



DATE: April 12, 2024

Behavioral Health Information Notice No: 24-014

TO: California Alliance of Child and Family Services
California Association for Alcohol/Drug Educators
California Association of Alcohol & Drug Program Executives, Inc.
California Association of DUI Treatment Programs
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
California Hospital Association
California Opioid Maintenance Providers
California State Association of Counties
Coalition of Alcohol and Drug Associations
County Behavioral Health Directors
County Behavioral Health Directors Association of California
County Drug & Alcohol Administrators

SUBJECT: Community Assistance, Recovery, and Empowerment (CARE) Act
Fine and Repayment Guidance.

PURPOSE: Issue guidance to counties regarding the distribution of funds
deposited into the CARE Act Accountability Fund pursuant to Welfare
and Institutions Code, Section 5979(b)(2)(D) and Section 5984(b).

REFERENCE: Senate Bill 1338 (Chapter 319, Statutes of 2022)

BACKGROUND:

The Community Assistance, Recovery, and Empowerment (CARE) Act (Chapter 319, Statutes of 2022) provides community-based behavioral health services and supports for individuals with untreated schizophrenia spectrum or other psychotic disorders through a new civil court process. Counties are required to perform specified administrative functions to implement the CARE Act. If a county does not meet their specified duties under court-ordered CARE plans, the presiding judge may impose a fine. All money collected from these fines are to be deposited into the CARE Act Accountability Fund (Fund 3424).

POLICY:

Pursuant to W&I Code, Section 5979(b)(1) and 5979(b)(2)(B), if, at any time during the CARE process, the court finds that the county or other local government entity is not complying with court orders, the court shall report that finding to the presiding judge of the superior court or their designee. If the presiding judge or their designee finds, by clear and convincing evidence, that the local government entity has substantially failed to comply with the CARE Act, or with lawful orders issued by a court under the CARE Act, the presiding judge or their designee may issue an order imposing a fine. Funds collected pursuant to subdivision (b) of Section 5979 shall be deposited in the CARE Act Accountability Fund.

Pursuant to W&I Code, Section 5979(b)(2)(D)(ii), all moneys in the fund (CARE Act Accountability Fund) shall be allocated and distributed to the local government entity that paid the fines, to be used by that entity to serve individuals who have schizophrenia spectrum or other psychotic disorders and who are experiencing, or are at risk of, homelessness, criminal justice involvement, hospitalization, or conservatorship.

PROCESS:

If a county is fined by the presiding judge pursuant to the CARE Act, the county will pay funds to the State Controller's Office (SCO) using the "County Remittance Advice" form [TC-31](#), and submit a written copy of the order imposing the fine to DHCS at CARE_Claiming@DHCS.CA.GOV. SCO will deposit the payment into the CARE Act Accountability Fund (Fund 3424) and communicate receipt of the payment to DHCS. DHCS will log and track the amount of the fine along with fine information received from the county.

Beginning in calendar year 2024, DHCS will annually distribute monies that are in the CARE Act Accountability Fund (Fund 3424) as of June 30th to those counties that paid a fine and meet the following conditions by June 30th of each year:

- Submitted to DHCS a written copy of the order imposing the fine or fines to CARE_Claiming@DHCS.CA.GOV.
- Submitted to CARE_Claiming@DHCS.CA.GOV information describing how the county intends to use the reimbursed funds to support individuals who have schizophrenia spectrum or other psychotic disorders and who are experiencing, or are at risk of, homelessness, criminal justice involvement, hospitalization, or conservatorship. Information may include but is not limited to strategies, programs, and/or services that will be employed to serve the intended population.

Behavioral Health Information Notice No.: 24-014
Page 3
April 12, 2024

- Contact information of the county staff for DHCS to contact regarding the distribution of these funds.

DHCS will notify counties of the timing and amount of the returned funds after the end of the fiscal year by email.

Expenditures of these funds is subject to audit.

For more information on the TC-31 form, please see "TC-31 Frequently Asked Questions" here: https://www.sco.ca.gov/lgpsd_tc_-_31_faq.html.

For questions regarding this BHIN, please contact CARE_Claiming@DHCS.CA.GOV.

Sincerely,

Original signed by

Brian Fitzgerald
Local Governmental Financing Division