



# DEPARTMENT OF MENTAL HEALTH

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## DMH Legislative Report for the Mental Health Commission – July 22, 2024

DMH continues to monitor bills introduced in this legislative session and prioritizes and analyzes legislation according to the impact on our operations and the public mental health safety net. Therefore, the Department's list of priority bills will change as amendments and bill dispositions happen throughout the session. This report includes an update on the Prop 1 Implementation (AB 531 and SB 326), SB 26, and H.R. 8575.

### Updated Information Regarding Prop 1 Implementation (AB 531 and SB 326)

#### **Update on Prop 1 Bond Funds (previously known as AB 531)**

Last week the State released the Request for Applications (RFA) for “BHCIP Bond Round 1: Launch Ready.” The State will award up to \$3.3B through this first round of funding. As explained on the state's website, “eligible applicants for Bond BHCIP Round 1: Launch Ready grants include counties, cities, tribal entities (including 638s and urban clinics), nonprofit organizations, and for-profit organizations whose projects reflect the state's priorities and serve the targeted population. DHCS is prioritizing regional models or collaborative partnerships, including public-private partnerships, aimed at constructing, renovating, and/or expanding community-based services, as well as projects using a campus-type model that collocate multiple levels of care on the continuum, with a focus on residential treatment facilities.” The application period opens on August 9, 2024.

The Department is still reviewing the RFA and does not yet have any comments to make on the RFA at this time. The Department is planning to host a stakeholder event in August. The Department will share more information about that event with the Commission as soon as it is available.

You can find more information about the RFA and other information about BHCIP Bond Round 1 on the state's website:

[Behavioral Health Infrastructure Bond Act of 2024 - BHCIP \(buildingcalhhs.com\)](https://buildingcalhhs.com)

**SB 26 Mental Health Professions: CARE Scholarship Program (Umberg)**, would require the Department of Health Care Access and Information to administer an annual scholarship for purposes of increasing the number of culturally competent licensed marriage and family therapists (MFTs), clinical social workers, professional clinical counselors, and psychologists, and require scholarship recipients to agree to work for county behavioral health agencies in meeting its needs and obligations to implement the CARE Act for a minimum of three years upon being licensed to practice in this state.

**DMH Analysis:** SB 26 would create the Community Assistance, Recovery, and Empowerment (CARE) Scholarship Program. The CARE Act program serves one of the most vulnerable and underserved populations in need of holistic wrap-around intensive mental health services. Efforts to strengthen and bolster the workforce to provide these essential services are much needed. SB 26 could create an

opportunity to help counties recruit qualified workforce to enhance the program. However, as currently drafted, SB 26 would offer scholarships to a limited portion of the workforce that is needed to implement the CARE Act. The Los Angeles County Department of Mental Health (DMH) believes that SB 26 could be improved if it was expanded to support the expansion of the workforce even further. DMH recommended to CEO and the Board of Supervisors that the County adopt a “support if amended” position on the bill. DMH recommended that the County seek amendments that would make it easier for a broader range of CARE Act service team members to receive educational scholarships, offer scholarships to recipients who work for agencies that contract with counties to provide CARE Act services, and allow scholarship recipients to start earning work credit towards their CARE Act service commitment after they receive their educational degree (as opposed to their professional license).

**County Position:** On July 18, 2024 the County CEO announced that the County will be adopting a “support if amended” position on SB 26, and will seek amendments that will expand the CARE Act services workforce.

**CBHDA Position:** Support if amended.

**H. R. 8575 Medicaid Mental Health Facility Definition (Goldman)**, amends title XIX of the Social Security Act to revise the definition of institution for mental diseases under the Medicaid program to exclude from such definition institutions having 36 beds or less if such institutions meet certain standards.

**DMH Analysis:** HR 8575 will help to alleviate the problems to our system caused by the IMD exclusion by allowing facilities with 36 or fewer beds to receive Federal Medicaid reimbursement for care. Furthermore, the bill also would require IMD facilities to adhere to nationally recognized, evidence-based standards of care. This would be a new requirement that DMH believes can enhance the quality of care provided in our IMD facilities and increase the efficacy of the treatment offered in these facilities. In June, DMH recommended to the Board of Supervisors and CEO that the County adopt a support position on the bill.

**County Position: Support**

At its June 25, 2024 meeting, the Board of Supervisors voted to support H.R. 8575 (Goldman) on a motion authored by Supervisor Barger.

**Priority Legislation**

- **AB 2557, Local Agencies: Contracts for Special Services (Ortega)**, provides that existing law authorizes a county board of supervisors to contract for certain types of special services. This bill would require the board or a representative, at least ten months before beginning a procurement process to contract for special services that are currently, or were previously, performed by employees of the county represented by an employee organization, to notify, in writing, the exclusive employee representative of the workforce affected by the contract of its determination. Furthermore, the bill would require all county contractors to provide robust quarterly performance reports which must be monitored by the board. In addition, the bill requires any contract over two years in length to be reviewed by a third-party auditor, and for that independent audit to be reviewed by the county alongside the relevant county employee bargaining unit before the contract is renewed or extended.

**DMH’s Analysis:** AB 2557 would create an enormous administrative burden on DMH without any apparent accompanying benefit to the Department or our larger public mental health system. The

provisions of the bill are overly restrictive and would limit the Department's ability to swiftly react to changes in our volatile revenue sources, national workforce shortages, and changes in service demand. The bills also contradict the intent of Prop 1, which is to allow the public mental health system to respond quickly to the needs of our most acutely ill clients. By limiting the Department's ability to efficiently contract for care and treatment services, AB 2557 would also impede DMH's efforts to ensure timely access to services. Additionally, this bill is based on the inaccurate assumption that DMH can deliver all contracted services with county staff. That is not possible given our ever-changing financing and workforce shortages. Therefore, DMH recommends that the County take an oppose position on AB 2557.

**Update since last report:** The County adopted an oppose position to this bill in the last few weeks. The bill is now in the Senate Appropriations committee, awaiting a hearing date.

**DMH Comments:** Expressing concerns  
**County Position:** Oppose  
**CBHDA Position:** Oppose

- [AB 2561, Local Public Employees: Vacant Positions \(McKinnor\)](#), provides that the Meyers-Milias-Brown Act authorizes local public employees to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of labor relations. This bill would require each public agency with bargaining unit vacancy rates exceeding ten percent for more than a specified number of days to meet and confer with a representative of the recognized employee organization to produce, publish, and implement a plan to fill all vacant positions.

**DMH's Analysis:** AB 2561 would create a significant amount of workload for the Department without clear benefit to our workforce, our labor partners, or our overall ability to deliver the care that our residents need. As directed by the Board of Supervisors through several motions, DMH has been engaging on this issue in a focused manner for several years. DMH has issued several reports to the Board about the status of the Department's vacancies, the Department's new and ongoing recruitment and retention initiatives, and the Department's efforts to expand the behavioral health workforce pipeline. DMH believes that there is more work to be done in filling the Department's vacancies and will continue to endeavor to fill vacant positions as needed in order to meet service and programmatic demand. However, the Department does not believe that this bill would help DMH accomplish this goal. AB 2561 would infringe upon the Department's priority-setting and decision-making authority and threaten the Department's fiscal stability by presuming that the Department has sufficient revenue and need to fill all of its vacancies.

**Update since last report:** The bill is now in the Senate Appropriations committee, awaiting a hearing date.

**DMH Comments:** Expressing concerns  
**County Position:** Watching  
**CBHDA Position:** Oppose

- [SB 1238 Lanterman-Petris-Short Act: designated facilities \(Eggman\)](#). This bill provides that under the Lanterman-Petris-Short Act, when a person, as a result of a mental health disorder, is a danger to others or to themselves, or gravely disabled, as defined, the person may, upon probable cause, be taken into custody for a specified period for assessment, evaluation, and crisis intervention, or placement for

evaluation and treatment in a facility designated by the county for evaluation and treatment and approved by the State Department of Health Care Services.

**Update since last report:** The bill is now in the Assembly Appropriations committee, awaiting a hearing date.

**DMH Analysis:** *Pending*

**County Position:** No position taken yet

**CBHDA Position:** Oppose unless amended

- **SB 1400, Criminal Procedure: Competence to Stand Trial (Stern)**. This bill would remove the option for the Court to dismiss a MIST case and would instead require the court to hold a hearing to determine if the defendant is eligible for diversion. If the defendant is not eligible for diversion, the bill would require the court to hold a hearing to determine whether the defendant will be referred to outpatient treatment, conservatorship, or the CARE program, or if the defendant's treatment plan will be modified. This bill would also remove the requirement that the court dismiss the case if the defendant is already on a grant of diversion for a misdemeanor case.

**DMH's Analysis:** SB 1400 removes the option for a court to dismiss a criminal case and compels the court to choose to either make a treatment plan with a provider, refer the client to AOT, refer the client to the conservatorship process, or refer the client to CARE Court. These four choices (all of which exist today), all require the voluntary participation of the client, except for the conservatorship process. It is important to note that based upon the Department's experiences with this client population, DMH is not confident that additional attempts to offer the clients voluntary services or treatment will result in a higher uptake of treatment or services. Furthermore, a court referral to one of the programs offered to MIST clients does not automatically result in the MIST client accepting or being eligible to receive services in these programs. The Department believes that this measure would result in more referrals, hearings, and other procedural activities that only obligate the providers to spend more time in court hearings but are not likely to result in higher client service uptake.

**Update since last report:** The bill is now in the Assembly Appropriations committee, awaiting a hearing date.

**County Position:** Watch

**CBHDA Position:** No position taken yet

### **Additional Bills of Interest**

- **AB 1588 Communications: fees: lifeline service; broadband (Wilson)**, Provides that existing law requires the Public Utilities Commission to require interconnected Voice over Internet Protocol (VoIP) service providers to collect and remit surcharges on their California intrastate revenues in support of specified public purpose program funds. Requires the commission to also determine a fee annually to be paid by every interconnected VoIP service provider for specified purposes. Renames the Moore Universal Telephone Service Act as the Moore Universal Communications Service Act.  
**Update since last report:** The bill is now in the Assembly Appropriations committee, awaiting a hearing date.

**County Position:** No position taken yet on the 06/10/24 version of the bill.

**CBHDA Position:** No position taken yet

- [AB 1907 California Child and Family Service Review System \(Pellerin\)](#), require the California Child and Family Service Review System to include data from the Child and Adolescent Needs and Strengths (CANS) assessment tool.

**Update since last report:** The bill is now in the Senate Appropriations committee, awaiting a hearing date.

**County Position:** Watch

**CBHDA Position:** No position taken yet

- [SB 402 Involuntary Commitment \(Wahab\)](#). This bill would authorize a licensed mental health professional, who is designated by the county, to place an individual on an involuntary hold. The bill defines “licensed mental health professional” as a psychiatrist, psychologist, licensed clinical social worker, licensed marriage and family therapist, or a licensed professional clinical counselor who has completed all required supervised clinical experience. The bill specifies that a licensed mental health professional does not need to be direct staff of, or contracted by, the county.

**DMH Analysis:** *Pending (the bill was most recently amended on June 20, 2024)*

**Update since last report:** The bill is now in the Assembly Appropriations committee, awaiting a hearing date.

**County Position:** Watch

**CBHDA Position:** Oppose

### **Legislation That Will No Longer Move Forward This Legislative Cycle**

- [AB 2489, Local Agencies: Contracts for Special Services \(Ward\)](#), provides that existing law authorizes a county board of supervisors to contract for certain types of special services. This bill would require the board or a representative, at least ten months before beginning a procurement process to contract with persons for special services that are currently, or were previously, performed by employees of the county represented by an employee organization, to notify the exclusive employee representative of the workforce affected by the contract. Furthermore, the contractor or contracted agency must employ staff who meet or exceed the minimum qualifications and standards required of bargaining unit civil service employees who perform or performed the same job functions.

**Update since last report:** The bill was held in Senate Committee on Appropriations as of 5/16/2024 and will not advance any further this legislative cycle.

**DMH Comments:** Expressing concerns

**County Position:** Watch

**CBHDA Position:** Oppose

- [AB 2650 Licensed adult residential facilities and residential care facilities for the elderly: data collection \(Zbur\)](#). This bill would require, beginning on the specified date and annually thereafter until the specified date, the Department of Social Services to collect information and send a report to each county's department of mental health or behavioral health of all licensed adult residential facilities

and residential care facilities for the elderly that accept a specified Federal rate and accept residents with a serious mental disorder, and the number of licensed beds at each facility.

**Update since last report:** The bill is held in Senate Committee on Appropriations as of 5/16/2024 and will not advance any further in this legislative cycle.

*Note: this bill is sponsored by LARCA (Licensed Adult Residential Care Association)*

**County Position:** No position taken yet  
**CBHDA Position:** No position taken yet

- [AB 2700](#), Emergency medical services: alternate destinations (Gabriel), would require the state to survey and analyze the facilities in each county that can serve as an alternate destination facility. The bill would require a local emergency medical services agency to annually report to the Emergency Medical Services Authority regarding the development of triage to alternate destination programs in its jurisdiction, as specified.

**Update since last report:** The bill is held in Senate Committee on Appropriations as of 05/16/2024 and will not advance any further this legislative cycle.

**County Position:** No position taken yet  
**CBHDA Position:** No position taken yet

- [SB 1082](#), Augmented Residential Care Facilities (Eggman), Requires the State Department of Health Care Services, jointly with the County Behavioral Health Directors Association of California, to implement a certification program to provide augmented services to adults with serious mental illness in homelike community settings, and requires those settings to be licensed by the State Department of Social Services as a type of enhanced behavioral supports home known as an augmented residential care facility.

**Update since last report:** The bill was held in Senate Committee on Appropriations as of 05/16/2024 and will not advance any further during this legislative cycle.

**County Position:** No position taken yet  
**CBHDA Position:** No position taken yet

**Additional Resources (attached)**

- DMH Master Bill List