

CALIFORNIA LEGISLATURE

STATE CAPITOL
SACRAMENTO, CALIFORNIA
95814

April 14, 2022

Senator Nancy Skinner
1021 O Street, Suite 8630
Sacramento, California 95814

Assemblymember Phil Ting
1021 O Street, Suite 8230
Sacramento, California 95814

RE: Budget Request for “Mental Health Infrastructure Fund”

Dear Budget Chair Skinner and Budget Chair Ting,

Senate and Assembly Republicans propose that the Legislature set aside \$10 billion from our current General Fund surplus to create and fund a new Mental Health Infrastructure Fund. The goal is to develop new county mental health and addiction treatment facilities, and new centers for behavioral-health-focused education to expand the treatment workforce in order to help Californians struggling with mental health and substance abuse.

California’s mental health deficit not only applies to infrastructure but to human capital as well. According to the 2019 study by the California Future Health Workforce Commission, by 2030 California is projected to substantially fall short on the necessary numbers of behavioral health professions. California not only needs to have the workforce to maintain existing service levels, but will need even more to staff any new treatment facilities as they are opened. As a state, we must create the institutions where the behavioral health workforce of tomorrow can learn these crucial skills.

On March 3, 2022, Governor Newsom announced a new mechanism to use the civil courts to potentially move thousands of mentally ill and addicted persons, many of them homeless, into necessary treatment plans administered by the county behavioral health departments. According to the Governor’s projections, his CARE Court proposal will result in the treatment of up to 12,000 persons. While the intent behind the CARE Court proposal is promising, county implementation of such a proposal is uncertain given our state’s long time deficit of psychiatric treatment beds and associated workforce.

According to a recent report conducted by the RAND Corporation and financed by the California Mental Health Services Authority, California has a deficit of 4,767 subacute and acute psychiatric treatment beds. If we add in lower acuity treatment beds in community residential facilities, that deficit increases to 7,730.¹ The report goes on to say that the acute bed deficit is severe in the inland regions of California, especially the Central Valley. This report highlights how years of misplaced budget priorities have neglected the growth of mental health infrastructure, leaving us poorly equipped to respond to the homelessness crisis visible on our streets. The report’s first recommendation is that a “significant investment is needed” in psychiatric bed infrastructure. This request funds that “significant investment.”

Fortunately, this year California is experiencing a General Fund surplus that we may never see again. In addition, the rules of the state’s spending limit, better known as the “Gann Limit,” direct us to prioritize infrastructure spending this year. While the Governor’s budget proposes spending more than \$2 billion

towards one-time county mental health infrastructure needs, we need to think bigger and longer term if we hope to significantly treat the tens of thousands of mentally ill and addicted homeless in California.

Therefore, Senate and Assembly Republicans propose that the Legislature set aside \$10 billion from our current General Fund surplus to create and fund a new Mental Health Infrastructure Fund. By setting aside \$10 billion for infrastructure now in the 2022-23 budget, we would fulfill one of the goals of the Gann Limit to focus on rebuilding California. **This new fund would be used for two main purposes.**

The first is to enhance and extend the state’s temporary funding program to purchase, construct, or rehabilitate properties into new county mental health and addiction treatment facilities. The specific award amounts to counties would be determined by the project needs in counties where the bed capacity per population is the lowest, but prioritization would be given in regions where acute bed deficits are the most severe. The funding would be available over the next four fiscal years in order to close the 7,730 bed deficit within that timeframe. Any moneys not used within the four-year timeframe could be diverted to bed capacity expansion at the Department of State Hospitals. By agreeing to accept the funding, counties would be required to have the facilities built, licensed, and staffed within an agreed-upon timeframe.

The second purpose is to create new centers for behavioral-health-focused education in order to expand the treatment workforce. Specifically, the funds will begin the establishment of a new California State University at Stockton that specializes in behavioral health care-focused degrees. The funding will cover the planning and design phases for the project as well as initial construction. In addition to the new campus, the funds will also be used to place outpatient mental health and substance use treatment clinics on every UC and CSU campus to provide students with hands-on opportunities to serve mentally ill and addicted populations in accessible behavioral health settings.

Senate and Assembly Republicans believe that the state should prioritize budget surpluses to create a better California. Not a single community can ignore the growing plight of our mentally ill and addicted homeless population and its effects on the homeless themselves, the quality of life in our state, and California’s economic vitality. Major gaps in the mental health system have persisted for decades, but it doesn’t have to remain this way. We can begin helping by caring for persons who are unable to care for themselves due to untreated illness and addiction. We look forward to working with you in crafting a budget that will truly begin to reverse our dire homelessness situation.

Thank you for your consideration.

Sincerely,



Scott Wilk
Senate Republican Leader
21st Senate District



James Gallagher
Assembly Republican Leader
3rd Assembly District



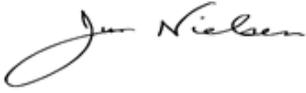
Patricia Bates
36th Senate District



Janet Nguyen
72nd Assembly District



Brian Dahle
1st Senate District



Jim Nielsen
4th Senate District



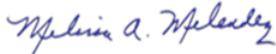
Andreas Borgeas
8th Senate District



Shannon Grove
16th Senate District



Rosilicie Ochoa Bogh
23rd Senate District



Melissa Melendez
28th Senate District



Brian Jones
38th Senate District



Vince Fong
34th Assembly District



Megan Dahle
1st Assembly District



Frank Bigelow
5th Assembly District



Kevin Kiley
6th Assembly District



Heath Flora
12th Assembly District



Jim Patterson
23rd Assembly District



Devon Mathis
26th Assembly District



Thurston "Smitty" Smith
33rd Assembly District



Jordan Cunningham
35th Assembly District



Tom Lackey
36th Assembly District



Phillip Chen
55th Assembly District



Steven Choi
68th Assembly District



Laurie Davies
73rd Assembly District



Suzette Martinez Valladares
38th Assembly District



Kelly Seyarto
67th Assembly District



Randy Voepel
71st Assembly District



Marie Waldron
75th Assembly District

cc: The Honorable Gavin Newsom, Governor
The Honorable Toni Atkins, Senate President pro Tempore
The Honorable Anthony Rendon, Assembly Speaker