

PROPOSITION 36 BEHAVIORAL HEALTH IMPLEMENTATION AND FUNDING

REQUEST FOR INFORMATION JANUARY 2026



CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES



THE CENTER
at Sierra Health Foundation

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EXECUTIVE SUMMARY

Milestones	Date
Request for Information (RFI) Released	Tuesday, January 6, 2026
Technical Assistance Webinar	Thursday, January 22, 2026, at 1:00 p.m. PST Registration link: <u>Zoom Link for Technical Assistance Webinar</u>
Contracting & Disbursement	Rolling Basis: Once the county's response is received, contract development and implementation will proceed.
Priority Response Deadline	Friday, February 27, 2026
Contract End Date	Friday, March 31, 2028

Administrative Authority

This Request for Information (RFI) is issued by Sierra Health Foundation: Center for Health Program Management (The Center), acting as the administrative entity for the California Department of Health Care Services (DHCS). This funding is authorized under Proposition 36 (The Homelessness, Drug Addiction, and Theft Reduction Act) and the Budget Act of 2024 (Assembly Bill [AB] 102).

Program Overview

This RFI serves as the primary mechanism for releasing the state funding allocated via AB 102, § 26(a). This funding is designated to support counties in implementing the behavioral health provisions of Proposition 36, specifically those related to "treatment-mandated felonies."

This RFI is not a competitive allocation. All eligible counties will receive their designated allocation upon submission of complete materials. The purpose of this RFI is to facilitate contract execution and funding disbursement.

Every County Behavioral Health Department (or the county department designated as the primary administrator of substance use disorder services) has a specific funding amount allocated to it (see **Appendix A**). The purpose of this RFI is simply to collect the necessary scope and budget information to execute contracts and disburse funds.

Background

On November 5, 2024, California voters overwhelmingly approved Proposition 36. This measure modifies provisions of Proposition 47 (2014) to increase accountability for certain drug and theft crimes. A central pillar of the initiative is the creation of a "treatment-mandated felony," a new legal process allowing prosecutors to charge individuals with a felony for drug possession if they have two or more prior drug-related convictions.

The statutory intent of this framework is to create a treatment-focused court process. Individuals charged under this statute are offered the opportunity to complete court-ordered drug and mental health treatment. Successful completion of the treatment program results in the dismissal of the charges, prioritizing a health-based resolution over incarceration for eligible participants. While Proposition 36 established these new legal mandates, it did not originally include a dedicated funding source. The California State Legislature included a one-time allocation in the [AB 102 Budget Act of 2024](#). This funding is intended to support County Behavioral Health Departments in establishing the necessary infrastructure to conduct assessments, coordinate with the courts, and deliver the mandated treatment services.

SUMMARY OF RFI

When: This RFI utilizes a rolling submission process.

- **Early Submission:** Counties are encouraged to submit responses as soon as possible. The Center will begin executing Standard Agreements as submissions are received.
- **Requested Response Date:** All responses are requested to be received by **Friday, February 27, 2026, at 1:00 p.m. PST**. This window is designed to provide ample time for counties to secure necessary local approvals (e.g., County Administration, Board of Supervisors) as needed.

Where: Funding is available to all 58 California counties' Behavioral Health or Mental Health Departments to support the county's Proposition 36 implementation efforts, as outlined in AB 102, § 26.

Why: The Center requires this information to:

1. **Confirm Participation:** Verify which counties intend to accept their allocation so that any declined funds may be reallocated.
2. **Draft Contracts:** Secure the necessary contact and banking information to execute funding agreements immediately.
3. **Ensure Compliance:** Confirm that counties have the scope of work and budgets outlined to comply with the legislative intent for the funding.

How:

1. Review the Funding Guidelines below.

2. **Download Worksheet:** Download [here](#) and complete **Appendix D: Proposition 36 Scope of Work and Budget Template**
3. **Submit:** Enter your official response via the online submission portal: **Proposition 36 Application Submission Portal** and upload your completed appendices where prompted.
4. **Declination:** If declining funds, use the Sample Letter of Declination (**Appendix B**) and upload via the Submission Portal link: [Click here to access the Proposition 36 Application Submission Portal](#).

FUNDING INFORMATION

Contract to Disseminate and Account for AB 102 Allocations

Counties will enter into a contract with The Center to receive their Proposition 36 funding. Funding will be issued as a single lump-sum payment at the minimum amount listed in **Appendix A: Allocation Table**, following successful execution of the contract.

As part of this process, counties can anticipate encountering a limited set of standard contract elements — such as insurance requirements, data reporting obligations under AB 102 and basic fiscal documentation. These elements are expected to be consistent with other contracts counties may have with DHCS.

Counties can be made aware of these standard terms in advance. If you have questions about these requirements, please email Prop36@sierrahealth.org. Questions received before the [January 22 webinar](#) will be addressed during the session and included in a written FAQ that will be published following the webinar. The Center will update and republish the FAQ via the [DHCS Proposition 36 website](#) by Friday, February 6, 2026, and if necessary Wednesday, February 18, 2026, as questions are received from counties through the submission time period.

Statutory Spending Requirements (Budget Act of 2024)

Pursuant to AB 102, § 26(a), counties must adhere to the following statutory requirements regarding the expenditure of allocated funds:

1. Planning and Capacity Building Activities (Minimum 50%)
Counties shall spend at least 50% of the funds allocated pursuant to this provision to support planning and capacity building activities (AB 102, § 26(c)).
 - *Examples include:* Hiring, training, and development of policies and procedures; support for information technology infrastructure costs (including electronic medical record systems); changes needed for reporting data and case tracking; and capital for housing and treatment (including recovery housing).
 - No matching funds are required for any portion of a county's allocation that is expended solely on planning and capacity building activities.

2. Behavioral Health Treatment Services (Maximum 50%)
Counties may utilize the remaining portion of their allocation (up to 50%) for behavioral health treatment services (AB 102, § 26(d)).
 - *Note:* Funds used for treatment services are subject to the mandatory match requirement described below.
 - Funding allocated under this provision may not be used to pay for services that are covered by an individual's insurance coverage.
3. Match Requirement (Treatment Costs Only)
Any portion of a county's allocation expended on behavioral health treatment services shall be matched by a cumulative 25% match from local funding sources (AB 102, § 26(d)).
 - The match requirement applies only to the portion of funds used for treatment services.

Allocation Amounts

Funding is distributed to counties based on the methodology determined by DHCS, in consultation with the Judicial Council, as required by AB 102, § 26(b).

- See **Appendix A** for the specific allocation amount designated for your county.
- If a county wishes to decline these funds, it must submit a formal Letter of Declination (See **Appendix B**) to confirm that decision.
- Counties may not request more than their allocated amount; however, if any county declines funds, allocations will be adjusted to redistribute those funds.

REPORTING REQUIREMENTS

Regardless of specific project activities, all participating counties must adhere to the following legislative reporting requirements established by AB 102 and DHCS:

1. Financial Reporting:
Counties must submit financial expenditure reports on December 11, 2026; September 30, 2027, and April 30, 2028, (AB 102, § 26).
2. Annual Data Reporting:
As a condition of receiving funds, county behavioral health departments shall provide data and outcomes, including, but not limited to, information on how funds were expended and the number of people served (AB 102, § 26(f)). This data is necessary for the Judicial Council to comply with reporting requirements highlighted in the legislation.

SUBMISSION INSTRUCTIONS

To receive your allocated funding, please submit the following information via the secure online portal.

Submission Link: Proposition 36 Application Submission Portal

Required Uploads:

1. **Scope of Work and Budget Template (Excel):** Using the provided template (**Appendix D**), briefly describe your objectives, activities, and outline your projected expenditures. **Download Appendix D [here](#).**
2. **W-9 Form:** A signed copy of the County Department's W-9.

Information Needed for Online Portal: Successful submission requires two components:

- **Appendix C** lists the questions you will answer directly in the portal.
- **Appendix D** (Scope of Work and Budget Template) is an Excel Document that must be downloaded, completed outside the portal, and uploaded along with your responses.
- Both are required for complete submission.

REVIEW PROCESS

This is not a scored application process. The Center will review submissions solely for completeness and statutory compliance. Once a complete submission is received and documentation verified, the Center will proceed directly to contract execution.

QUESTIONS

Contact the Proposition 36 Implementation Team at Prop36@sierrahealth.org.

APPENDIX A: COUNTY ALLOCATIONS

County	Allocation	County	Allocation	County	Allocation
Alameda	\$1,452,997.18	Madera	\$424,390.41	San Joaquin	\$804,778.10
Alpine	\$252,731.25	Marin	\$365,294.68	San Luis Obispo	\$435,665.97
Amador	\$316,729.12	Mariposa	\$273,497.09	San Mateo	\$480,774.33
Butte	\$497,519.27	Mendocino	\$458,944.09	Santa Barbara	\$386,646.70
Calaveras	\$278,994.25	Merced	\$476,567.93	Santa Clara	\$1,829,667.00
Colusa	\$282,284.59	Modoc	\$268,716.92	Santa Cruz	\$576,328.77
Contra Costa	\$955,284.46	Mono	\$262,589.42	Shasta	\$331,497.24
Del Norte	\$285,568.51	Monterey	\$671,681.18	Sierra	\$256,187.84
El Dorado	\$380,028.64	Napa	\$317,337.67	Siskiyou	\$338,110.54
Fresno	\$939,410.47	Nevada	\$333,508.84	Solano	\$659,329.91
Glenn	\$284,992.09	Orange	\$4,703,692.20	Sonoma	\$453,549.72
Humboldt	\$427,056.21	Placer	\$470,799.22	Stanislaus	\$1,039,889.43
Imperial	\$465,977.35	Plumas	\$267,883.75	Sutter-Yuba	\$451,715.17
Inyo	\$263,561.25	Riverside	\$2,245,760.00	Tehama	\$327,876.87
Kern	\$1,456,223.02	Sacramento	\$1,600,274.71	Trinity	\$286,688.60
Kings	\$319,380.17	San Benito	\$296,747.69	Tulare	\$688,267.13
Lake	\$402,065.41	San Bernardino	\$1,222,689.70	Tuolumne	\$337,157.97
Lassen	\$282,185.09	San Diego	\$3,025,599.99	Ventura	\$728,650.43
Los Angeles	\$8,464,225.59	San Francisco	\$929,120.34	Yolo	\$464,908.53

APPENDIX B: SAMPLE LETTER OF DECLINATION

*Use this template **ONLY** if your county intends to DECLINE the AB 102 funding allocation. This letter must be printed on official County letterhead and signed by an authorized representative.*

[Date]

To: The Center at Sierra Health Foundation

Attn: Proposition 36 Implementation Team

[Insert Email Address]

RE: DECLINATION OF PROPOSITION 36 / AB 102 IMPLEMENTATION FUNDING

This letter serves as formal notification that the **County of [Insert County Name]** Department of Behavioral Health hereby **DECLINES** the one-time funding allocation provided under the Budget Act of 2024 (AB 102) for the implementation of Proposition 36 (The Homelessness, Drug Addiction, and Theft Reduction Act).

We understand that by declining these funds:

1. The allocation designated for our county will be returned to the funding pool.
2. These funds may be reallocated to other participating counties based on the DHCS distribution methodology.
3. Our county will not be eligible to claim reimbursement for Proposition 36 implementation costs through this specific grant stream in the future.
4. We acknowledge that declining this specific funding stream does not absolve the County of any statutory obligations imposed by Proposition 36 itself.

Authorized Signature:

[Name]

[Title]

County of [Insert County Name]

cc: California Department of Health Care Services (DHCS), Community Services Division

APPENDIX C: SUBMISSION QUESTIONS REFERENCE

Submission Instructions: When a county designee begins the submission process by clicking through to the submission portal, they will be prompted to create an account tied to their email address, organizational information and additional contact information. Follow the prompts to create your account and complete your submission by filling out the forms available in the online portal. It is recommended to have one county designee responsible for creating and submitting the response to the RFI. The information entered is used to create the corresponding submission records in the system.

Submission Link: Proposition 36 Application Submission Portal

Completing **Appendix C** alone does not fulfill submission requirements. You must also complete **Appendix D**. **Download Appendix D [here](#)**, fill it out, and upload it in the portal.

REQUESTED RESPONSES LISTED BELOW FOR REFERENCE ONLY. We recommend preparing your answers in advance prior to logging into the portal.

Instructions for Preparing, Saving, and Resuming Your Application

The requested responses listed below are provided **for reference only**. We strongly recommend preparing your responses in advance before starting the application.

If the application cannot be completed in one session, the county designee may **Save & Resume** their progress directly within the application.

How Save & Resume works:

- Select **Save & Resume** within the application at any point before submission.
- You will be prompted to create a **username and password** and provide an **email address**.
- Once saved, your application responses are securely stored in a draft state.

Resuming your application:

- After saving, a **resume link will be sent to the email address you provided**.
- Use that link to return to your saved application or revisit the original application link and select **Resume a Saved Application**.
- Log in using the username and password you created to continue where you left off.

Important notes:

- Your application is **not submitted** until you complete all required sections and click **Submit** on the final page.
- You may share your Save & Resume login credentials or resume link with another authorized individual if more than one person needs to work on the same application.

- Please save your username, password, and resume email for future access—these cannot be retrieved by the system if lost.

SUBMIT YOUR REQUESTED RESPONSES USING THE ONLINE PORTAL

If you are unable to submit your requested responses online or need help, please contact us at Prop36@sierrahealth.org with the subject line: Requested Responses Online Help.

Intent to Accept Funding

Does the County intend to accept Proposition 36 implementation funding as outlined in the sample allocation table (**Appendix A**)?

- Yes, we accept. (*Takes submitter to the next part of the submission process*)
- No, we decline. (Please see **Appendix B** for Sample Letter of Declination)

If **No** is selected, you will be taken to a page to submit a required formal letter of declination to decline funding. The letter you upload must:

- *Be printed on **official County letterhead***
- *Be **signed by an appropriate authority** (e.g., County Director or similar with the authority to decline funds)*
- *Contain the appropriate authority's contact information so the declination can be verified, if needed.*
- *Clearly state the County's decision to decline Proposition 36 implementation funding*
- *Follow the format provided in **Appendix B***
- *Funding allocated to the county that declines to accept funding will be reallocated to recipient counties upon receiving an authentic and verified letter.*

If **Yes** is selected, the questions will continue as follows:

Location

Select your county from the list provided.

Organization and Contact Information

- Organization name:
- Street Address:
- City:
- State/Province:
- Zip/Postal Code:
- County:

- Phone:
- Website/URL (optional):
- Organization Tax ID #:

PROJECT CONTACT INFORMATION

County Behavioral Health Director

The County Behavioral Health Director should have the final approval authority for the project within the County's behavioral health agency or program.

- First Name:
- Last Name:
- Title:
- Email:
- Phone:
- Phone Extension:

County Fiscal Authority

The County Fiscal Authority should be authorized to sign off on financial commitments, including the contract for this project.

- First Name:
- Last Name:
- Title:
- Email:
- Phone:
- Phone Extension:

Fiscal / Banking Contact

Who is responsible for receiving electronic fund transfers (EFT), managing invoices, and producing biannual expenditure reports?

- First Name:
- Last Name:
- Title:
- Email:
- Phone:
- Phone Extension:

Primary Project Manager

The Primary Project Manager should be the **day-to-day** lead for project execution and management.

- First Name:
- Last Name:

- Title:
- Email:
- Phone:
- Phone Extension:

Project Supervisor

The Project Supervisor should be the direct supervisor of the Primary Project Manager.

- First Name:
- Last Name:
- Title:
- Email:
- Phone:
- Phone Extension:

Primary Project Evaluator/Data Reporter

The Primary Project Evaluator/Data Reporter will serve as the designated lead for tracking, analyzing, and reporting project data. This individual is responsible for ensuring the accuracy and completeness of all required data submissions, including Proposition 36 implementation reporting (anticipated due dates of December 2026, December 2027, and March 2028). This person can be the same as another role already listed in the project, as appropriate.

- First Name:
- Last Name:
- Title:
- Email:
- Phone:
- Phone Extension:

NARRATIVE QUESTIONS

Use this section to prepare your responses. Your selections here will form the basis of your Standard Agreement Scope of Work.

Treatment Funding Intent

- 1 Does your county plan to use any portion of the AB 102 allocation for Category 2: Treatment Services?
 - **Yes**
 - **No** (If no, skip to Question 9)

1a. Local Match Source

 - If you selected “Yes” above, **AB 102 (2024), § 26(d)** requires a **25% local match** for any funds used on treatment services.
 - Please briefly describe the source of these matching funds (e.g., Realignment, General Fund)

Use of Funds & Non-Supplantation Certification

2. AB 102, § 26(d) and (e) requires Proposition 36 implementation funding must not be used to pay for services covered by other funding sources, including Medi-Cal, Medicare, Veterans Benefits, or commercial insurance. Counties must maximize federal reimbursements and maintain existing local funding obligations required to draw down federal matching funds.

Although this funding may be used for non-reimbursable services (e.g., court-related evaluations or treatment not covered by Medi-Cal), it must be treated as the funding source of last resort.

Do you certify that:

- The County will not use AB 102 funds to supplant existing county funding obligations.
- The County will maximize all other reimbursement sources first, including federal and commercial insurance.
- The County will ensure that AB 102 funds are only used for non-reimbursable services.

Yes, we certify.

CAPACITY AND REPORTING READINESS

Collaboration Readiness

Has your County Behavioral Health Department actively collaborated with the Superior Court and Probation Department to plan and implement the Proposition 36 behavioral health treatment workflow, as required under AB 102? *Note: This refers specifically to coordination around court-mandated treatment, assessments, and referral processes.*

- Yes, collaborative planning meetings have occurred
- No, but meetings are scheduled
- No, we need technical assistance initiating this collaboration

Reporting Timeline

Counties receiving Proposition 36 funds must collect and submit annual reports to The Center in Q4 of each calendar year during the contract period. A final report is due in Q1 2028, with all programmatic activities expected to conclude by March 31, 2028. This timeline ensures sufficient time for statewide reporting and legislative compliance by June 30, 2028.

The following questions assess your County's ability to meet the reporting requirements outlined in AB 102, Provision 20. Responses will inform contract development, technical assistance planning, and statewide reporting to the Legislature.

Provision 20 Data Reporting Requirements

- 5 Can you report the number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code in which an expert submitted a report of a substance abuse and mental health evaluation to the court? (AB 102 (2024), § 26, Provision 20(e))
 - Yes, we currently collect and can report this data
 - No, and we do not expect to collect this data
 - We plan to build this capacity using Proposition 36 funds
 - We plan to build this capacity using other resources
- 6 Can you report the number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code in which the defendant entered into drug treatment but not mental health treatment? (AB 102 (2024), § 26, Provision 20(g))
 - Yes, we currently collect and can report this data
 - No, and we do not expect to collect this data
 - We plan to build this capacity using Proposition 36 funds
 - We plan to build this capacity using other resources
- 7 Can you report the number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code in which the defendant entered into mental health treatment but not drug treatment? (AB 102 (2024), § 26, Provision 20(h))
 - Yes, we currently collect and can report this data
 - No, and we do not expect to collect this data
 - We plan to build this capacity using Proposition 36 funds
 - We plan to build this capacity using other resources
 1. Can you track whether a defendant entered both Drug and Mental Health Treatment? (AB 102 (2024), § 26, Provision 20(i))
 - Yes, we currently collect and can report this data
 - No, and we do not expect to collect this data
 - We plan to build this capacity using Proposition 36 funds
 - We plan to build this capacity using other resources
- 8 Can you report the number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code in which the defendant entered into drug treatment and mental health treatment? (AB 102 (2024), § 26, Provision 20(i))
 - Yes, we currently collect and can report this data
 - No, and we do not expect to collect this data
 - We plan to build this capacity using Proposition 36 funds
 - We plan to build this capacity using other resources
- 9 Can you report the number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety

Code in which the defendant was ordered to receive job training? (AB 102 (2024), § 26, Provision 20(j))

- Yes, we currently collect and can report this data
- No, and we do not expect to collect this data
- We plan to build this capacity using Proposition 36 funds
- We plan to build this capacity using other resources

10 Can you report the number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code in which the defendant successfully completed the treatment program and received the positive recommendation of the treatment program pursuant to paragraph (3) of subdivision (d) of section 11395 of the Health and Safety Code? (AB 102 (2024), § 26, Provision 20(k))

- Yes, we currently collect and can report this data
- No, and we do not expect to collect this data
- We plan to build this capacity using Proposition 36 funds
- We plan to build this capacity using other resources

11 Can you report the number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code in which the defendant is currently undergoing treatment? (AB 102 (2024), § 26, Provision 20(m))

- Yes, we currently collect and can report this data
- No, and we do not expect to collect this data
- We plan to build this capacity using Proposition 36 funds
- We plan to build this capacity using other resources

12 Can you report the number of cases charged that included a violation of a treatment-mandated felony pursuant to section 11935 of the Health and Safety Code in which the move for entry of judgement and sentencing was based on the defendant "performing unsatisfactorily," "not benefiting," "not being amenable," "refusing treatment," or having been convicted of a crime? (AB 102 (2024), § 26, Provision 20(n))

- Yes, we currently collect and can report this data
- No, and we do not expect to collect this data
- We plan to build this capacity using Proposition 36 funds
- We plan to build this capacity using other resources

13 For reported individuals, do you collect: (AB 102 (2024), § 26, Provision 20(p))

1. Race

- Yes, we currently collect and can report this data
- No, and we do not expect to collect this data
- We plan to build this capacity using Proposition 36 funds
- We plan to build this capacity using other resources

2. Gender

- Yes, we currently collect and can report this data
- No, and we do not expect to collect this data

- We plan to build this capacity using Proposition 36 funds
- We plan to build this capacity using other resources

3. Age
 - Yes, we currently collect and can report this data
 - No, and we do not expect to collect this data
 - We plan to build this capacity using Proposition 36 funds
 - We plan to build this capacity using other resources
4. Housing status
 - Yes, we currently collect and can report this data
 - No, and we do not expect to collect this data
 - We plan to build this capacity using Proposition 36 funds
 - We plan to build this capacity using other resources

H. Data Collection

14. Can you collect and submit all available data on an annual basis, as required by AB 102 Provision 20? (AB 102 (2024), § 26, Provision 20)

- Yes, we currently collect and maintain all or some of the required data
- No, and we do not expect to collect the required data
- We plan to build this capacity using Proposition 36 funds
- We plan to build this capacity using other resources

Appendix D: Scope of Work and Budget Sample Template

To complete the Scope of Work and Budget Template (Excel workbook), please download from the following link: [**Download blank Scope of Work and Budget template.**](#)

A Sample Scope of Work and Budget is available for review, providing guidance on the level of detail and information that every county should include in their template.

[**Download the Sample Scope of Work and Budget template.**](#)

A complete Scope of Work and Budget Template is required to finish your county's submission and must accompany your response in the portal. Its completion will expedite the execution of your county's contract and payment of funds. Should you have any questions related to the submission process, please email:

Prop36@sierrahealth.org