coverage.

(vi) Continue to provide services and activities under this program after grant funding has been expended.

(d) Grants awarded pursuant to this section shall be used to provide support services that include, at a minimum, all of the following:

(1) Services provided on school campuses, to the extent practicable.

(2) Suicide prevention services.

(3) Drop-out prevention services.

(4) Outreach to high-risk youth and young adults, including, but not limited to, foster youth, youth who identify as LGBTQ+, victims of domestic violence and sexual abuse, and youth who have been expelled or suspended from school.

(5) Placement assistance and development of a service plan that can be sustained over time for students in need of ongoing services.

(e) Funding may also be used to provide other prevention, early intervention, and direct services, including, but not limited to, hiring qualified mental health personnel, professional development for school staff on trauma-informed and evidence-based mental health practices, and other strategies that respond to the mental health needs of children and youth, as determined by the commission.

SB 326 – Sections NOT Included in Proposition 1

(f) (1) The commission shall determine the amount of grants and shall take into consideration the level of need and the number of schoolage youth in participating educational entities when determining grant amounts.

(2) In determining the distribution of funds appropriated in the 2021–22 fiscal year, the commission shall take into consideration previous funding the grantee received under this section.

(g) The commission may establish incentives to provide matching funds by awarding additional grant funds to partnerships that do so.

(h) If the commission is unable to provide a grant to a partnership in a county because of a lack of applicants or because no applicants met the minimum requirements within the timeframes established by the commission, the commission may redistribute those funds to other eligible grantees.

(i) Partnerships currently receiving grants from the Investment in Mental Health Wellness Act of 2013 (Part 3.8 (commencing with Section 5848.5)) are eligible to receive a grant under this section for the expansion of services funded by that grant or for the inclusion of additional educational entity partners within the mental health partnership.

(j) Grants awarded pursuant to this section may be used to supplement, but not supplant, existing financial and resource commitments of the county, city, or multicounty mental health or behavioral health departments, or a consortium of those entities, or educational entities that receive a grant.

(k) (1) The commission shall develop metrics and a system to measure and publicly report on the performance outcomes of services provided using the grants.

(2) (A) The commission shall provide a status report to the fiscal and policy committees of the Legislature on the progress of implementation of this section no later than March 1, 2022, and provide an updated report no later than March 1, 2024. The reports shall address, at a minimum, all of the following:

(i) Successful strategies.

(ii) Identified needs for additional services.

(iii) Lessons learned.

(iv) Numbers of, and demographic information for, the schoolage children and youth served.

(v) Available data on outcomes, including, but not limited to, linkages to ongoing services and success in meeting the goals identified in paragraph (3) of subdivision (c).

(B) The reports to be submitted pursuant to this paragraph shall be submitted in compliance with Section 9795 of the Government Code.

(l) This section does not require the use of funds allocated for the purpose of satisfying the minimum funding obligation under Section 8 of Article XVI of the California Constitution for the partnerships established by this section.

(m) The commission may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis to implement this section.

(n) This section shall be implemented only to the extent moneys are appropriated in the annual Budget Act or another statute for purposes of this section.

(o) 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.

SEC. 96.

Section 5892.1 of the Welfare and Institutions Code is amended to read:

5892.1.

(a) All unspent funds subject to reversion pursuant to subdivision (h) of Section 5892 as of July 1, 2017, are deemed to have been reverted to the fund and reallocated to the county of origin for the purposes for which they were originally allocated.

(b) (1) The department shall, on or before July 1, 2018, in consultation with counties and other stakeholders, prepare a report to the Legislature identifying the amounts that were subject to reversion prior to July 1, 2017, including to which purposes the unspent funds were allocated pursuant to Section 5892.

(2) Prior to the preparation of the report referenced in paragraph (1), the department shall provide to counties the amounts it has determined are subject to reversion, and provide a process for counties to appeal this determination.

(c) (1) By July 1, 2018, each county with unspent funds subject to reversion that are deemed reverted and reallocated pursuant to subdivision (a) shall prepare a plan to expend these funds on or before July 1, 2020. The plan shall be submitted to the commission for review.

(2) A county with unspent funds that are deemed reverted and reallocated pursuant to subdivision (a) that has not prepared and submitted a plan to the commission pursuant to paragraph (1) as of January 1, 2019, shall remit the unspent funds to the state pursuant to paragraph (1) of subdivision (h) of Section 5892 no later than July 1, 2019.

(d) Funds included in the plan required pursuant to subdivision (c) that are not spent as of July 1, 2020, shall revert to the state pursuant to paragraph (1) of subdivision (h) of Section 5892.

(e) Notwithstanding subdivision (d), innovation funds included in the plan required pursuant to subdivision (c) that are not spent by July 1, 2020, or the end of the project plan approved by the Mental Health Service Oversight and Accountability Commission pursuant to subdivision (e) of Section 5830, whichever is later, shall revert to the state pursuant to subdivision (h) of Section 5892.

(f) (1) The requirement for submitting a report imposed under subdivision (b) is inoperative on July 1, 2022, pursuant to Section 10231.5 of the Government Code.

(2) A report to be submitted pursuant to subdivision (b) shall be submitted in compliance with Section 9795 of the Government Code.

(g) 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 this section, Section 5899.1, and subdivision (h) of Section 5892, by means of all-county letters or other similar instructions, until applicable regulations are adopted in accordance with Section 5898, or until July 1, 2019, whichever occurs first. The all-county letters or other similar instructions shall be issued only after the department provides the opportunity for public participation and comments.

(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. 97.

Section 5892.1 is added to the Welfare and Institutions Code, to read:

5892.1.

(a) All unspent funds subject to reversion pursuant to subdivision (i) of Section 5892 as of July 1, 2017, are deemed to have been reverted to the fund and reallocated to the county of origin for the purposes for which they were originally allocated.

(b) (1) The department shall, on or before July 1, 2018, in consultation with counties and other stakeholders, prepare a report to the Legislature identifying the amounts that were subject to reversion prior to July 1, 2017, including to which purposes the unspent funds were allocated pursuant to Section 5892.

(2) Prior to the preparation of the report referenced in paragraph (1), the department shall provide to counties the amounts it has determined are subject to reversion and provide a process for counties to appeal this determination.

(c) (1) By July 1, 2018, each county with unspent funds subject to reversion that are deemed reverted and reallocated pursuant to subdivision (a) shall prepare a plan to expend these funds on or before July 1, 2020. The plan shall be submitted to the commission for review.

(2) A county with unspent funds that are deemed reverted and reallocated pursuant to subdivision (a) that has not prepared and submitted a plan to the commission pursuant to paragraph (1) as of January 1, 2019, shall remit the unspent funds to the state pursuant to paragraph (1) of subdivision (i) of Section 5892 no later than July 1, 2019.

(d) Funds included in the plan required pursuant to subdivision (c) that are not spent as of July 1, 2020, shall revert to the state pursuant to paragraph (1) of subdivision (i) of Section 5892.

(e) Notwithstanding subdivision (d), innovation funds included in the plan required pursuant to subdivision (c) that are not spent by July 1, 2020, or the end of the project plan approved by the Behavioral Health Service Oversight and Accountability Commission pursuant to subdivision (e) of Section 5830, whichever is later, shall revert to the state pursuant to subdivision (h) of Section 5892.

(f) (1) The requirement for submitting a report imposed under subdivision (b) is inoperative on July 1, 2022, pursuant to Section 10231.5 of the Government Code.

(2) A report to be submitted pursuant to subdivision (b) shall be submitted in compliance with Section 9795 of the Government Code.

(g) (1) 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 further regulatory action, may implement, interpret, or make specific this section, Section 5899.1, and subdivision (h) of Section 5892 by means of all-county letters or other similar instructions until applicable regulations are adopted in accordance with Section 5898 or until July 1, 2019, whichever occurs first.

(2) The all-county letters or other similar instructions shall be issued only after the department provides the opportunity for public participation and comments.

(h) This section shall be 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. 101.

Section 5893 of the Welfare and Institutions Code 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 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. 102.

Section 5893 is added to the Welfare and Institutions Code, to read:

5893.

(a) In a year that the funds available exceed the amount allocated to counties, the excess 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) (1) All funds deposited into the Behavioral Health Services Fund shall be invested in the same manner that other state funds are invested.

(2) The fund shall be increased by its share of the amount earned on investments.

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

SEC. 113.

Section 14707.5 of the Welfare and Institutions Code is amended to read:

14707.5.

SB 326 – Sections NOT Included in Proposition 1

(a) It is the intent of the Legislature to develop a performance outcome system for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) mental health services that will improve outcomes at the individual and system levels and will inform fiscal decisionmaking related to the purchase of services.

(b) The State Department of Health Care Services, in collaboration with the California Health and Human Services Agency, and in consultation with the Mental Health Services Oversight and Accountability Commission, shall create a plan for a performance outcome system for EPSDT mental health services provided to eligible Medi-Cal beneficiaries under the age of 21 pursuant to 42 U.S.C. Section 1396d(a)(4)(B).

(1) Commencing no later than September 1, 2012, the department shall convene a stakeholder advisory committee comprised of representatives of child and youth clients, family members, providers, counties, and the Legislature. This consultation shall inform the creation of a plan for a performance outcome system for EPSDT mental health services.

(2) In developing a plan for a performance outcomes system for EPSDT mental health services, the department shall consider the following objectives, among others:

(A) High-quality and accessible EPSDT mental health services for eligible children and youth, consistent with federal law.

(B) Information that improves practice at the individual, program, and system levels.

(C) Minimization of costs by building upon existing resources to the fullest extent possible.

(D) Reliable data that are collected and analyzed in a timely fashion.

(3) At a minimum, the plan for a performance outcome system for EPSDT mental health services shall consider evidence-based models for performance outcome systems, such as the Child and Adolescent Needs and Strengths (CANS), federal requirements, including the review by the External Quality Review Organization (EQRO), and, timelines for implementation at the provider, county, and state levels.

(c) The State Department of Health Care Services shall provide the performance outcomes system plan, including milestones and timelines, for EPSDT mental health services described in subdivision (a) to all fiscal committees and appropriate policy committees of the Legislature no later than October 1, 2013.

(d) The State Department of Health Care Services shall propose how to implement the performance outcomes system plan for EPSDT mental health services described in subdivision (a) no later than January 10, 2014.

(e) Commencing no later than February 1, 2014, the department shall convene a stakeholder advisory committee comprised of advocates for and representatives of, child and youth clients, family members, managed care health plans, providers, counties, and the Legislature. The committee shall develop methods to routinely measure, assess, and communicate program information regarding informing, identifying, screening, assessing, referring, and linking Medi-Cal eligible beneficiaries to mental health services and supports. The committee shall also review health plan screenings for mental health illness, health plan referrals to Medi-Cal fee-for-service providers, and health plan referrals to county mental health plans, among others. The committee shall make recommendations to the department regarding performance and outcome measures that will contribute to improving timely access to appropriate care for Medi-Cal eligible beneficiaries.

(1) The department shall incorporate into the performance outcomes system established pursuant to this section the screenings and referrals described in this subdivision, including milestones and timelines, and shall provide an updated performance outcomes system plan to all fiscal committees and the appropriate policy committees of the Legislature no later than October 1, 2014.

(2) The department shall propose how to implement the updated performance systems outcome plan described in paragraph (1) no later than January 10, 2015.

(f) 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 January 1, 2025, and as of that date is repealed.

SEC. 114.

Section 14707.5 is added to the Welfare and Institutions Code, to read:

14707.5.

(a) It is the intent of the Legislature to develop a performance outcome system for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) mental health services that will improve outcomes at the individual and system levels and will inform fiscal decisionmaking related to the purchase of services.

(b) The State Department of Health Care Services, in collaboration with the California Health and Human Services Agency and in consultation with the Behavioral Health Services Oversight and Accountability Commission, shall create a plan for a performance outcome system for EPSDT mental health services provided to eligible Medi-Cal beneficiaries under the age of 21 pursuant to 42 U.S.C. Section 1396d(a)(4)(B).

(1) (A) Commencing no later than September 1, 2012, the department shall convene a stakeholder advisory committee comprised of representatives of child and youth clients, family members, providers, counties, and the Legislature.

(B) This consultation shall inform the creation of a plan for a performance outcome system for EPSDT mental health services.

(2) In developing a plan for a performance outcomes system for EPSDT mental health services, the department shall consider the following objectives, among others:

(A) High-quality and accessible EPSDT mental health services for eligible children and youth, consistent with federal law.

(B) Information that improves practice at the individual, program, and system levels.

(C) Minimization of costs by building upon existing resources to the fullest extent possible.

(D) Reliable data that is collected and analyzed in a timely fashion.

(3) At a minimum, the plan for a performance outcome system for EPSDT mental health services shall consider evidence-based models for performance outcome systems, such as the Child and Adolescent Needs and Strengths (CANS), federal requirements, including the review by the External Quality Review Organization (EQRO), and timelines for implementation at the provider, county, and state levels.

(c) The State Department of Health Care Services shall provide the performance outcomes system plan, including milestones and timelines, for EPSDT mental health services described in subdivision (a) to all fiscal committees and appropriate policy committees of the Legislature no later than October 1, 2013.

(d) The State Department of Health Care Services shall propose how to implement the performance outcomes system plan for EPSDT mental health services described in subdivision (a) no later than January 10, 2014.

(e) (1) (A) Commencing no later than February 1, 2014, the department shall convene a stakeholder advisory committee comprised of advocates for, and representatives of, child and youth clients, family members, managed care health plans, providers, counties, and the Legislature.

(B) The committee shall develop methods to routinely measure, assess, and communicate program information regarding informing, identifying, screening, assessing, referring, and linking Medi-Cal eligible beneficiaries to mental health services and supports.

(C) The committee shall also review health plan screenings for mental health, health plan referrals to Medi-Cal fee-for-service providers, and health plan referrals to county mental health plans, among others.

(D) The committee shall make recommendations to the department regarding performance and outcome measures that will contribute to improving timely access to appropriate care for Medi-Cal eligible beneficiaries.

(2) The department shall incorporate into the performance outcomes system established pursuant to this section the screenings and referrals described in this subdivision, including milestones and timelines, and shall provide an updated performance outcomes system plan to all fiscal committees and the appropriate policy committees of the Legislature no later than October 1, 2014.

(3) The department shall propose how to implement the updated performance systems outcome plan described in paragraph (2) no later than January 10, 2015.

(f) 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.

SEC. 115.

(a) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the State Department of Health Care Services may implement, interpret, or make specific the amendments made pursuant to this measure by means of plan or county letters, information notices, plan or provider bulletins, or other similar instructions without taking further regulatory action.

(b) By July 1, 2033, the State Department of Health Care Services shall adopt regulations necessary to implement, interpret, or make specific the amendments made pursuant to this measure, except for the additions of Article 3 (commencing with Section 5964) of Chapter 3 and Chapter 4 (commencing with Section 5965) of Part 7 of Division 5 of the Welfare and Institutions Code, in accordance with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) (1) For purposes of implementing this measure, the department may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis, including contracts to implement new or change existing information technology systems.

(2) Notwithstanding any other law, contracts entered into or amended, or changes to existing information technology systems made pursuant to this subdivision shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Chapter 5 (commencing with Section 19130) of the Part 2 of Division 5 of Title 2 of the Government Code, Part 2 (commencing with Section 12100) of Division 2 of the Public Contract Code, the Statewide Information Management Manual, and the State Administrative Manual and shall be exempt from the review or approval of any division of the Department of General Services or the Department of Technology.

SEC. 118.

(a) Sections 1, 2, 14, 15, 18 to 23, inclusive, 28 to 30, inclusive, 35 to 40, inclusive, 42 to 44, inclusive, 49 to 59, inclusive, 62 to 64, inclusive, 73 to 81, inclusive, 86 to 95, inclusive, 98 to 100, inclusive, 103 to 112, inclusive, 116, and 117 of this act and Section 4 of the Behavioral Health Infrastructure Bond Act, as set forth in Assembly Bill 531 of the 2023–24 Regular Session, shall be submitted to the voters at the March 5, 2024, statewide primary election, and shall appear on the ballot as a single measure, in accordance with provisions of the Government Code and the Elections Code governing the submission of a statewide measure to the voters.

(b) Notwithstanding Sections 13115 and 13117 of the Elections Code or any other law, the single measure described in subdivision (a), shall be placed as the first measure on the March 5, 2024, statewide primary election ballot and shall be designated as "Proposition 1."

(c) Notwithstanding Sections 13115 and 13117 of the Elections Code or any other law, all other measures proposed by the Legislature at the 2023–24 Regular Session for submission to the voters at the March 5, 2024, statewide primary election, shall immediately follow Proposition 1 and be designated on the statewide primary election ballot as the next in order numerically pursuant to Section 13117 of the Elections Code.

SEC. 119.

This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

To protect the health and safety of the state's most vulnerable individuals by providing critical housing, mental health, and substance use disorder treatment services within this state, it is necessary for this act to take effect immediately.