MENTAL HEALTH SERVICES ACT EXPENDITURE REPORT 2025 BUDGET ACT

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FUNDING OVERVIEW

The Mental Health Services Act (MHSA), passed as Proposition 63 in 2004, became effective January 1, 2005, and established the Mental Health Services Fund (MHSF). Revenue generated from a 1 percent tax on personal income in excess of $1 million is deposited into the MHSF. In March 2024, California voters passed Proposition 1 to implement the statutory changes in Senate Bill 326, renaming the Mental Health Services Act (MHSA) the Behavioral Health Services Act (BHSA) and modernizing and reforming the public behavioral health care system. BHSA requirements become effective on July 1, 2026; however, as of January 1, 2025, the MHSF has been renamed the Behavioral Health Services Fund (BHSF). Pursuant to the amended Welfare and Institutions Code (W&I) section 5813.6, the Department of Health Care Services (DHCS) shall submit to the Legislature annually by July 1 final budget enactment information regarding the projected expenditure of Proposition 63 funding for each state department, and for each major program category specified in the measure for Local Assistance. This report shall include actual past-year expenditures, estimated current-year expenditures, and projected budget-year expenditures of Local Assistance funding. In addition, this report shall include a complete listing of state support expenditures for the current year and for the budget year for DHCS. This includes the number of state positions and any contract funds.

The 2025 Budget Act indicates that approximately $2.7 billion was deposited into the BHSF in Fiscal Year (FY) 2023-24. The Budget Act also estimates $3.7 billion will be deposited into the BHSF in FY 2024-25 and $3.5 billion will be deposited into the BHSF in FY 2025-26. The Budget Act also estimates an annual transfer to the Supportive Housing Program Subaccount, Mental Health Services Fund (3357) per W&I section 5890(f) of $140 million in FY 2023-24, FY 2024-25, and FY 2025-26. Due to the point in time in which this report is submitted, certain programs that are discussed in this report were displayed in the BHSA Expenditure Plan as of the 2025 Budget Act but may be subject to reduction or elimination pursuant to Control Section 4.05.

The 2025 Budget Act indicates that approximately $4.6 billion was expended from the BHSF in FY 2023-24. Additionally, $3.7 billion is estimated to be expended in FY 2024-25, and $3.7 billion is projected to be expended in FY 2025-26.

The MHSA addresses a broad continuum of prevention, early intervention, and service needs and provides funding for infrastructure, technology, and training for the community mental health system. The MHSA specifies five required components:

1. Community Services and Supports (CSS)

2. Capital Facilities and Technological Needs (CF/TN)
3. Workforce Education and Training (WET)
4. Prevention and Early Intervention (PEI)
5. Innovation (INN)

The State Controller's Office (SCO) distributes funds deposited into the BHSF to counties monthly. Counties expend the funds for the required components consistent with a local plan, which is subject to a community planning process that includes stakeholders and is subject to the County Board of Supervisors' approval. Per W&I section 5892(h), counties with a population at or above 200,000 have three years to expend funds distributed for CSS, PEI, and INN components. Counties with a population of less than 200,000 have five years to expend funds distributed for CSS, PEI, and INN components. All counties have ten years to expend funds distributed for CF/TN and WET components.

In addition to local programs, MHSA authorizes up to 5 percent of revenues for state-directed purposes. These include administrative and programmatic functions performed by various state entities.

Appendix 1 provides a history of legislation that significantly impacted the MHSA.

Appendix 2 contains details about county prudent reserve maximum allowable amounts and current funding levels.

Appendices 3 and 4 contain year-by-year details on total MHSA allocations, when those allocations were spent, and how much funding was reverted. About 80 percent of MHSA funds are spent within two years of the allocation.

Explanation of Estimated Revenues and Transfers

Table 1 displays estimated revenues from MHSA's one percent tax on personal income in excess of $1 million. Personal income tax represents the net personal income tax receipts transferred into the BHSF in accordance with Revenue and Taxation Code section 19602.5(b). The "Interest Income" is the interest earned on the cash not immediately used and calculated quarterly in accordance with Government Code section 16475. An accrual amount to be received is included within the personal income tax. Due to the amount of time necessary to allow for the reconciliation of final tax receipts owed to or from the BHSF and the previous cash transfers, the FY 2023-24 anticipated accrual amount will not actually be deposited into BHSF until two fiscal years after the revenue is earned which is FY 2025-26.

The total revenue amount for each fiscal year includes income tax payments, interest income and other adjustments. The actual amounts collected differ slightly from the estimated revenues because the annual Expenditure Report reflects revenue earned. Estimated available receipts do not include funds reverted under W&I section 5892(h). (Actual expenditures for the prior years and past year, appropriated current year funds and budget year appropriations per the 2025 Budget Act.)

Table 1: MHSA Estimated Total Revenue and Transfers
2025 Budget Act
(Dollars in Millions)

Revenue	FY 2023-24	FY 2024-25	FY 2025-26
Personal Income Tax	$2,779.4	$3,773.5	$3,633.5
Interest Income Earned During Fiscal Year	$50.0	$45.3	$45.3
Other Revenue	$0.03	$0	$0
Transfer to Supportive Housing Program Subaccount (No Place Like Home)	-$140.0	-$140.0	-$140.0
Total Estimated Revenue	$2,689.4	$3,678.8	$3,538.8

Revenues by Component

Table 2 displays the estimated MHSA revenue available by component and the 5 percent portion available for state-directed purposes. While Table 2 displays the component amounts, the SCO distributes MHSA funds to counties monthly as a single amount that each county budgets expends and tracks by component according to MHSA requirements. Per W&I section 5892(h)(1) counties have three years to expend funding for CSS, PEI, and INN components, and ten years to expend funding for CF/TN and WET components. Per W&I section 5892(h)(3) counties with a population of less than 200,000 have five years to expend CSS, PEI, and INN components. Actual receipts displayed are based upon the percentages specified in W&I section 5892 for the components identified: 76% CSS; 19% PEI; 5% INN.)

Table 2: MHSA Estimated Revenue by Component
2025 Budget Act
(Dollars in Millions)

Component	FY 2023-24	FY 2024-25	FY 2025-26
Community Services and Supports (Excluding Innovation)	$1,941.8	$2,656.1	$2,555.0
Prevention and Early Intervention (Excluding Innovation)	$485.4	$664.0	$638.8
Innovation	$127.7	$174.7	$168.1
State-Directed Purposes	$199.2	$183.9	$176.9
Total Estimated Local Assistance Revenue	$2,754.1	$3,678.7	$3,538.8

MHSA Fund Expenditures

Table 3a displays MHSA expenditures for State Operations and Local Assistance by each state entity receiving funds from the BHSF with actual expenditures for FY 2023-24, estimated expenditures for FY 2024-25, and projected expenditures for FY 2025-26. "Local Assistance" for DHCS, along with Total Local Assistance, includes Local Assistance costs outside of the State-Directed Cap. The estimated MHSA monthly distribution varies depending on the actual cash receipts and actual annual adjustment amounts. Statewide General Administration funds are subject to a Pro-Rata assessment, which apportions the costs of providing central administrative services to all state departments that benefit from the services. This table Includes $28,500,000 for the Department of Health Care Access and Information pursuant to W&I section 5892 (e)(2). This table also Includes Local Assistance costs outside of the State Directed Cap.

Table 3b displays the funding for the State-Directed Purposes Cap by fiscal year. Based upon actual MHSA revenues, the 5 percent state-directed purposes cap is $199.2 million, and actual state-directed expenditures are $197.2 million for 2023-24. For 2024-25, the estimated 5 percent state-directed purposes cap is $183.9 million, and the total estimated expenditure is $197.6 million. For FY 2025-26, the projected 5 percent state-directed purposes cap is $176.9 million, and the total projected expenditure is $289.9 million. This includes funding being reappropriated and attributed to prior years. The difference in the amount exceeding the state-directed cap includes funding that has been reappropriated and is attributed to prior year available funds. The expenditures are higher than the 5 percent state-directed purposes cap due to the availability of prior years' unspent funding from the state-directed cap. The actual amounts collected differ slightly from the estimated revenues because the annual Budget Act reflects revenue earned and therefore includes accruals for revenue not yet received by the close of the fiscal year. The expenditures are higher than the 5% state-directed cap due to the availability of prior years' unspent funding from the state-directed cap.

Table 3a: MHSA Expenditures: State Operations and Local Assistance
2025 Budget Act

Department	Actual 2023-24	Estimated 2024-25	Projected 2025-26
Judicial Branch			
State Operations	$1,278	$1,436	$1,438
California Health and Human Services Agency			

Department	Actual 2023-24	Estimated 2024-25	Projected 2025-26
State Operations	$7,977	$0	$154
California Health Facilities Financing Authority			
Local Assistance	$11,777	$4,000	$4,000
Housing and Community Development			
Local Assistance	-$14	$447	$0
Department of Health Care Access and Information			
State Operations	$2,250	$1,852	$663
Local Assistance	$6,614	$6,210	$30,500
Department of Health Care Services			
State Operations	$24,608	$38,479	$65,016
Local Assistance	$4,483,830	$3,530,312	$3,510,592
California Department of Public Health			
State Operations	$3,147	$3,990	$10,582
Department of Developmental Services			
State Operations	$266	$502	$502
Local Assistance	$740	$740	$740
Behavioral Health Services Oversight & Accountability Commission			
State Operations	$21,738	$37,716	$14,471
Local Assistance	$32,826	$59,445	$34,306
Department of Corrections and Rehabilitation			
State Operations	$1,058	$1,093	$0
Department of Education			
State Operations	$46	$196	$196

Department	Actual 2023-24	Estimated 2024-25	Projected 2025-26
Board of Governors of the California Community Colleges			
State Operations	$120	$123	$123
Department of Human Resources			
State Operations	$42	$0	$0
Military Department			
State Operations	$1,476	$1,815	$1,876
Department of Veterans Affairs			
State Operations	$286	$310	$311
Local Assistance	$1,270	$1,270	$1,270
Statewide General Administration			
State Operations	$3,001	$2,282	$5,677
Supplemental Pension Payments			
State Operations	$505	$384	$0
Total State Operations	$67,798	$90,178	$101,009
Total Local Assistance	$4,537,043	$3,602,424	$3,581,408
Total Expenditures	$4,604,841	$3,692,602	$3,682,417

Table 3b: MHSA Expenditures: State-Directed Purposes Cap
2025 Budget Act
(Dollars in Millions)

Component	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
Total BHSF Revenues for State Directed Purposes	$2,689.4	$3,678.8	$3,538.8
State Directed Percentage Cap	5%	5%	5%
State Directed Revenue	$199.2	$183.9	$176.9
Total State Directed Expenditures	$197.2	$197.6	$289.9
Difference	$2	-$13.7	-$113

Statewide Component Activities

Community Services and Supports

Community Services and Supports (CSS), the largest component, is 76 percent of county MHSA funding. CSS funds direct services to individuals with severe mental illness. These services focus on recovery and resilience while providing clients and families with an integrated service experience. CSS has four service categories:

- Full-Service Partnerships
- General System Development
- Outreach and Engagement
- MHSA Housing Program

Full-Service Partnerships

Full-Service Partnerships (FSPs) consist of a service and support delivery system for the public mental health system's (PMHS) clients with the most complex needs, as described in W&I sections 5800 et seq. (Adult and Older Adult Systems of Care) and 5850 et. seq. (Children's System of Care). The FSP is designed to serve Californians in all phases of life who experience the most severe mental health challenges because of illness or circumstance. FSPs provide substantial opportunity and flexibility in services for a population that has been historically underserved and greatly benefit from improved access and participation in quality mental health treatment and support services. FSPs provide wrap-around or "whatever it takes" services to clients. Many CSS funds are dedicated to FSPs.

General System Development

General System Development (GSD) funds are used to improve programs, services, and support for all clients in a way that is consistent with the MHSA target populations. GSD funds help counties improve programs, services, and support for all clients and families. Counties also use GSD funds to change their service delivery systems and build transformational programs and services. For example, counties may use GSD funds to include client and family services such as peer support, education and advocacy services, and mobile crisis teams. GSD programs also promote interagency and community collaboration and services, and develop the capacity to provide value-driven, evidence-based, and promising clinical practices. Counties may only use this funding for mental health services and supports to address mental illness or emotional disturbance.

Outreach and Engagement Activities

Outreach and engagement activities target populations who are unserved or underserved. The activities help to engage those reluctant to enter the system and provide funds for screening of children and youth. Examples of organizations that may receive funding include, but are not limited to, racial-ethnic community-based organizations, mental health and primary care partnerships, faith-based agencies, tribal organizations, and health clinics.

MHSA Housing Program

The Mental Health Service Act Housing Program was developed in 2008 as a result of voter-approved Proposition 63 and offers permanent financing and capitalized operating subsidies for the development of permanent supportive housing to serve persons with serious mental illness and their families who are homeless or at risk of homelessness. The MHSA Housing Program sunset in 2016.

Capital Facilities and Technological Needs

The CF/TN component provided funding from FY 2007-08 to enhance the infrastructure needed to support the implementation of MHSA. This includes improving or replacing existing technology systems and/or developing capital facilities to meet the increased needs of the local mental health system. Counties received $453.4 million for CF/TN projects and had to expend these funds through FY 2016-17.

Counties must use funding for Capital Facilities to acquire, construct, and/or renovate facilities that provide services and/or treatment for those with severe mental illness or that provide administrative support to MHSA-funded programs. Counties must also use funding for Technological Needs for county technology projects that improve access to and delivery of mental health services.

Workforce Education and Training

In 2004, MHSA allocated $444.5 million for the WET component. These funds support counties and the Department of Health Care Access and Information (HCAI) to enhance the public mental health workforce.

Local WET Programs

In FY 2006-07 and FY 2007-08, counties received $210 million of the total allocation for local WET programs. They had through FY 2016-17 to expend these funds.

Statewide WET Programs

Pursuant to W&I section 5820, HCAI develops and administers statewide programs to increase the number of qualified personnel in the mental health workforce serving individuals who have a serious mental illness (SMI). In 2008, $234.5 million was set aside from the total $444.5 million WET allocation for state-administered WET programs. From 2008 to 2013, the former Department of Mental Health (DMH) administered the first Five-Year Plan of $119.8 million. The Legislature transferred responsibility for administering the plan to HCAI in 2013. HCAI administers the 2020-2025 WET Plan, supported by $15 million in general funds and $45 million in MHSF as of the 2021 Expenditure Report.

Prevention and Early Intervention

The MHSA allocates 19 percent of MHSA funds distributed to counties for PEI programs and services. The overall purpose of the PEI component is to prevent mental illnesses from becoming severe and disabling, with an emphasis on improving timely access to services for underserved populations. The PEI component enumerates outcomes that collectively move the PMHS from an exclusive focus on late-onset crises to inclusion of a proactive "help first" approach.

Innovation

The MHSA allocates 5 percent of MHSA funds distributed to counties for the INN component, which provides counties the opportunity to design and test time-limited new or changing mental health practices that have not yet been demonstrated as effective. The purpose of the INN component is to infuse new, effective mental health approaches into the mental health system, both for the originating county and throughout California. The purpose of an INN project is to increase access to underserved groups, increase the quality of services, including measurable outcomes, promote interagency and community collaboration, or increase access to mental health services, including but not limited to, services provided through permanent supportive housing.

STATE-DIRECTED EXPENDITURES

The state-directed expenditures allotted to state entities receiving MHSA funding are as follows:

Judicial Branch

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$1,278	$1,436	$1,438
Local Assistance Expenditures	$0	$0	$0
Positions	6	6	6

General Overview

The Judicial Council's Center for Families, Children & the Courts uses BHSF monies to administer the Children, Youth and Families Behavioral Health Program. This program supports prevention and early intervention by helping empower courts and their partners to better address behavioral health issues in those individuals with mental illness and/or substance use disorder who are currently in, or at risk for, involvement in the court system. The BHSF supports juvenile and non-criminal adult behavioral health and partially funds work on the Substance Abuse Focus Grant, the Dependency Drug Court Augmentation Grant, and the Community/Homeless Courts.

Program Description

The Children, Youth, and Families Behavioral Health program supports juvenile projects focused on meeting the unique needs of children and families with behavioral health conditions. The program's goal is to reduce juvenile involvement in the family, dependency, and delinquency courts by using therapeutic models of early intervention, assessment, and effective treatment responses for at-risk children. The program also addresses adults in the behavioral health system who are involved in cases that cross multiple case types. The ongoing work in adult courts includes addressing family reunification; court users with mental illness and/or substance use disorder in probate and family courts; civil harassment; and housing and small claims matters, including helping courts better serve the unhoused and housing insecure. The work also seeks to improve services for self-represented litigants with mental illness and/or substance use disorder so that court employees, especially direct service providers, may better understand and respond to court customers with behavioral health needs, and to give

court leadership tools to work actively with county mental health leadership so that their communities have access to available behavioral health resources. Program staff also support grant funding opportunities for collaborative courts that help litigants address behavioral health issues that can contribute to court involvement.

Program Outcomes

Judicial Council staff develop training for conferences, summits, and roundtables, including on-demand/virtual education, along with tools/resources to increase the knowledge and awareness of judicial officers, court staff, and justice system and treatment/service partners. Much of this content is available to courts and professionals through the California Courts website, including on the Children, Youth, and Families Behavioral Health webpage, developed in 2023, specifically tailored to provide on-demand training and education resources to courts and their partners. Behavioral health content developed and finalized during this fiscal year includes the items labelled as "new" on those webpages and includes:

- Proposition 1 and Behavioral Health Transformation webinar and the companion Proposition 1 Fact Sheets and presentation materials (July 2024).
- Community Impact Strategies to Address Homelessness webinar (October 2024).
- Beyond Awareness: How Schools Address Trauma and Promote Resilience webinar (October 2024).
- Youth Homelessness and Justice Involvement webinar (October 2024).
- Experience-Based Advocacy for System-Involved Youth: Behavioral Health webinar (December 2024).
- Creation of a Youth and Families Behavioral Health webpage on the Judicial Resources Network, a secure intranet site designed for judicial officers and court staff access.
- A 4-part series of school-based mental health resource guides for judges and court professionals that will help provide them with the necessary information to assist the children and families they serve in accessing needed mental health services. (Publication pending finalization).

Additional behavioral health-related education was provided to attorneys working with the families involved in foster care, self-help attorneys, and Family Court Services directors, managers, and supervisors.

Work currently in progress during this fiscal year includes:

- The development and recording of additional behavioral health-related webinars and in-person training.
- Education and resources are designed to help courts and justice partners meet the requirements of Proposition 1, including a dedicated proposition webpage.

Other work that is partially funded through the BHSF includes supporting and maintaining the:

- Adult Civil Mental Health webpage content and resources.
- Homeless Court Technical Assistance for Courts webpage content and resources.
- Collaborative Justice Courts Advisory Committee.
- Probate, Mental Health, Family Treatment Court Judicial Officers, Self-Help, Equal Access, and Collaborative Court Listservs, which are used to disseminate best/promising practices and identify/discuss emerging issues within behavioral/mental health; and working on mental health issues relevant to veterans and military families.

Administrative Funds

MHSA funds are used to fill staffing positions to support the work described above. Contracts utilizing MHSA funds include faculty contracts for mental health-related education programs.

California Health and Human Services Agency

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$7,977	$0	$154

General Overview

The California Health and Human Services Agency (CalHHS) announced the Children and Youth Behavioral Health Initiative (CYBHI) in July 2021, in line with California's Behavioral Health Transformation. The intent is to enhance, expand, and redesign the systems that support behavioral health for children and youth.

The CYBHI aims to reimagine mental health and emotional well-being for all California children, youth, and families by delivering equitable, appropriate, timely, and accessible behavioral health services and supports.

The CYBHI will be the combined effort of the Department of Health Care Services, Department of Health Care Access and Information, Department of Managed Health Care, California Department of Public Health, and California's Office of Surgeon General in partnership with other CalHHS departments, state agencies, and a wide range of stakeholders, with coordination provided by CalHHS.

Program Description

The CYBHI is a five-year, $4.2 billion initiative transforming how California supports children, youth, and families.

Built on a foundation of equity and accessibility, the CYBHI works to reimagine a more integrated, youth-centered system that meets the needs of all young people, particularly those who face the greatest systemic barriers to wellness. The initiative's goal is to enable California kids to find support for their mental health and substance use needs where, when, and in the way they need it most.

The initiative's efforts are created for and by young people and families. Together with partners across sectors and systems, CalHHS meets young people where they are – such as schools, college campuses, and other learning environments – to provide access to mental health and substance use services and supports.

California Health Facilities Financing Authority

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$0	$0	$0
Local Assistance Expenditures	$11,777	$4,000	$4000
Positions	0	0	0

General Overview

The California Health Facilities Financing Authority (CHFFA) supports two programs with MHSA funding: the Investment in Mental Health Wellness Grant Program for Children and Youth and the No Place Like Home Program.

Program Descriptions and Outcomes

Investment in Mental Health Wellness Grant Program for Children and Youth (Children and Youth Program)

Program Description

Chapter 30, Statutes of 2016 (SB 833) expanded the Investment in Mental Health Wellness Act to provide competitive grants to counties or counties applying jointly with public agencies or private nonprofit corporations to fund facility acquisition, construction and renovation costs, furnishings and equipment acquisition, information technology costs and applicable program startup or expansion costs for crisis stabilization, crisis residential treatment mobile crisis support teams, and family respite care programs dedicated to children and youth ages 21 and under. The 2013 Budget Act included $4 million in ongoing BHSF to support personnel funding for mobile crisis support teams. The 2016 Budget Act included $27 million one-time funding with $16 million from the General Fund and $11 million from the BHSF as well as reappropriated any unspent funds under the Investment in Mental Health Wellness Grant Program (Chapter 34, Statutes of 2013 [SB 82]) to the Children and Youth Program to support crisis stabilization, crisis residential treatment, mobile crisis supports teams, and family respite care. The 2017 Budget Act swapped the $16 million General Fund appropriation and replaced it with $16.7 million from the MHSA Fund. The 2019 Budget Act reappropriated the 2016 and 2017 Budget Act appropriations.

Program Outcomes

The Children and Youth Program was appropriated for approximately $11.0 million one-time General Fund (available until June 30, 2024) and $27.3 million one-time BHSF (available until June 30, 2024) to support crisis stabilization, crisis residential treatment, mobile crisis support teams (MCST), and family respite care. The program is also supported by the 2013 Budget Act appropriation of $4 million, an ongoing BHSF to support personnel funding for mobile crisis support teams.

The key objective of the Children and Youth Program is to expand treatment services and capacity by adding at least 120 crisis stabilization and crisis residential treatment beds, adding at least 200 mobile crisis support teams, and expanding family respite care. To date, CHFFA has been awarded five rounds of funding intended to support 109 crisis stabilization and crisis residential treatment beds, add 26 mobile crisis support teams, and develop one family respite care facility.

After five funding rounds, CHFFA has awarded a total of $39,033,145 in capital funding, and $4 million in annual personnel funding was awarded for the approved MCST projects for up to five years.

For additional information regarding the mental health programs view the CHFFA page.

No Place Like Home Program (AB 1618 and AB 1628)

Program Description

Chapter 43, Statutes of 2016 (AB 1618) and Chapter 322, Statutes of 2016 (AB 1628) authorized CHFFA to issue up to $2 billion in revenue bonds to fund the No Place Like Home (NPLH) Program, and the 2018-19 budget and beyond provides a statutory limit of $140 million in MHSA funding per year as the maximum annual debt service amount to be paid on the bonds, including bond administrative expenses, payable in connection with the NPLH Program.

Due to legal challenges, the implementation of the Program was delayed. Chapter 41, Statutes of 2018 (AB 1827) placed the NPLH program on the November 2018 ballot (Proposition 2), where the voters adopted it as the No Place Like Home Act. This ratified existing law, establishing the NPLH Program as consistent with the MHSA, which was approved through Proposition 63 in 2004. It also ratified the issuance of up to $2 billion in previously authorized bonds. Bonds were issued for $500 million in November 2019 and $450 million in October 2020 to fund awards granted by the Department of Housing and Community Development (HCD). The final tranche of $1.05 billion was issued in April 2021, fully exhausting the $2 billion in authorized bonds.

The revenue bonds are backed by income tax receipts collected under the MHSA and fund the construction and rehabilitation of permanent supportive housing for homeless individuals with mental illness. HCD is administering the loan and grant program for awarding funds to counties to finance capital costs for permanent supportive housing, while CHFFA issued the revenue bonds for the program.

Program Outcomes

HCD made its final anticipated awards under the NPLH program in August 2022, which comprised 156 awards totaling approximately $1.91 billion in 46 counties. Of these awards, HCD made awards to four Alternative Process Counties in the amount of $1.07 billion that are estimated to result in approximately 4,337 NPLH assisted units. Alternative Process Counties are those counties with 5 percent or more of the state's homeless population who are designated to receive and administer their own allocations. In addition, HCD awarded approximately $841.23 million to 42 counties and three cities for 141 projects that are estimated to result in 2,990 NPLH assisted units. Together, it is estimated that 7,326 NPLH-assisted units will be produced.

As of June 30, 2025, there are a total of 169 NPLH-assisted projects that have completed construction, and 59 that are under construction. These numbers include projects funded directly by the Alternative Process Counties.

Housing and Community Development

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$0	$0	$0
Local Assistance Expenditures	-$14	$447	$0
Positions	0	0	0

General Overview

In 2016, the Department of Housing and Community Development (HCD) received MHSA funding of $6.2 million appropriated by W&I Code section 5849.10, for the provision of technical assistance and application preparation assistance to counties for the NPLH program.

Program Description

The purpose of NPLH is to acquire, design, construct, rehabilitate, or preserve permanent supportive housing for people who are experiencing homelessness, chronic homelessness, or are at risk of chronic homelessness, and who need mental health services. The NPLH Technical Assistance (TA) Grants were awarded to counties to fund eligible activities that support the planning, design, and implementation of Coordinated Entry Systems, permanent supportive housing, and the accompanying supportive services for individuals qualifying for assistance under the NPLH program.

Program Outcomes

In September 2017, HCD received applications from 58 counties. HCD awarded all applications received for a total of $5.8 million. Counties had until June 30, 2020, to expend these funds to improve the delivery of homelessness programs, including the NPLH program. HCD combined the remaining NPLH technical assistance funds, $433,000, with other technical assistance funds for locality capacity building to address homelessness. The remaining NPLH TA funds will be committed in the coming year. Commitment of these funds has resumed after a temporary pause in HCD contracting activities for third-party technical assistance.

Department of Health Care Access and Information

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$2,250	$1,852	$663
Local Assistance Expenditures	$6,614	$6,210	$30,500
Positions	1.9	4.9	1.9

General Overview

Pursuant to W&I Code section 5820, Department of Health Care Access and Information (HCAI) develops and administers statewide programs to increase the number of qualified personnel in the public mental health system (PMHS) serving individuals who have serious mental illness. A percentage of positions are distributed among programs.

HCAI and the California Behavioral Health Planning Council (CBHPC) collaborated to develop the 2020-2025 MHSA WET Five-Year Plan, which is the third in a series of required Five-Year Plans. The current WET Plan reflects the best practices and frames a workforce development continuum through clinical graduate school or medical school, with increased coordination at the local level. In January 2019, CBHPC approved the 2020-2025 WET Five-Year Plan.

The 2019 Budget Act allocated $25 million in one-time MHSA funding and $35 million in one-time General Fund to implement the 2020-2025 WET Five-year Plan. The 2020 Budget Act swapped $20 million of the General Fund approved in the 2019 Budget Act for the 2020-2025 WET Program for $20 million in MHSA funding from the State Administration Account. This amount is available for encumbrance or expenditure until June 30, 2026.

To implement the 2020-2025 WET Plan, HCAI awarded $40 million in grants for the Regional Partnership (RP) Grant Program and $16.1 million for the Psychiatric Education Capacity Expansion (PECE) program.

The 2020 Budget Act reappropriated $7.2 million BHSF to extend the encumbrance or expenditure period for the previous WET Five-Year Plan until June 30, 2021. The reappropriation continues support of the 2014-2019 WET Five-Year Plan.

The 2022 Budget Act appropriated $10 million in MHSA funding to implement the Golden State Social Opportunities Program. Only $1.2 million is state operation money.

This program provided grants to students in postgraduate mental health programs who commit to working in a California-based nonprofit eligible setting.

Administrative Funds

The program descriptions and outcomes below cover how the funds were used, inclusive of funding opportunities (grant agreements). No contracts were funded through these resources.

Program Descriptions and Outcomes

Regional Partnership (RP) Grant Program

Program Description

HCAI awarded $40 million in grants to MHSA Regional Partnerships (RPs) in the 2020 State Budget Act to implement the RP Grant Program. It required RPs to commit to a 33 percent match of local funds to support the activities in the RP Grant Program. The program funds five WET RPs responsible for administering programs that oversee training and support the PMHS workforce in their region.

Each RP has one or more of the following components: pipeline development, undergraduate college and university scholarships, clinical master's and doctoral graduate education stipends, undergraduate education, clinical master's and doctoral graduate education, medical school education loan repayments, and mental workforce retention activities.

Program Outcomes

In FY 2022, RPs solicited applications for individual awards and awarded 11 scholarships, 70 stipends, and 1,300 loan repayment grants, in addition to supporting pipeline and retention programs.

Psychiatric Education Capacity Expansion (PECE) program: Psychiatric Mental Health Nurse Practitioner (PMHNP)

Program Description

HCAI developed a new PECE program to increase the capacity of Psychiatric Mental Health Nurse Practitioner (PMHNP) training programs. HCAI funds PMHNP education training programs to increase their capacity to train PMHNP students and provide clinical rotations in the PMHS.

Program Outcomes

HCAI supported four training programs in FY 2021 that are projected to add 296 PMHNP slots for a five-year period. In 2023, HCAI was awarded a grant to a project that is projected to add 14 PMHNP slots for a five-year period. Finally in 2024 HCAI funding supports 50 PMHNP slots for a five-year period.

Psychiatric Education Capacity Expansion (PECE) program: Psychiatry Residency Program

Program Description

HCAI funds psychiatry residency training programs to increase their capacity to train residents/fellows and provide clinical rotations in the PMHS.

Program Outcomes

HCAI supported three training programs. In 2021, HCAI has funded 35 residency/fellowship slots for a five-year period. In 2023 HCAI supported residency/fellowship slots for a five-year period. Finally, in 2024 HCAI was awarded 24 residency/fellowship slots.

Peer Personnel Training and Placement Program

Program Description

HCAI funds organizations that support individuals with lived experience as a mental/behavioral health services consumer, family member, or caregiver placed in designated peer positions within the PMHS. Grantees conduct recruitment and outreach, career counseling, training, placement, and six months of support services.

Program Outcomes

In 2021, HCAI awarded grants to nine organizations to recruit, train, and place a projected 1,203 individuals in peer personnel positions across 37 counties. In 2022, HCAI awarded grants to 12 organizations to recruit, train, and place a projected 2,515 individuals in peer personnel positions across 38 counties. In 2023, HCAI awarded grants to 16 organizations to recruit, train, and place a projected 3,300 individuals in peer personnel positions across 43 counties. HCAI awarded nine more grants in 2024 to serve an estimated 2,073 participants across 42 counties.

Mental Health Shortage Designation Program

Program Description

The Mental Health Shortage Designation Program identifies communities experiencing mental health professional shortages as defined by the federal Health Resources and Services Administration. The shortage designation allows mental health sites and individuals to draw down federal and state funds to support workforce development

through student loan repayment programs: the National Health Service Corps Loan Repayment Program and the State Loan Repayment Program.

Program Outcomes

HCAI continually monitors all of California to accurately determine Mental Health Professional Shortage Area (MHPSA) designations and related designation scores. There are currently 252 Medical Services Study Areas (MSSAs) within MHPSAs in California. There are approximately 13.1 million Californians living in these designated MHPSAs.

Golden State Social Opportunities Program

Program Description

This program provides one-to two-year grants of up to $50,000 to students seeking a career as a licensed clinician who are enrolled in a postgraduate program of a University of California, California State University campus, or a non-profit independent institution of higher education, if the student commits to working in a California-based nonprofit for a period of two years upon completion of the postgraduate program.

Program Outcome

HCAI awarded scholarships to 149 students in 31 counties to become licensed counselors, social workers, and therapists, totaling $4,613,703 in FY 2023-24. In 2024-25 HCAI Awarded $4,138,281 for 77 scholarships in 27 counties.

The upcoming FY 2026-30 Workforce and Education (WET) Five-Year Plan will discuss behavioral health workforce program needs based on extensive community input and as well as research. This information will guide expenditure of the 3% percent of funds earmarked for HCAI, which for FY 2025-26 will equal $31,730,000. These funds will also be used to leverage federal behavioral health workforce program funds for a grand total of approximately $1.9 million through 2030.

Department of Health Care Services

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$24,608	$38,479	$65,016
Local Assistance Expenditures	$4,483,830	$3,530,312	$3,510,592
Positions	49.5	49.5	111.8

General Overview

MHSA Oversight

For FY 2023-24 MHSA state operations funding supported 49.5 positions responsible for a range of fiscal and programmatic oversight activities of MHSA-funded programs including:

- Reversion Calculations
- Redistribution of funds in Reversion Account
- Annual Revenue and Expenditure Reports
- Withhold Process
- Monitor county prudent reserve levels
- Performing fiscal audits of county MHSA expenditures
- MHSA Allocation Schedule
- MHSA Regulations
- MHSA Program Reviews
- County Performance Contracts
- Issue Resolution Process

Behavioral Health Bridge Housing

The Behavioral Health Bridge Housing (BHBH) program addresses the immediate housing, and treatment needs of people experiencing unsheltered homelessness with serious behavioral health conditions, along with the sustainability of these ongoing supports. The BHBH program enables DHCS through our county and tribal partners to meaningfully contribute to the implementation of the California Interagency Council on Homelessness and will be implemented in alignment with the Community, Assistance, Recovery and Empowerment (CARE) Court, which prioritizes BHBH resources for CARE Court participants. MHSA funds were allocated to support the BHBH program, in the amount of $85 million in FY 25-26.

See the BHBH webpage for more information.

California Behavioral Health Planning Council (CBHPC)

CBHPC is responsible for the review of MHSA-funded behavioral health programs based on performance outcome data and reports from DHCS and other sources. This includes the development of the annual Data Notebook to the local advisory boards for their

input on county performance in specific areas of the system funded by MHSA. The CBHPC regularly issues recommendations on targeted aspects of the community mental/behavioral health system. Additionally, the CBHPC advises HCAI on education and training policy, collaborates on their statewide needs assessment, and provides oversight for the five-year plan development, approving it every five years. The CBHPC also advises the Administration and the Legislature on priority issues, including statewide planning and advocating for adults living with a serious mental illness and children with Severe Emotional Disturbances.

FY 2023-24 expenditures supported council operations, including, data evaluation contract/fees, recording contract/fees, exhibits tables, conference registrations, public forums, meeting space rental, audio visual for off-site meetings, lodging for 19 CBHPC members to attend quarterly meetings and conferences, 5.0 permanent positions, one permanent intermittent office clerk, and office supplies. Spending was slightly above the previous year's spending due to hotel market value rises and increased per diem reimbursement rates.

FY 2024-25 estimated spending on general expenses will slightly decrease from FY 2023-24 due to utilizing 10 percent more Mental Health Block Grant funding for expenses such as meeting space rental and audio visual for off-site meetings than in previous years. Additionally, the CBHPC is limiting exhibit tables, conference registrations, and public forums. The CBHPC anticipates having full membership and slightly increased travel costs due to the state lodging rate and per diem reimbursement rate increases effective October 1, 2024. The CBHPC also anticipates increased spending on contracts due to a current data contract effective through May 2025 and anticipating resuming contracts for transcription services.

See the CBHPC webpage for additional information.

Contracts

Statewide Technical Assistance for MHSA Community and County Programs:

DHCS contracted with the Center for Applied Research Solutions (CARS) to provide statewide technical assistance, training, a resource library, consultation services, and learning collaboratives for the MHSA funded community and county level programs for FY 2020-21 to FY 2022-23. DHCS renewed the contract for FY 2023-24, 2024-25 and 2025-26 for $1,644,000 annually. However, in response to the passage of Proposition 1 and due to the changing landscape of the behavioral health service delivery system, the services provided through the CARS contract no longer matched the emerging technical assistance needs, and the contract was terminated on April 18, 2024.

California Health Information Survey:

DHCS contracts with the University of California, Los Angeles (UCLA) to fund the California Health Information Survey (CHIS), a phone survey that captures data on adults and youth in California. The survey gathers data on the health status of, and access to, healthcare services of an estimated 1.6 million adults aged 18 to 64. DHCS uses information from this survey to measure mental health service needs and mental health program utilization. The current contract is funded at $4,407,802.54 and will end on June 26, 2025. Of this amount, $1,392,000 funded FY 2023-24, and $1,392,000 will fund FY 2024-25. The current contract ends on June 26, 2025. DHCS will renew the CHIS contract for the next four-year cycle (FYs 2025-26 through 2028-29), and the total contract will be funded at $4,740,958. Of this amount, $995,938 is estimated to be spent on FY 2025-26.

Technical Assistance for BHSA Implementation:

DHCS also contracts with Manatt Health Strategies to provide technical assistance to DHCS to assist with BHSA implementation. This includes policy development, service delivery system alignment, project management, ad-hoc research, support for stakeholder engagement and implementation timelines. This contract is funded at $26,081,581 and includes MHSA funds and other funding. Of this amount, $1,894,000 of MHSA funds were spent on FY 2024-25 and $1,644,000 is being spent on FY 2025-26.

Adverse Childhood Experiences Aware Program:

DHCS also contracts with UCLA to implement the Adverse Childhood Experiences (ACEs) Aware program, which trains medical providers to screen for ACEs and provide appropriate referrals and follow-up care, to help improve lives. UCLA sub-contracts and partners with University of California, San Francisco (UCSF) under the program name of the UCLA-UCSF ACEs Aware Family Resilience Network (UCAAN) to provide scientific and program assistance with ACEs Aware implementation activities. Such as outreach to providers, training curriculum development, administering ACEs Aware grants, ACEs Aware communications, data reporting, and program evaluation. The total value of the contract with UCLA is $174.7 million for work done from October 2021 to March 2025. DHCS is planning to receive funding for this program for the final two years of the contract in the amount of $27.55 million MHSA funds in FY 2023-24, and $22.75 million MHSA funds in FY 2024-25.

988 Services:

DHCS contracted with Didi Hirsch Psychiatric Service to deliver 988 call center services for California residents to meet federal and state standards for the implementation of

the 988 Suicide & Crisis Lifeline. Didi Hirsch subcontracted with California Lifeline Crisis Centers to improve and expand mental health crisis and suicide prevention services, including answered call volume increases, extension of service hours, and the addition of chat and text access. The contract was originally funded at $4 million annually for FY 2022-23, FY 2023-24, and FY 2024-25. However, the contract was cancelled in March 2024 due to reductions in operating budgets.

CalHOPE:

DHCS contracts with the California Mental Health Services Authority (CalMHSA) to assist with the chat services provided by CalHOPE. CalMHSA will assist by providing counseling services, crisis services, and referring individuals to local community health workers/organizations where they can receive culturally sensitive emotional support. In FY 2025-26, $5 million MHSA funds will be used for CalHOPE warmlines.

Find additional information on the CalHOPE website.

California Department of Public Health

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditues	$3,147	$3,990	$10,582
Local Assistance Expenditues	$0	$0	$0
Positions	4.4	5.5	5.5

General Overview

The California Department of Public Health (CDPH) works to protect the public's health and helps shape positive health outcomes for individuals, families, and communities.

CDPH's Office of Heath Equity (OHE) works continuously to reduce health and mental health disparities among vulnerable and underserved communities to achieve health equity throughout California. CDPH supports the California Reducing Disparities Project (CRDP) administered by OHE, the All Children Thrive California Program (ACT/CA), administered by the Center for Healthy Communities (CHC), the Injury and Violence Prevention Branch (IVPB), and the Mental Health and Impacts of Social Media (AB 1282) administered by CHC Substance and Addiction Prevention Branch (SAPB) with BHSF.

Program Description and Outcomes

California Reducing Disparities Project (CRDP)

CRDP Program Description

OHE's Community Development and Engagement Section (CDES) staff oversees the CRDP and provide technical assistance on operational, fiscal, and programmatic management and implementation. This prevention and early intervention mental health disparities project aims to grow and validate community-defined evidence practices (CDEPS) through a community based participatory evaluation approach. The CRDP aims to improve access and quality of care for the following five populations: African American; Asian and Pacific Islander; Latinx; Native American; and Lesbian, Gay, Bisexual, Transgender, and Queer.

Beginning in 2012-13, the MHSA funded CDPH $15 million a year for four years (a total of $60 million available to spend without regard to fiscal year) to implement and evaluate CRDP CDEPS. CDPH/OHE awarded and executed 44 contracts and grants to implement the CRDP Phase II. These contracts and grants include:

- A Statewide Evaluator,
- Five Technical Assistance Providers,
- Thirty-five Implementation Pilot Projects,
- An Education Outreach and Awareness Consultant, and
- A Cultural Broker

The $60 million MHSA appropriation for the CRDP ended April 30, 2022. However, the California State Legislature appropriated $63.1 million in General Funds in the 2021 Budget Act (Assembly Bills 128 and 164) to extend CRDP Phase II. Per AB 128 and 164, $58.1 million is available to support the CRDP and $5 million for State Operations/Administration to support CRDP. The funds are available until June 30, 2026. Accordingly, OHE executed contract amendments to the 35 IPPs and five TAPs. The term of these contracts is June 30, 2026.

Major publications for 2022-2023:

- The CRDP Statewide Evaluation Report is posted on here: The California Reducing Disparities Project Phase 2 (cultureishealth.org)
- Final Report of the California Mental Health Services Survey is posted here: CCMHSS-Final-Report.pdf (cultureishealth.org)

Additional OHE Information can be viewed here:

- OHE Website

- CRDP Website
- CRDP External Website

All Children Thrive California Program (ACT/CA)

ACT/CA Program Description

The ACT-CA was a three-year MHSA-funded pilot program that engaged more than a dozen U.S. cities in strategies to reduce the prevalence of adverse childhood experiences (ACEs), building on the national ACT Initiative prioritizing children's health. The ACT-CA partnered with Community Partners, Public Health Advocates (PHA), and the UCLA Center for Healthier Children, Families, and Communities, to set in motion a broad social movement focused on the wellbeing of children and families, establishing an infrastructure supporting its statewide deployment. By increasing the capacity of communities to address the root determinants of health, ACT-CA provided a replicable, evidence-based model that may bolster Accountable Health Communities, First 5 early childhood initiatives, and MHSA prevention efforts.

Program Outcomes

- On December 31, 2021, the ACT-CA program completed all legislatively required activities as described by Senate Bill (SB) 840 Budget Act of 2018. CDPH/IVPB completed efforts to oversee and support the ACT-CA program and provided close monitoring of this project. ACT-CA was reauthorized through Chapter 21, Statutes of 2021 (Assembly Bill 128) as a grant for a performance period of five years from January 1, 2022, to December 31, 2026, to carry out implementation of the ACT-CA project as the "pilot phase" sunset. CDPH received $25 million General Fund to enter a grant with the ACT program partners, including Community Partners, PHA, and UCLA to:
- Establish an Equity Advisory Group (EAG),
- Identify evidence-based interventions and public health practices and develop model programs, policies, and practices for implementation by cities and counties,
- Develop and share a Toolkit for cities and counties,
- Recruit and provide coaching and technical assistance to help cities and counties establish strategies,
- Establish a peer-learning network, webinars, and educational seminars, and
- Evaluate the impact of activities and report findings.

Administrative Funds

Beginning in FY 2018-19, CDPH received $10 million in MHSA funding to spend over three years to implement and evaluate the ACT-CA Program as described by SB 840 Budget Act of 2018. The MHSA funding supported 1.75 positions in the CDPH/IVPB to oversee the ACT-CA program. IVPB staff served as subject matter experts, provided technical assistance, leveraged other related Department initiatives and projects for the benefit of the project, and oversaw that required reports were submitted to the Mental Health Services Oversight and Accountability Commission and the Legislature. Unspent MHSA funds were reallocated from fiscal year 2021-22 to 2022-23 to conclude project close-out activities; however, the pilot phase of the ACT-CA program has concluded and an expected cost savings of $463,333 will be returned to the State General Fund.

View additional information on the ACT-CA website.

Mental Health and Impacts of Social Media (AB 1282)

Program Description

AB 1282 (Chapter 807, Statutes of 2024) requires CDPH to report a statewide strategy to understand, communicate, and mitigate mental health risks associated with the use of social media by children and youth to at least four identified legislative committees.

AB 1282 includes three specific topics the report must include: 1) The degree that the mental health of children and youth is positively, negatively, or neutrally impacted by use of social media; 2) Recommendations to strengthen children and youth resiliency strategies and California's use of mental health services related to social media use; and 3) Any barriers to receiving data relevant to completing the report.

AB 1282 also specifies five areas CDPH should explore in developing the report:

1. The types of social media.
2. The child and youth populations that use social media, including disproportionate rates and impacts among specific groups.
3. Opportunities to support resilience and mental well-being among children and youth around social media use.
4. Negative behavioral health risks, which include mental health and substance misuse associated with social media use and misuse among children and youth.
5. The factors that contribute to positive, negative, and neutral impacts among various populations of children and youth.

AB 1282 also requires CDPH to engage with children and youth to prioritize their perspective and to consult with the California mental health community. The report is due by December 31, 2026, and AB 1282 is in effect until January 1, 2030.

CDPH received $463,000 in FY 2025-26 and $232,000 in FY 2026-27 from the Behavioral Health Services Act (BHSA) Fund to support AB 1282's workload requirements.

Behavioral Health Transformation: Behavioral Health Services Act Continued Implementation

Program Description

SB 326 (Chapter 790, Statutes of 2023) requires CDPH to utilize BHSA funds for population-based mental health and substance use disorder prevention programs, with a requirement that a majority of prevention funding be reserved for programs addressing prevention for populations 25 years or younger.

SB 326 outlines that the programs should encompass evidence-based practices or promising community defined evidence practices and meet one of the following:

1. Benefit the entire population of the state, county, or particular community.
2. Serve identified populations of elevated risk for a mental health or substance use disorder.
3. Aim to reduce stigma associated with seeking help for mental health challenges and substance use disorders.
4. Serve populations disproportionately impacted by systemic racism and discrimination.
5. Prevent suicide, self-harm, or overdose.

CDPH received $7,355,000 to support infrastructure and capacity development to implement BHSA, planning and implementation of a BHSA population-level prevention program, and behavioral health initiatives.

Department of Developmental Services

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24*	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$266*	$502	$502
Local Assistance Expenditures	$740*	$740	$740
Positions	3.0	3.0	3.0

**Information above does not reflect final expenditures; the Department of Developmental Services (DDS) uses an accrual-basis accounting system that allows DDS three years to liquidate its Current Fiscal Year encumbrances (Per State of California Government Code Chapter 1 section 16304).*

General Overview

The Department of Developmental Services (DDS) oversees MHSA funding for regional centers and their partners to support people with intellectual and developmental disabilities with mental/behavioral health and/or substance use disorders. Three-year projects focus on prevention, early intervention, and treatment for individuals of all ages served by regional centers and provide support for families.

Program Description

Cycle VI (FY 2023-2026) projects commenced in July of 2023 and will close in June of 2026. Three projects are currently in progress at: 1. North Bay Regional Center (NBRC); 2. San Diego Regional Center (SDRC); and 3. Westside Regional Center (WRC) in partnership with Frank D. Lanterman Regional Center (FDLRC). NBRC's *Relationships Decoded for Adolescents* is creating an education program and teaching tool to educate adolescents with intellectual disabilities about developing safe and meaningful relationships. SDRC's *Transition Age Youth Mental Health Project* is providing culturally and linguistically competent peer behavior intervention to those aged 14-22 with developmental disabilities in Imperial County. WRC's *Substance Use Service Delivery Expansion Project* is developing provider training, peer mentoring, resources, and partnerships to improve substance use services for individuals served by WRC and partnering FDLRC.

Administrative Funds

The State Operations budget includes funding for Headquarters staffing. DDS distributes $740,000 in MHSA funds every fiscal year to regional centers in three-year cycles utilizing a competitive application process. Regional Centers work in partnership via subcontracts with local systems of care such as county mental/behavioral health and private mental/behavioral health agencies, alcohol/other drug services, and educational entities.

Behavioral Health Services Oversight and Accountability Commission

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$21,738	$37,716	$14,471
Local Assistance Expenditures	$32,826	$59,445	$34,306
Positions	56.0	59.0	56.0

General Overview

The Mental Health Services Oversight and Accountability Commission (MHSOAC) was established in 2004 to provide oversight and accountability of the MHSA, Adult and Older Adult System of Care Act, and Children's MHSA. The Commission's primary roles include: (1) providing oversight, review, accountability, and evaluation of projects and programs supported by MHSA funds, (2) assessing services that are provided under the MHSA are cost-effective and by recommended best practices, (3) participating in the decision making process for training, technical assistance, and regulatory resources to meet the mission and goals of the state's mental health system, (4) reviewing and approving county Innovation Program and Expenditure Plans, (5) providing counties technical assistance in MHSA program development and (6) administering grants funded by the MHSA. The Commission also advises the Governor and the Legislature regarding state actions to improve care and services for people with mental illness.

Californians voted to pass Proposition 1 in March of 2024. More formally called the Behavioral Health Services Act (BHSA), the new law reforms the Commission's originating legislation passed in 2004. The name change for California from "mental health" to "behavioral health" includes renaming the Commission to Behavioral Health Services Oversight and Accountability Commission (BHSOAC). The BHSA also modified the scope and duties of the Commission to promote transformational change in California's behavioral health system through research, evaluation, outcome tracking, and other strategies to assess and report progress; and to use this data to inform grantmaking, identify key policy issues, support best practices, advise the Governor and the Legislature, and collaborate with other state entities to achieve these goals.

Program Descriptions

Mental Health Wellness Act

Established by Senate Bill 82, in 2013 the program was originally named the Triage Grant Program. Chapter 47, Statutes of 2022 (SB 184) modified the Program and renamed it to Mental Health Wellness Act (MHWA). Notably Prop 1 did not affect the program's name and it is still MHWA. It provides grant funds to California counties to improve access to and capacity for mental health crisis services, including crisis intervention, stabilization, treatment, rehabilitative services, and mobile crisis support teams. Supported services reduce costs associated with expensive inpatient and emergency room care, reduce incarceration, and better meet the needs of people experiencing mental health crises. The Commission's budget includes $20 million annually to support the Program.

In FY 2022-23, the BHSOAC awarded $17 million to six grantees to expand hospital Emergency Psychiatric Assessment, Treatment, and healing units, known as EMPATH units, and $3 million to support technical assistance and evaluation contracts. In FY 2023-24, the Commission reappropriated $16 million of unspent Triage funds from previous years and awarded four additional grants for EMPATH units and additional funds for technical assistance and evaluation. That year, the Commission also awarded $20 million in grants to older adults' mental health and wellness programs.

In FY 2024-25 the Commission awarded $17 million in grants to substance use disorder programs and $3 million for technical assistance and evaluation. Additionally, the commission released a request for Application (an RFA) for programs focusing on behavioral health services for birthing people and children aged 0-5. The amount for the grants is $18 million and the grantees should be announced by the end of the fiscal year. A procurement of $2 million for technical assistance and evaluation for these grants will be released in July 2025. In FY 2025-26 the Commission is planning to release RFAs for $10 million for FSP programs and $20 million for peer respite centers.

Find additional information on the MHWA webpage.

Behavioral Health Student Services Act

Chapter 51, Statutes of 2019 (Senate Bill 75) established the Mental Health Student Services Act (MHSSA) which authorized the MHSOAC to support mental health partnerships between county behavioral health departments and school districts, charter schools, and county offices of education by providing competitive grants. Funds are to be used for services provided on K-12 campuses, suicide prevention services, dropout prevention services, outreach to at-risk youth, placement assistance for ongoing services, and other services to respond to the mental health needs of students and youth. Through a competitive grant program managed by the BHSOAC, 57 out of 58

counties were awarded grants in FYs 2020-21 – 2022-23 and are currently contracted. The program was renamed to Behavioral Health Student Services Act (BHSSA) after the passage of Prop 1.

BHSOAC receives $7,606,000 annually for the BHSSA program and received an additional $25 million in FY 2021-22 for BHSSA technical assistance and $16 million for BHSSA evaluations in FY 2022-23. The technical assistance and evaluation funds are available to encumber until 6/30/2026. In FY 2023-24 and FY 2024-25, the Commission awarded four $1.2 million contracts for Technical Assistance (TA) Technical Coaching (TC) teams to support BHSSA grantees, and a $2 million contract for a TA statewide coordinator to structure the TC teams and develop technical assistance and coaching strategies. In FY 2024-25, the Commission awarded $25 million to 50 grantees in four areas: marginalized and vulnerable student populations, universal screening, sustainability, and other priorities.

Find additional information on the BHSSA webpage.

Community Advocacy

The Commission's yearly budget includes $6.7 million for BHSF to support the Advocacy Program that provides funds for contracts with local and state-level organizations to conduct advocacy, outreach, engagement, training, and education for unserved and underserved populations. The target populations include mental health consumers, families of mental health consumers, parents and caregivers, children and youth (K-12), transition age youth, diverse and ethnic communities, and LGBTQIA+, veteran, immigrant, and refugee communities.

In FY 2023-24, the Commission awarded six $2 million three-year contracts for statewide advocacy on behalf of these target populations: mental health consumers, families of mental health consumers, parents and caregivers, diverse and ethnic communities, LGBTQIA+ population, and veterans. The Commission also awarded almost a million dollars for a two-year contract to support advocacy on behalf of K-12 students and their families. In FY 2024-25, the commission will release procurements for a $2 million 3-year contract for K-12 students and 3-year contracts for immigrants and refugees' advocacy programs on the state and local level that will total $4 million.

Find additional information on the advocacy webpage.

Full-Service Partnerships Evaluation

In 2021, Senate Bill 465 required the Commission to report to the Legislature on the state of Full-Service Partnerships (FSPs) biennially. Starting in FY 2022-23, BHSOAC

receives $400,000 every year for FSP evaluation. The first report was delivered in 2023.

In FY 2023-24, the Commission awarded a contract for $250,000 to Third Sector Capital to report on its technical assistance and listening sessions with counties and FSP providers. A contract for $150,000 was awarded to the Healthy Brains Global Initiative to report on the prospect of using outcomes-based contracting to improve results for FSP programs. The second report will be presented to the Commission in March 2025 to approve and deliver to the Legislature.

Find additional information on the FSP webpage.

Mental Health Policy Fellowship

Chapter 412, Statutes of 2017 (AB 1134) authorized BHSOAC to establish the Mental Health Policy Fellowship Program for a mental health professional and a mental health consumer. These Fellowships create an opportunity for collaborative learning through the lens of practitioners and persons with lived experience for the Fellows, the MHSOAC, and the impacted communities. The BHSOAC established an Advisory Committee to provide guidance on the Fellowship Program goals, design, eligibility criteria, and application process. In FY 2022-23 the Commission awarded a $5 million contract to University of the Pacific to develop and launch the Fellowship in Transformational Change to support the ability of behavioral health leaders to achieve the goals of the MHSA including the promotion of prevention, early intervention, and innovation as essential strategies for improving performance and outcomes.

Find additional information on the Fellowship Program webpage.

Research and Evaluations

Through the annual Budget Act funding, BHSOAC supports research and evaluation of the impact of the MHSA on mental health care and mental health outcomes in California. Using data management and visualization tools, the BHSOAC tracks consumer-level data and community indicators to evaluate the impact of mental health services and to increase public understanding and awareness. A significant component of this work includes a data center with linked data files from multiple data sources, including data from the Department of Health Care Services, California Department of Education, California Department of Public Health, California Department of Health Care Access and Information, and the California Department of Justice.

Find additional information on the BHSOAC data webpage.

Prevention and Early Intervention

The BHSOAC oversees county mental health systems, including county prevention and early intervention strategies, and provides technical assistance for PEI regulations. The Commission has developed a database to track PEI programs, who they serve, and available outcomes. More recently, Chapter 843, Statutes of 2018 (SB 1004) directed the BHSOAC to establish priorities and a statewide strategy for prevention and early intervention services.

The Commission received funding and direction in the 2023-24 Budget Act to outline potential strategies to support universal screening. The Commission awarded a $160,000 contract to UCSF to collaborate on this study. The Phase 1 Universal Mental Health Screening Literature Review Report was submitted to the Legislature in March 2024.

Find additional information on the PEI webpage.

Innovation

Currently, BHSOAC reviews and approves funding for INN programs for county mental health departments and provides technical assistance to help counties in their planning process. With the BHSA, the Commission will begin administration of an Innovation Partnership Fund on July 1, 2026, that will award grants to private, public, and nonprofit partners. The Commission will have $20 million per year over five years to promote the development of innovative mental health and substance use disorder programs and practices, with a report on practices funded and key accomplishments due in January 2030. Prior to FY 2026-27, the Commission will develop plans to invest in BHSA innovation funds, including establishing a legal structure and hosting convenings with public, private, and community partners.

Find additional information on the Innovation Incubator webpage.

Early Psychosis Intervention (EPI) Plus Program

Chapter 414, Statutes of 2017 (AB 1315) established the EPI Plus Program to be administered by the BHSOAC. The program will expand the provision of evidence-based early psychosis and mood disorder detection and intervention services. The 2019 Budget Act included $19.5 million in one-time BHSF for this Program. Seven awards, each in the amount of $2 million, were made available to counties, city mental health departments, and counties acting jointly to expand the provision of evidence-based early intervention of psychosis services. The Commission has contracted with UC Davis to provide technical assistance to all the grantees.

In FY 2023-24 the Commission reappropriated $1.6 million of EPI Plus funding and awarded a contract to McKinsey & Company to develop a strategic plan for Early Prevention and Intervention that will address three downstream challenges faced by individuals who did not receive prevention/intervention for psychosis upstream: 1) Homelessness, 2) Criminal justice involvement, and 3) Hospitalization.

Find additional information on the EPI Plus Program webpage.

Youth Drop-In Centers

The A*llcove*™ Youth Drop-In Centers Program aims to increase accessibility to affordable mental health and wellness services for youth between the ages of 12 to 25 and their families, including behavioral health, physical health, housing, education, and employment support, and linkage to other services. The 2019 Budget Act included $15 million one-time BHSF, available until June 30, 2022, to support the Program.

After a competitive bid process, the BHSOAC awarded grants to five applicants. In 2020, the BHSOAC allocated $10 million to directly fund grants to expand youth drop-in centers and $4.6 million to Stanford University to provide Technical Assistance to grantees to support program quality and assist the expansion of youth drop-in centers across the state. Each program will receive $2 million for a four-year grant term. The liquidation date for the funds was extended to 6/30/2026 and in FY 2022-23, one of the applicants had to leave the program, and the remaining money was reappropriated in FY 2023-24 and redistributed to the existing grantees and the technical assistance contract.

Find additional information on the *Allcove*™ Youth Drop-In Centers Program webpage.

California Department of Corrections and Rehabilitation

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$1,058	$1,093	$0
Local Assistance Expenditures	$0	$0	$0
Positions	3	3	0

General Overview

The Council on Criminal Justice and Behavioral Health (CCJBH) received $411,000 MHSA funds for staffing and $670,000 for contract funding for stakeholder advocacy contracts and associated program administration, to support mental health outreach and services

for justice-involved populations. The CCJBH website has more detailed information related to the projects and publications that were produced using MHSA funds. The 2025 Budget Act eliminated CCJBH and the associated MHSA funds effective January 1, 2026, and the program sunset effective June 30, 2025.

California Department of Education

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$46	$196	$196
Positions	.3	.8	.9

General Overview

The mission of California Department of Education's (CDE) Mental Health Services Program (MHSP) is to empower school staff, students, and communities with the knowledge, resources, and support needed to promote mental health awareness, foster emotional well-being, and ensure that students facing mental and behavioral health challenges receive the care they need to succeed.

MHSP provides opportunities for youth, parents, and school communities to learn about and participate in activities that eliminate stigma and elevate mental health and well-being. This mission serves as the cornerstone of the MHSP and will continue to guide culturally responsive efforts to ensure student mental and behavioral health needs are met with fidelity. Programs, resources, and supports are intentionally integrated into public schools across California to create safe and inclusive learning environments that foster student mental health and well-being.

Program Description

The CDE's MHSP provides county offices of education (COEs), local educational agencies (LEAs), school communities, students, parents, and other state and local partners with essential information, resources, and support to address mental health and substance use challenges affecting transitional kindergarten through grade twelve (TK–12) students, while promoting the overall well-being of students, families, and school communities across California.

The MHSP is operated by the Office of School-Based Health Programs (OSBHP) within the Whole Child Division (WCD) in the Superintendent's Initiatives Office at the CDE. The

position of MHSP within the WCD provides an integrated approach to promoting programs and support staff centered on shared goals supporting the whole child.

The CDE's MHSP utilizes MHSA funding to sustain dedicated staff who provide community services and support, promote prevention and early intervention, and encourage innovative approaches to student mental and behavioral health. Through technical assistance, MHSP supports LEAs in strengthening their local capacity to address students' increasing mental health needs within their communities. MHSP informs COEs and LEAs of current legislation and guides them in implementing mental and behavioral health initiatives aligned with the California Education Code.

To foster improved communication and professional development across the state, MHSP coordinates and leads monthly webinars featuring content experts who provide current date data, share proven best practices, and showcase valuable resources to strengthen school-based mental health programs. Innovative webinars have become a vital platform for fostering collaboration, enhancing knowledge, and building capacity, ultimately empowering educators and stakeholders to better support student mental health and well-being.

MHSP continues actively participating in and supporting multi-agency partnerships, including California Statewide Suicide Prevention Partners, Student Mental Health Policy Workgroup, Department of Health Care Services, and California Department of Public Health, ensuring alignment with broader state initiatives and contributing to shared goals. Through ongoing analysis of mental health trends and data, MHSP remains current and responsive to the school communities' unique and shifting needs, ensuring resources and supports are evidence-based, flexible, timely, and relevant.

While the MHSA funding does not include money for program activities, grants, or contracts, MHSP continues to focus on building strategic partnerships and leveraging external resources to secure free training opportunities, promote relevant informational events, and identify funding streams to support and sustain mental health programs and support throughout California public schools.

Board of Governors of the California Community Colleges Chancellor's Office

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$120	$123	$123
Positions	.5	.5	.5

General Overview

The Board of Governors of the California Community Colleges Chancellor's Office (Chancellor's Office) leads the country's largest higher education system with 73 community college districts and 116 community colleges serving over 2.1 million students (including CalBright, an exclusively online campus). MHSA funds provide partial support for a position at the Chancellor's Office for developing mental health-related policies and program best practices and identifying resources to address the mental health needs of California community college students.

California Department of Human Resources

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$42	$0	$0
Positions	.3	1.0	0.0

General Overview

In 2023-24, the Department of Human Resources (CalHR) received the second $150,000 of two-year limited-term MHSA funding for one position to support the Mental Health Services Oversight and Accountability Commission. The funds evaluate the efficacy and feasibility of expanding or creating state service classifications, including behavioral health peer roles.

Program Description and Projected Outcomes

In 2024, CalHR staff completed an evaluation of state personnel and classification policies, examining alignment with the goals of incorporating the role of behavioral health peers into the state civil service. As part of the evaluation, CalHR staff examined

the suitability of establishing or revising classifications considering the experience of participating in behavioral health recovery and the role of behavioral health peers. Furthermore, the evaluation assessed which departments may benefit from including behavioral health peers.

California Military Department

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$1,476	$1,815	$1,876
Positions	9.0	10.00	10.00

General Overview

The California Military Department's (CMD) is making efforts to increase psychoeducational opportunities, connect its members in the community with resources appropriate for their behavioral health needs, and improve overall readiness, wellness, and resilience. The CMD supports the Behavioral Health (BH) Liaison Program with MHSA funding.

Program Description

The CMD Behavioral Health Directorate administers the CMD BH Liaison Program, which addresses the needs of its population for behavioral health support, education, and training. MHSA funds behavioral health personnel who are accessible 24 hours a day, seven days a week, to members of the CMD and their families. The CMD BH outreach program is designed to improve the coordination of care between the members of the CMD, local County Veterans Services Officers, county mental health departments, and other public and private support agencies statewide. CMD BH Liaisons educate members of the CMD and their families, supervisors, and leadership about mental health issues and the unique needs/experiences of the military population. BH Liaisons also enhance the capacity of the local mental health system through education and training about military culture. The CMD BH Liaisons assisted the Army Guard, Air Guard, State Guard, civilian-military department members, and their families in acquiring appropriate local, state, federal, private, public, and non-profit Behavioral Health Program support. Assisting CMD members in accessing appropriate mental health care programs is exceptionally cost-efficient. It allows CMD members to receive care by referrals to mental health clinicians and programs trained to treat military-specific conditions.

Program Outcomes

As of the end of August 2025, CMD has executed 8 percent of the funds, and is projected to reach 100 percent execution rate by year end. The program currently has no vacant positions. CMD has successfully reduced suicide rates to their lowest levels in four years through targeted prevention efforts and direct support. The program has made significant progress in assisting Guard members affected by housing challenges, gaining significant ground in all counties. Additionally, CMD has screened over 11,680 at-risk individuals for self-harm. Ten CMD-licensed clinicians covered the behavioral health program support needs of a statewide CMD beneficiary population of over 21,000 members (in addition to support for their family members as needed). These positions are funded solely with MHSA administrative funds.

Administrative Funds

Administrative funds will be fully utilized this fiscal year. The remaining funds are allocated for upcoming position upgrades in line with BAH/BAS federal increases and rank increases. The plan is to keep focusing on early intervention, direct crisis intervention, and community liaison county support for members, their families, and California Veterans.

Department of Veterans Affairs

Total Resources (Dollars in Thousands)

Program Budget	Actual FY 2023-24	Estimated FY 2024-25	Projected FY 2025-26
State Operations Expenditures	$286	$310	$311
Local Assistance Expenditures	$1,270	$1,270	$1,270
Positions	2	2	2

General Overview

The California Department of Veterans Affairs (CalVet) receives funding to support county mental health grant programs and 2.0 positions to oversee the grant program and support the statewide administration of informing service members, veterans, and their families about federal and state benefits, including mental health services. With the support of the MHSA funds, CalVet administers grant programs for improving mental health services to veterans through their County Veterans Service Offices (CVSOs).

Program Description

CalVet continues to provide mental health resources and programs through its annual grant program. Each year, CalVet assists CVSOs throughout California in establishing their projects to enhance and expand mental health services, including treatment and other related recovery programs for veterans and their families.

Program Outcomes

During FY 2023-24, CalVet awarded a total of $1.27 million to 14 CVSOs through the MHSA grant program to support mental health outreach and support services. MHSA funding has provided an avenue for CVSOs to help veterans apply for and receive increased services and benefits in education, healthcare, housing, VA claims, justice-involved services, legal services, outreach, and training.

Administrative Funds

For Fiscal Years 2022-23 and 2023-24, CalVet combined both years and offered the CVSOs a 2-year grant (July 1, 2022 – June 30, 2024). The RFA was sent to all CVSOs on November 2, 2021, with a return deadline of December 31, 2021. The CVSO applicants proposed activities that provided various mental health outreach and services to assist service members, veterans, and their families in successfully readjusting and assimilating to civilian life.

APPENDIX 1: HISTORICAL BACKGROUND

In November 2004, California voters passed Proposition 63 (the Mental Health Services Act or MHSA). MHSA established a 1 percent income tax on personal income over $1 million for the purpose of funding mental health systems and services in California. In an effort to effectively support the mental health system, the Act creates a broad continuum of prevention, early intervention, innovative programs, services, and infrastructure, technology, and training elements.

Chapter 20, Statutes of 2009-10 3rd Ex. Sess. (AB 5) amended W&I sections 5845, 5846, and 5847. This law, enacted as urgency legislation, clarified that MHSOAC shall administer its operations separate and apart from the former DMH, streamlined the approval process for county plans and updates, and provided timeframes for the former DMH and MHSOAC to review and/or approve plans.

Chapter 5, Statutes of 2011 (AB 100) amended W&I sections 5813.5, 5846, 5847, 5890, 5891, 5892, and 5898. This law dedicated FY 2011-12 MHSA funds on a one-time basis to non-MHSA programs such as Early and Periodic Screening, Diagnostic and Treatment, Medi-Cal Mental Health Managed Care, and mental health services provided for special education pupils. This bill also reduced the administrative role of the former DMH. This bill deleted the county's responsibility to submit plans to the former DMH and the former DMH's responsibility to review and approve these plans. To assist counties in accessing funds without delay, section 5891 was amended to direct the State Controller to continuously distribute, on a monthly basis, MHSA funds to each county's Local BHSF. This bill also decreased MHSA state administration from 5 percent to 3.5 percent.

Chapter 23, Statutes of 2012 (AB 1467) amended W&I sections 5840, 5845, 5846, 5847, 5848, 5890, 5891, 5892, 5897, and 5898. Provisions in AB 1467 transferred the remaining state MHSA functions from the former DMH to DHCS and further clarified roles of MHSOAC and DHCS. Section 5847 was amended to provide county board of supervisors with the authority to adopt plans and/or updates provided the county complies with various laws such as sections 5847, 5848, and 5892. In addition, the bill amended the stakeholder process counties are to use when developing their three-year program and expenditure plan and annual updates.

Chapter 34, Statutes of 2013 (SB 82), known as the Investment in Mental Health Wellness Act of 2013, utilized MHSA funds to expand crisis services statewide. This bill also restored MHSA state administration from 3.5 percent to 5 percent.

Chapter 43, Statutes of 2016 (AB 1618) established the NPLH Program that is administered by the Department of Housing and Community Development. This bill also requires DHCS to conduct program reviews of county performance contracts to determine compliance; post the county MHSA three-year program and expenditure plans, summary of performance outcomes reports and MHSA revenue and expenditure reports; and allows DHCS to withhold MHSA funding from counties that are not submitting expenditure reports timely.

Chapter 38, Statutes of 2017 (AB 114) provided that funds subject to reversion as of July 1, 2017, were deemed reverted and returned to the county of origin for the originally intended purpose. This bill also increased the time that small counties (less than 200,000) must expend MHSA funds from 3 years to 5 years, and provided that the reversion period for INN funding begins when MHSOAC approves the INN project.

Chapter 328, Statues of 2018 (SB 192) amended W&I sections 5892 and 5892.1. This bill clarified that a county's prudent reserve for their Local MHSF shall not exceed 33 percent of the average CSS revenue received in the Local MHSF, in the previous five years. This bill required counties to reassess the maximum amount of the prudent reserve every five years and to certify the reassessment as part of its Three-Year Program and Expenditure Plan or annual update. This bill also established the Reversion Account within the fund and required MHSA funds reverting from the counties, and the interest accrued on those funds, be placed in the Reversion Account.

Chapter 26, Statutes of 2019 (SB 79) amended W&I sections 5845, 5892 and 5892.1. This bill amended the MHSA by not reverting Innovation Funds to the State, as long as the Innovation funds are identified in the plan for innovative programs that have been approved by the MHSOAC. The Innovation funds are encumbered under the terms of the approved project or plan, including amendments approved by the MHSOAC, or until three years after the date of approval, or five years for a county with a population of less than 200,000, whichever is later.

Chapter 13, Statutes of 2020 (AB 81) amended W&I sections, 5847 and 5892. This bill enacts the flexibility of MHSA funds to allow counties to accommodate for social distancing and public gathering due to the COVID Public Health Emergency. This bill amended the timeframe for counties to submit their Three-Year Program and Expenditure plan, Plan or Annual Update for FY 2020-21. This bill allowed counties to transfer Prudent Reserve to CSS and PEI components to meet local needs for FY 2020-21 due to COVID Public Health Emergency. This bill also allowed more flexibility for counties to allocate their MHSA funds and allowed counties to determine the allocation percentage for CSS programs for FY 2020-21. This bill also extended the reversion date

for MHSA funds, including AB 114 funds, and any interest accruing on those funds from July 1, 2019, and July 1, 2020, to July 1, 2021.

Chapter 75, Statutes of 2021 (AB 134) amended W&I Code section 5847 and 5892. This bill extended most of the FY 2020-21 flexibilities to July 1, 2022, including the timeframe for counties to submit their Three-Year Program and Expenditure plan, or Annual Update for FY 2021-22; counties ability to transfer Prudent Reserve to CSS for PEI components to meet local needs; and allowed flexibility to allocate CSS funds across CSS service categories.

Chapter 790, Statutes of 2024 (SB 326) amended, repealed and added W&I Code Sections 5840.5, 5840.8, 5846, 5847, 5848, 5878.2, 5895, 5899, 5604, 5604.1, 5604.2, 5604.3, 5604.5, 5610, 5613, 5614, 5664, 5771.1, 5805, 5806, 5813.5, 5830, 5835, 5835.2, 5840, 5840.6, 5840.7, 5845, 5845.5, 5848.5, 5849.1, 5849.2, 5849.3, 5852.5, 5868, 5878.1, 5878.3, 5881, 5886, 5890, 5891, 5891.5, 5892, 5892.1, 5892.5, 5893, 5897, 5898, 14197.7, and 14707.5 This bill amends the MHSA to modernize and reform the behavioral health delivery system, improve accountability, increase transparency, and expand capacity of behavioral health care facilities. This bill also focuses on reforming MHSA funding to provide services to those with the most serious illness and to treat substance use disorders, providing ongoing resources for housing and workforce, and continuing investments in prevention, early intervention, and innovative pilot programs. Focusing on outcomes, accountability, equity, and expanding the behavioral health workforce to reflect and connect with California’s diverse population. This bill also renames the MHSA to the BHSA.

APPENDIX 2: PRUDENT RESERVE FUNDING LEVELS FY 2023-2024 (WHOLE DOLLARS)

County	FY 2023-24 Prudent Reserve Balance	33% Maximum Prudent Reserve Level	Amount to be transferred to CSS and/or PEI by June 30, 2024
Alameda	$14,593,037.83	$21,656,235.17	$0
Alpine*	$354,639.00	$370,691.38	$0
Amador	$652,458.30	$787,001.79	$0
Berkeley City	$1,233,738.00	$1,779,762.59	$0
Butte**	$2,376,466.04	$3,277,329.24	$0
Calaveras	$647,740.00	$880,814.94	$0
Colusa	$583,058.00	$675,051.46	$0
Contra Costa	$8,465,231.00	$14,220,499.36	$0
Del Norte	$614,385.72	$727,531.67	$0
El Dorado	$1,655,402.00	$2,343,198.29	$0
Fresno	$10,081,463.06	$14,846,172.72	$0
Glenn**	$206,703.00	$746,774.80	$0
Humboldt	$1,239,391.20	$2,042,625.31	$0
Imperial	$830,047.00	$2,844,371.81	$0
Inyo*	$416,717.69	$482,889.03	$0
Kern	$8,716,008.00	$12,872,591.78	$0
Kings	$1,184,797.32	$2,379,725.49	$0
Lake	$836,050.00	$1,121,493.24	$0
Lassen*	$614,780.00	$714,010.88	$0
Los Angeles	$147,483,541.70	$165,269,634.34	$0
Madera*	$1,785,654.22	$2,523,825.53	$0
Marin	$2,175,490.00	$3,523,554.74	$0
Mariposa	$0.00	$486,947.00	$0

County	FY 2023-24 Prudent Reserve Balance	33% Maximum Prudent Reserve Level	Amount to be transferred to CSS and/or PEI by June 30, 2024
Mendocino	$1,018,338.00	$1,385,590.55	$0
Merced	$2,958,713.14	$4,342,798.06	$0
Modoc	$356,545.00	$431,685.58	$0
Mono	$404,926.00	$465,367.75	$0
Monterey	$4,795,236.06	$6,805,154.41	$0
Napa	$764,402.00	$1,885,922.99	$0
Nevada	$1,111,502.13	$1,476,317.22	$0
Orange	$33,258,769.00	$47,729,676.54	$0
Placer	$2,819,663.63	$4,246,005.33	$0
Plumas	$563,639.00	$635,119.59	$0
Riverside	$24,217,189.00	$32,254,849.90	$0
Sacramento	$13,196,792.00	$19,539,843.85	$0
San Benito*	$790,759.00	$1,082,970.89	$0
San Bernardino	$21,655,429.00	$31,176,536.28	$0
San Diego	$33,478,186.00	$48,425,131.51	$0
San Francisco	$7,259,570.00	$11,668,692.91	$0
San Joaquin	$6,939,866.00	$10,218,727.59	$0
San Luis Obispo	$2,774,412.00	$3,868,904.12	$0
San Mateo	$5,355,145.00	$10,317,181.76	$0
Santa Barbara	$2,023,112.72	$6,999,097.66	$0
Santa Clara	$18,703,637.07	$27,005,769.61	$0
Santa Cruz*	$2,997,367.00	$4,266,355.27	$0
Shasta	$465,675.03	$2,712,182.41	$0
Sierra	$373,444.54	$384,862.97	$0
Siskiyou*	$893,441.50	$879,081.01	$0

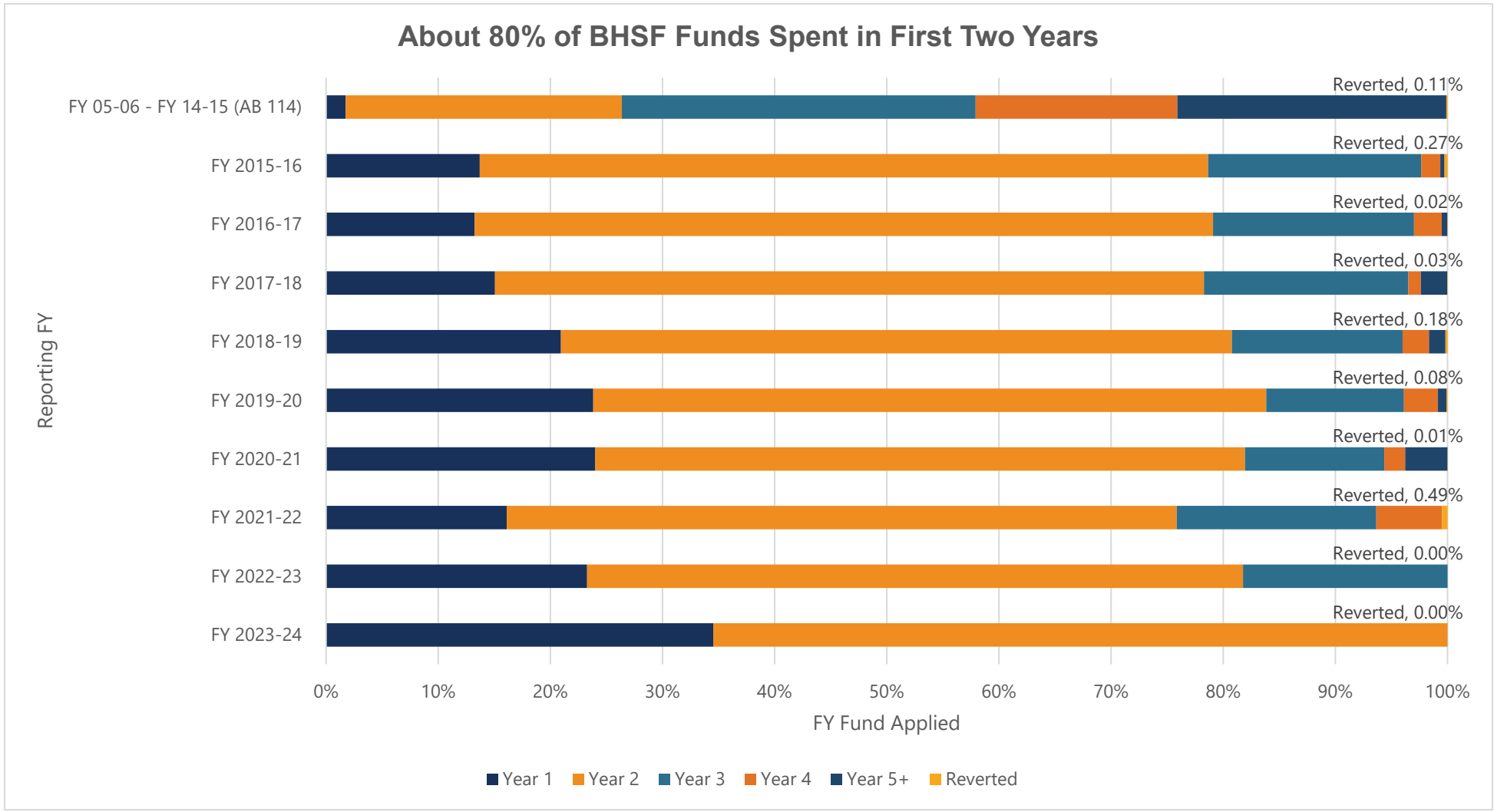
County	FY 2023-24 Prudent Reserve Balance	33% Maximum Prudent Reserve Level	Amount to be transferred to CSS and/or PEI by June 30, 2024
Solano	$5,727,359.20	$5,739,082.91	$0
Sonoma	$944,980.88	$6,635,064.36	$0
Stanislaus	$500,000.00	$7,686,030.73	$0
Sutter-Yuba	$521,836.00	$2,687,801.16	$0
Tehama*	$550,618.00	$1,094,011.26	$0
Tri-City	$2,199,999.00	$3,277,350.45	$0
Trinity	$367,550.12	$463,244.22	$0
Tulare	$4,542,653.98	$7,259,829.07	$0
Tuolumne	$506,883.50	$973,894.31	$0
Ventura	$8,491,905.00	$11,915,985.86	$0
Yolo	$2,724,069.00	$3,245,929.92	$0

The Prudent Reserve ending balance in the second column is as reported on the FY 2023-24 ARER.

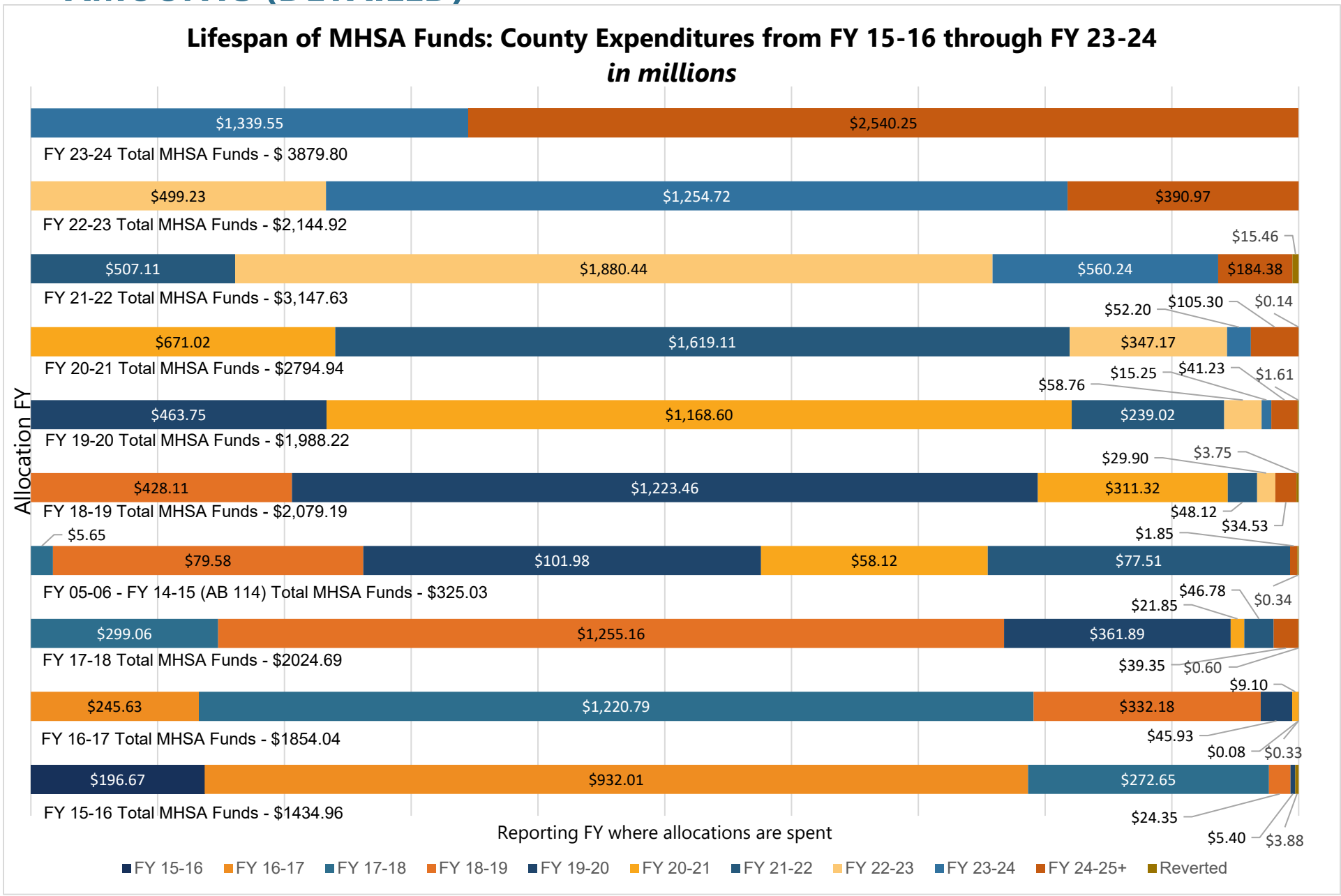
* Indicates the county has not submitted a final ARER for FY 2023-24. The FY 2022-23 prudent reserve amount is shown.

** Indicates the county has not submitted a final ARER for FY 2023-24 or FY 2022-23. The FY 2021-22 prudent reserve amount is shown.

APPENDIX 3: LIFESPAN OF MHSA FUNDS, INCLUDING REVERSION AMOUNTS (HIGH LEVEL)



APPENDIX 4: LIFESPAN OF MHSA FUNDS, INCLUDING REVERSION AMOUNTS (DETAILED)



Notes:

- Appendix 2 contains year-by-year details on total MHSA allocations, when those allocations were spent, and how much funding was reverted.
- W&I Code section 5892 (b)(2) requires counties to maintain a prudent reserve that does not exceed 33% of the average CSS revenue received from the Local MHSF in the proceeding 5 years. The Local Prudent Reserve assessment was conducted in FY 2023-2024 with CSS allocations from FY 2018-19 through FY 2022-23. The next Prudent Reserve assessment will occur in FY 2025-26 and be included in the County's FY 2026-29 Integrated Plan.
- Per the California Code of Regulations 3420.30 (f), counties may reassess the Prudent Reserve funding level more frequently at the county level, which may allow for a new Prudent Reserve maximum level, based on the most recent assessment.
- Appendices 3 and 4 show the funds subject to Reversion as of July 1, 2024. The October 2024 Reversion Report can be found on the MHSA Fiscal Oversight webpage.
- For Appendices 3 and 4, the total MHSA Funds equals total funds distributed by the State Controller's Office to counties from July to June of each FY, plus interest, as reported on the MHSA Annual Revenue and Expenditure Report. Total MHSA expenditures are reported by counties on the MHSA Annual Revenue Expenditure Reports and accepted by DHCS. This amount equals the sum of CSS, PEI, and INN expenditure funded with MHSA dollars. The Reporting FY is defined as the current fiscal year that is being reported.
- For Appendix 4 the Allocation FY is defined as the year the funding is received. The spending of allocated funds can occur throughout the reporting FYs. Large counties have three years to spend funds. Small counties have five years to spend funds.
- With the passage of Chapter 38, Statutes of 2017 (AB 114), DHCS reverted and reallocated approximately $411.1 million to counties.
- Appendix 3 shows a chronological timeline of the allocated funds expended each fiscal year. About 80% of each allotment of annual funds is spent within two fiscal years of expenditures.
- Appendix 4 shows a high-level overview of which allocated FY funds are utilized to cover each FY expenditure based on a reversion timeline.

APPENDIX 5: DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATIVE FUNDS

Alameda

The Alameda CVSO will work with Swords to Plowshares to provide outreach, intake, and free legal counseling and representation to vulnerable veterans with complex mental health benefit claims. They will remove legal barriers and increase veterans' access to VA health care, monetary benefits, and housing assistance.

Butte

The Butte CVSO will contract with one or more licensed clinical psychologists or other mental health providers with the appropriate licensing in the State of California to render a mental health diagnosis for veterans. The CVSO staff of accredited VSRs will analyze each client interaction for participation in the program, referring appropriate candidates to their contracted mental health professionals.

Fresno

The Fresno CVSO will attend multiple outreach events, including Stand-Downs, Job Fairs, VA Hospitals, and Vet Centers, to identify and assist veterans needing mental health services. They will refer veterans to the correct Agency for support, acquire access to aid for high-risk veterans, and help the veterans submit their VA disability claims.

Los Angeles

The Los Angeles CVSO will collaborate with U.S. VETS to expand and strengthen the Outside the Wire program, which provides free counseling to veteran college students and their families.

Monterey

The Monterey CVSO will pre-screen, counsel, and advocate for veterans, reservists, and guard members who have mental illness or substance abuse issues. Their outreach will focus on the Transitional Assistance Program, Veterans Treatment Court, and Stand Downs.

Nevada

The Nevada CVSO, in partnership with Sierra Family Therapy Center, will provide free counseling sessions to veterans and their family members.

Orange

The Orange CVSO will work with U.S. VETS and Veterans Legal Institute at local community colleges. They will offer several veteran and family-related services, including VA claim assistance, mental health services, and legal aid.

Riverside

The Riverside CVSO will create a Veterans Community Liaison Program to connect student and senior veterans in Riverside County to a wide range of essential services, including housing, behavioral health, physical health, VA benefits, pension support, and additional services.

San Bernardino

The San Bernardino CVSO will host a monthly free legal clinic. Working with Veterans Legal Institute, they will provide mental health-related services to homeless and/or low-income veterans whose access to or maintenance of mental health treatment requires direct legal aid intervention.

San Francisco

The San Francisco CVSO will work with Swords to Plowshares to provide outreach, intake, and free legal counseling and representation to vulnerable veterans with complex mental health benefit claims. They will remove legal barriers and increase veterans' access to VA health care, monetary benefits, and housing assistance.

San Luis Obispo

The San Luis Obispo CVSO will create and support multiple collaborative outreach events to identify and assist the community's most vulnerable and at-risk veterans. The focus will be on transitional soldiers, senior care /assisted facilities, and local community colleges.

Santa Clara

The Santa Clara CVSO will hire a Social Worker to build partnerships with key staff from various local agencies, conduct proactive outreach to underserved veterans (students, seniors, and justice-involved), and provide screening and case management to connect those veterans to benefits, services, and support.

Sonoma

Sonoma CVSO will collaborate with Legal Aid of Sonoma County, Veterans Resource Centers of America, and Santa Rosa Junior College. Veterans will have access to legal aid, housing assistance, case management, mental health screening and counseling,

transportation, benefit screening, and enrollment services within the Santa Rosa Junior College Community.

Tuolumne

The Tuolumne CVSO will hire a Transportation Officer and provide free ride services to veterans who need assistance getting to their mental health, medical, and legal appointments.