





April 3, 2023

The Honorable Susan Eggman Chair, Senate Health Committee 1021 O Street, Room 8530 Sacramento, CA 95814

## RE: SB 551 (Portantino): Mental Health Services Act: Prevention and Early Intervention As Introduced – OPPOSE Set for Hearing April 12, 2023

Dear Governor Newsom:

On behalf of the Urban Counties of California (UCC), Rural County Representatives of California (RCRC), and the California State Association of Counties (CSAC), we are writing in respectful opposition to Senate Bill 551 (Portantino). SB 551 would divert 20% of the prevention and early intervention funds from the Mental Health Services Fund to provide direct services on school campuses.

Counties do not take issue with the policy of establishing and improving the provision of behavioral health services to students in school settings. However, counties oppose efforts to redirect Mental Health Services Act (MHSA) funding to other services. MHSA funds have been diverted in the past in very limited circumstances – first to address a massive state budget deficit and then again to establish housing (No Place Like Home Program), which was critically needed to ensure individuals with behavioral conditions and who are homeless have housing options.

SB 551 comes as the Newsom Administration has recently announced plans to modernize and reform the MHSA. While details are still being developed, it appears that the entire funding stream is being reevaluated to provide more services – and housing – to adults and older adults who are experiencing homelessness. It is unclear how MHSA reforms will impact prevention and early intervention funds, as well as funding aimed at serving children and youth. It is premature for SB 551 to direct a portion of MHSA funds when we do not fully understand the details and assumptions about the larger conversation about MHSA reforms.

It is also worrisome that SB 551 would divert MHSA funding just as the Community Assistance, Recovery and Empowerment (CARE) Act priority is on the precipice of implementation. Counties partnered with the Newsom Administration and Legislature to ensure the CARE Act is as successful as possible – spending months in thoughtful discussion about the CARE Act framework and funding and ensuring several counties volunteered for the first cohort of implementation. The CARE Act identifies MHSA as a revenue source to pay for new and expanded services to CARE Court participants. Counties don't believe the CARE Act can be successful if MHSA revenues that are being relied on to serve participants are diverted for other purposes.

For the reasons outlined above, UCC, RCRC, and CSAC respectfully oppose SB 551. Should you have any questions regarding our position, please do not hesitate to have your staff contact our organizations.

Sincerely,

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cc: The Honorable Anthony Portantino, Member, California State Senate Members and Consultants, Senate Health Commitee