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AB-2995 Public health: alcohol and drug programs. (2023-2024)

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Date Published: 09/30/2024 09:00 PM

Assembly Bill No. 2995

CHAPTER 847

An act to amend Sections 11752.1, 11755, 11757.51, 11757.53, 11757.57, 11757.59, 11757.61, 11757.65, 11758.10, 11758.20, 11760, 11760.5, 11772, 11781, 11781.5, 11789, 11790, 11791, 11793, 11794, 11795, 11797, 11798, 11798.2, 11798.3, 11801, 11811, 11811.1, 11811.5, 11811.7, 11812, 11812.6, 11825, 11828, 11830, 11831.6, 11831.65, 11831.7, 11831.9, 11833, 11833.05, 11834.01, 11834.02, 11834.025, 11834.026, 11834.09, 11834.10, 11834.17, 11834.18, 11834.20, 11834.21, 11834.22, 11834.23, 11834.24, 11834.25, 11834.26, 11834.28, 11834.30, 11834.31, 11834.36, 11834.50, 11836.12, 11839.24, 11842, 11842.5, 11843, 11843.5, 11845.5, 11847, 11847.1, 11847.2, 11847.3, 11847.4, 11847.5, 11848.5, 11849.5, 11850, 11852.5, 11853, 11853.5, 11857.1, and 11971 of, to amend the headings of Chapter 12 (commencing with Section 11842) of Part 2 of, Chapter 13 (commencing with Section 11847) of Part 2 of, and Chapter 2 (commencing with Section 11970) of Part 3 of Division 10.5 of, and to amend the heading of Part 3 (commencing with Section 11876) of Division 10.5 of, the Health and Safety Code, and to amend Sections 5171, 5175, 5176, 5348, 5600.3, 5802, 5806, 5814, 5856.2, 5863, and 18986.40 of, and to amend the headings of Article 1.5 (commencing with Section 5170) and Article 3 (commencing with Section 5225) of Chapter 2 of Part 1 of Division 5 of, the Welfare and Institutions Code, relating to public health.

[Approved by Governor September 28, 2024. Filed with Secretary of State September 28, 2024.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2995, Jackson. Public health: alcohol and drug programs.

Under existing law, the State Department of Health Care Services is responsible for administering prevention, treatment, and recovery services for alcohol and drug abuse and problem gambling. Existing law defines "alcohol abuser" and "drug abuser," for these purposes, as anyone who has a problem related to the consumption of alcoholic beverages or illicit, illegal, legal, or prescription drugs or over-the-counter medications in a manner other than prescribed, respectively, whether or not it is of a periodic or continuing nature. Existing law defines "alcohol and other drug services" as a service that is designed to encourage recovery from the abuse of alcohol and other drugs, and "alcohol and other drug abuse program" as a collection of alcohol and other drug services that are coordinated to achieve specified objectives. Existing law also provides for the licensure and regulation of adult alcoholism or drug abuse recovery and treatment facilities by the department and authorizes the department to enforce those provisions.

Existing law, the Bronzan-McCorquodale Act, contains provisions governing the operation and financing of community mental health services, including substance abuse services, for persons with mental health disorders in every county through locally administered and locally controlled community mental health programs. Existing law, the Lanterman-Petris-Short Act, provides for the involuntary commitment and treatment of persons with specified mental health disorders for the protection of the persons so committed, including detention of inebriates for evaluation and detoxification treatment, as specified. The Bronzan-McCorquodale

Act, Lanterman-Petris-Short Act, and other various provisions of the Welfare and Institutions Code refer to “substance abuse” or “drug abuse” and “substance using adults” or “inebriates.”

This bill would revise and recast various terms, including alcohol and other drug abuse program, alcohol abuser, drug abuser, and inebriate to use person-first terminology. The bill would also make other technical and conforming changes to remove stigmatization of individuals seeking alcohol or other drug treatment or services.

This bill would incorporate additional changes to Section 11833.05 of the Health and Safety Code proposed by AB 2574 to be operative only if this bill and AB 2574 are enacted and this bill is enacted last.

This bill would also incorporate additional changes to Sections 5348, 5600.3, 5802, 5806, 5814, 5856.2, and 18986.40 of the Welfare and Institutions Code proposed by AB 2119 to be operative only if this bill and AB 2119 are enacted and this bill is enacted last.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 11752.1 of the Health and Safety Code is amended to read:

11752.1. (a) “County board of supervisors” includes county boards of supervisors in the case of counties acting jointly.

(b) “Agency” means the California Health and Human Services Agency.

(c) “Secretary” means the Secretary of California Health and Human Services.

(d) “Advisory board” means the county advisory board on alcohol and other drug problems established at the sole discretion of the county board of supervisors pursuant to Section 11805. If a county does not establish an advisory board, any provision of this chapter relative to the activities, duties, and functions of the advisory board shall be inapplicable to that county.

(e) “Alcohol and drug program administrator” means the county program administrator designated pursuant to Section 11800.

(f) “State alcohol and other drug program” includes all state alcohol and other drug projects administered by the department and all county alcohol and other drug programs funded under this division.

(g) “Health systems agency” means the health planning agency established pursuant to Public Law 93-641.

(h) “Alcohol and other drug problems” means problems of individuals, families, and the community that are related to the misuse or inappropriate use of alcohol and other drugs.

(i) “Individual with an alcohol disorder” means anyone who has a problem related to the consumption of alcoholic beverages whether or not it is of a periodic or continuing nature. These problems may be evidenced by substantial impairment to the person’s physical, mental, or social well-being in a manner that adversely affects their ability to function in the community.

(j) “Individual with a substance use disorder” means anyone who has a problem related to the consumption of illegal, legal, or prescription drugs or over-the-counter medications in a manner other than prescribed, whether or not it is of a periodic or continuing nature. The drug-consumption-related problems of these persons may be evidenced by substantial impairment to the person’s physical, mental, or social well-being in a manner that adversely affects their ability to function in the community.

(k) “Alcohol and other drug service” or “substance use disorder service” means a service that is designed to encourage recovery from the misuse of, or addiction to, alcohol and other drugs with a goal to alleviate or preclude problems in the individual, their family, and the community.

(l) “Alcohol and other drug program” or “substance use disorder program” means a collection of alcohol and other drug services that are coordinated to achieve the specified objectives of this part.

(m) “Driving-under-the-influence program,” “DUI program,” or “licensed program” means an alcohol and other drug service that has been issued a valid license by the department to provide services pursuant to Chapter 9 (commencing with Section 11836) of Part 2.

(n) “Clients-participants” means recipients of alcohol and other drug prevention, treatment, and recovery program services.

(o) “Substance Abuse and Mental Health Services Administration” means that agency of the United States Department of Health and Human Services.

SEC. 2. Section 11755 of the Health and Safety Code is amended to read:

11755. The department shall do all of the following:

- (a) Adopt regulations pursuant to Section 11152 of the Government Code.
- (b) Employ administrative, technical, and other personnel as may be necessary for the performance of its powers and duties.
- (c) Do or perform any of the acts that may be necessary, desirable, or proper to carry out the purpose of this division.
- (d) Provide funds to counties for the planning and implementation of local programs to alleviate problems related to alcohol and other drug use.
- (e) Review and execute contracts for drug and alcohol services submitted for funds allocated or administered by the department.
- (f) Provide for technical assistance and training to local alcohol and other drug programs to assist in the planning and implementation of quality services.
- (g) Review research in, and serve as a resource to provide information relating to, alcohol and other drug programs.
- (h) In cooperation with the Department of Human Resources, encourage training in other state agencies to assist the agencies to recognize employee problems relating to alcohol and other drug use that affects job performance and encourage the employees to seek appropriate services.
- (i) Assist and cooperate with the Office of Statewide Health Planning and Development in the drafting and adoption of the state health plan to ensure inclusion of appropriate provisions relating to alcohol and other drug problems.
- (j) In the same manner and subject to the same conditions as other state agencies, develop and submit annually to the Department of Finance a program budget for the alcohol and other drug programs, which budget shall include expenditures proposed to be made under this division, and may include expenditures proposed to be made by any other state agency relating to alcohol and other drug problems, pursuant to an interagency agreement with the department.
- (k) Review and certify alcohol and other drug programs meeting state standards pursuant to Chapter 7 (commencing with Section 11830) and Chapter 13 (commencing with Section 11847) of Part 2.
- (l) Develop standards for ensuring minimal statewide levels of service quality provided by alcohol and other drug programs.
- (m) Review and license narcotic treatment programs.
- (n) Develop and implement, in partnership with the counties, alcohol and other drug prevention strategies especially designed for youth.
- (o) Develop and maintain a centralized indicator data collection system that shall gather and obtain information on the status of the alcohol and other drug problems in the state. This information shall include, but not be limited to, all of the following:
 - (1) The number and characteristics of persons receiving recovery or treatment services from alcohol and other drug programs providing publicly funded services or services licensed by the state.
 - (2) The location and types of services offered by these programs.
 - (3) The number of admissions to hospitals on both an emergency room and inpatient basis for treatment related to alcohol and other drugs.
 - (4) The number of arrests for alcohol and other drug violations.
 - (5) The number of Department of Corrections and Rehabilitation, Division of Juvenile Facilities, commitments for drug violations.
 - (6) The number of Department of Corrections and Rehabilitation commitments for drug violations.
 - (7) The number or percentage of persons having alcohol or other drug problems as determined by survey information.
 - (8) The amounts of illicit drugs confiscated by law enforcement in the state.
 - (9) The statewide alcohol and other drug program distribution and the fiscal impact of alcohol and other drug problems upon the state.

Providers of publicly funded services or services licensed by the department to clients-participants shall report data in a manner, in a format, and under a schedule prescribed by the department.

(p) Issue an annual report that portrays the drugs used inappropriately, populations affected, user characteristics, crime-related costs, socioeconomic costs, and other related information deemed necessary in providing a problem profile of alcohol and other drug use in the state.

(q) (1) Require any individual, public or private organization, or government agency, receiving federal grant funds, to comply with all federal statutes, regulations, guidelines, and terms and conditions of the grants. The failure of the individual, public or private organization, or government agency, to comply with the statutes, regulations, guidelines, and terms and conditions of grants received may result in the department's disallowing noncompliant costs, or the suspension or termination of the contract or grant award allocating the grant funds.

(2) Adopt regulations implementing this subdivision in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For the purposes of the Administrative Procedure Act, the adoption of the regulations shall be deemed necessary for the preservation of the public peace, health and safety, or general welfare. Subsequent amendments to the adoption of emergency regulations shall be deemed an emergency only if those amendments are adopted in direct response to a change in federal statutes, regulations, guidelines, or the terms and conditions of federal grants. This paragraph does not prohibit the department from adopting subsequent amendments on a nonemergency basis or as emergency regulations in accordance with the standards set forth in Section 11346.1 of the Government Code.

SEC. 3. Section 11757.51 of the Health and Safety Code is amended to read:

11757.51. The Legislature finds and declares the following:

(a) Many infants affected by alcohol or other drugs require neonatal intensive care because of low birth weight, prematurity, withdrawal symptoms, serious birth defects, and other medical problems. Alcohol or other drug affected infants are increasingly being placed in neonatal intensive care units and this care is very expensive.

(b) Alcohol and other drug affected infants result in increased need for resources and additional costs for the foster care system, regional centers, the public and private health care systems, and the public school system.

(c) The appropriate response to this crisis is prevention, through expanded resources for recovery from alcohol and other drug dependency. The only sure effective means of protecting the health of these infants is to provide the services needed by mothers to address a problem that is the result of a medical condition, not chosen.

(d) California has women of childbearing age who use alcohol or other drugs. Current resources are not adequate to meet the treatment needs of these women. California cannot delay addressing the serious need in this area. California taxpayers and health care consumers currently offset costs related to care of alcohol and other drug affected infants and those costs can only be contained through expansion of treatment services for women who have an alcohol or other drug dependency and prevention services for women at risk of developing an alcohol or other drug dependency.

(e) Comprehensive prevention and treatment services for both mothers and infants need to be provided in a multidisciplinary, multispecialist, and multiagency fashion, necessitating coordination by both state and local governments.

(f) Intervention strategies for women at risk of developing an alcohol or other drug dependency have proven effective and programs are currently operating that can be expanded and modified to meet the critical need in this area.

SEC. 4. Section 11757.53 of the Health and Safety Code is amended to read:

11757.53. (a) The Office of Perinatal Substance Abuse is hereby established within the State Department of Health Care Services. For purposes of this chapter, "office" means the Office of Perinatal Substance Abuse.

(b) The office may do any of the following:

(1) Coordinate pilot projects and planning projects funded by the state which are related to perinatal substance use.

(2) Provide technical assistance to counties, public entities, and private entities that are attempting to address the problem of perinatal substance use.

(3) Serve as a clearinghouse of information regarding strategies and programs that address perinatal substance use.

(4) Encourage innovative responses by public and private entities that are attempting to address the problem of perinatal substance use.

(5) Review proposals of, and develop proposals for, state agencies regarding the funding of programs relating to perinatal substance use.

(c) The office shall adopt, amend, or repeal any reasonable rules, regulations, or standards as necessary or proper to carry out the purposes and intent of this chapter and to enable the office and the department to exercise the powers and perform the duties conferred upon it by this chapter.

SEC. 5. Section 11757.57 of the Health and Safety Code is amended to read:

11757.57. (a) The office may provide or contract for training regarding alcohol and other drug dependency to providers of health, social, educational, and support services to women of childbearing age and their children.

(b) The purpose of any training provided pursuant to subdivision (a) may be to facilitate the taking of appropriate and thorough medical and social histories of women of childbearing age in order to identify those in special need of alcohol or other drug treatment services and to identify skills for providing case management services to women using alcohol and other drugs and their infants. Additional training topics may be covered, including, but not limited to, how to develop procedures for referring those in need of alcohol and other drug treatment services and how to provide appropriate social and emotional support to, as well as developmental monitoring of, drug affected infants and children and their families.

SEC. 6. Section 11757.59 of the Health and Safety Code is amended to read:

11757.59. (a) Funds distributed under this chapter shall be used by counties to fund residential and nonresidential alcohol and other drug treatment programs for pregnant women, postpartum women, and their children and to fund other support services directed at bringing pregnant and postpartum women into treatment and caring for alcohol and other drug exposed infants. Funds may also be used to provide case management services to women using alcohol and other drugs and their children and special recruitment, training, and support services for foster care parents of substance exposed infants.

(b) In carrying out its responsibilities under this chapter, the office may include in its guidelines the special needs of pregnant women and postpartum women who are chemically dependent and who are in need of treatment services. These special needs include, but are not limited to, the following:

(1) Provision for medical services, which may include, but are not limited to, the following:

- (A) Low-risk and high-risk prenatal care.
- (B) Pediatric followup care, including preventive infant health care.
- (C) Developmental followup care.
- (D) Nutrition counseling.
- (E) Methadone.
- (F) Testing and counseling relating to AIDS.
- (G) Monthly visits with a physician and surgeon who specializes in treating persons with chemical dependencies.

(2) Provision for nonmedical services, which may include, but are not limited to, the following:

- (A) Case management.
- (B) Individual or group counseling sessions, which occur at least once a week.
- (C) Family counseling, including, but not limited to, counseling services for partners and children of the women.
- (D) Health education services, including perinatal chemical dependency classes, addressing topics that include, but are not limited to, the effects of drugs on infants, AIDS, addiction in the family, child development, nutrition, self-esteem, and responsible decisionmaking.
- (E) Parenting classes.
- (F) Adequate childcare for participating women.
- (G) Encouragement of active participation and support by spouses, domestic partners, family members, and friends.
- (H) Opportunities for a women-only treatment environment.
- (I) Transportation to outpatient treatment programs.

(J) Followup services, which may include, but are not limited to, assistance with transition into housing in a drug-free environment.

(K) Child development services.

(L) Educational and vocational services for women.

(M) Weekly urine testing.

(N) Special recruitment, training, and support services for foster care parents of substance exposed infants.

(O) Outreach that reflects the cultural and ethnic diversity of the population served.

SEC. 7. Section 11757.61 of the Health and Safety Code is amended to read:

11757.61. (a) A county that receives funds distributed under this chapter may establish a perinatal coordinating council that consists of persons who are experts in the areas of alcohol and other drug treatment, client outreach and intervention with women using alcohol and other drugs, child welfare services, maternal and child health services, and developmental services, and representatives from other community-based organizations.

(b) The coordination efforts provided through the council may include the following:

(1) The identification of the extent of the perinatal alcohol and other drug problem in the county based on existing data.

(2) The development of coordinated responses by county health and social service agencies and departments, which responses shall address the problem of perinatal alcohol and other drug use in the county.

(3) The definition of the elements of an integrated alcohol and other drug use recovery system for pregnant women, postpartum women, and their children.

(4) The identification of essential support services to be included in the integrated recovery system defined pursuant to paragraph (3).

(5) The promotion of communitywide understanding of the perinatal alcohol and other drug use problem in the county and appropriate responses to the problem.

(6) The communication with policymakers at both the state and federal level about prevention and treatment needs for pregnant women, postpartum women, and their children for alcohol and other drug use that need to be addressed.

(7) The utilization of services that emphasize coordination of treatment services with other health, child welfare, child development, and education services.

SEC. 8. Section 11757.65 of the Health and Safety Code is amended to read:

11757.65. (a) The Legislature hereby finds and declares both of the following:

(1) The state has an interest in the women and children's residential treatment services (WCRTS) program.

(2) In 2012, there were eight local WCRTS programs established through grants from the federal Center for Substance Abuse Treatment, Residential Women and Children, and Pregnant and Postpartum Women Demonstration Program. WCRTS programs pursue the following four primary goals:

(A) Demonstrate that alcohol and other drug treatment services delivered in a residential setting and coupled with primary health, mental health, and social services for women and children, can improve overall treatment outcomes for women, children, and the family unit as a whole.

(B) Demonstrate the effectiveness of 6-month or 12-month stays in a comprehensive residential treatment program.

(C) Develop models of effective comprehensive service delivery for women and their children that can be replicated in similar communities.

(D) Provide services to promote safe and healthy pregnancies and perinatal outcomes.

(b) It is the intent of the Legislature for the following outcomes to be achieved through the WCRTS program:

(1) Preserving family unity.

(2) Promoting healthy pregnancies.

(3) Enabling children to thrive.

(4) Reduce or eliminate the distress caused by the symptoms of a substance use disorder for women and their families.

(c) It is also the intent of the Legislature for the State Department of Health Care Services to work collaboratively with counties and the eight WCRTS programs receiving funds from the Women's and Children's Residential Treatment Services Special Account under the 2011 realignment to develop reporting requirements. It is the intent of the Legislature that, to the extent that WCRTS programs report to the counties, the counties annually report data on the outcomes achieved by the WCRTS program to the department, and for the department to annually report to the appropriate budget committees of the Legislature on the fiscal and programmatic status of the WCRTS program.

(d) Any county may establish a WCRTS program designed to meet the goals and produce the same outcomes as described in this section.

SEC. 9. Section 11758.10 of the Health and Safety Code is amended to read:

11758.10. (a) Within 60 days after notification of the final allocation of each fiscal year pursuant to Section 11814, the board of supervisors of each county requesting to contract for federal funding from the state to provide alcohol and other drug prevention, treatment, and recovery services shall submit to the department, in accordance with Section 11798, a contract for these services.

(b) The executed contract shall remain in effect to provide the basis for advance payment until the next year's contract is executed. The purpose of these county contracts shall be to provide the basis for reimbursements pursuant to this division and to coordinate services pursuant to Part 2 (commencing with Section 11760) in a manner that avoids fragmentation of services and unnecessary expenditures.

(c) A contract for alcohol and other drug services shall not become final until executed by both the contracting county and the department. The contract shall be executed by September 30 of the fiscal year in which the contract will be effective, and shall cover the fiscal year period from July 1 to June 30, inclusive.

(d) The payments shall be based on appropriations made by the Legislature, and monthly payments shall be adjusted to reflect reductions and deletions made by the Legislature. The department shall have the option to either terminate or amend the contract to reflect the reduced funding. The payments shall continue at the adjusted level until the contract is amended to reflect the final Budget Act enacted for the fiscal year and the final allocation to the counties.

SEC. 10. Section 11758.20 of the Health and Safety Code is amended to read:

11758.20. (a) The department shall negotiate contracts with each county that requests to enter into a contract to provide alcohol and other drug services.

(b) The department shall allocate funds for the purpose of establishing a contract with each contracting county in accordance with Sections 11814 and 11817.3.

SEC. 11. Section 11760 of the Health and Safety Code is amended to read:

11760. The Legislature finds and declares that problems related to the inappropriate use of alcoholic beverages and other drug use adversely affect the general welfare of the people of California. These problems include, but are not limited to, the following:

(a) Substantial fatalities, permanent disability, and property damage resulting from driving under the influence. Crimes involving alcohol and other drug use are a drain on law enforcement, the courts, and the penal system.

(b) Alcoholism in the individual, which is an addiction to the drug alcohol, with its attendant deterioration of physical and emotional health and social well-being.

(c) Alcoholism and other drug use in the family with its attendant deterioration of all relationships and the well-being of family members.

(d) A risk of increased susceptibility to serious illnesses and other major health problems that ultimately create additional costs and use of resources from both public and private health facilities and entities.

(e) A risk of fetal alcohol syndrome.

(f) Losses in production and tax revenues due to absenteeism, unemployment, and industrial accidents.

SEC. 12. Section 11760.5 of the Health and Safety Code is amended to read:

11760.5. (a) The Legislature recognizes that substance use disorder should be viewed and treated as a health problem, as well as a public safety problem. The substance use problem has significant public impact and must, in addition to public safety, be given community, education, social, and health attention if prevention and amelioration are to be achieved. These approaches should be coordinated into a multiagency and multifaceted program for alcohol and other drug prevention and treatment in the counties of the state.

(b) It is the intent of the Legislature that community alcohol and other drug services shall be organized through locally administered and locally controlled community alcohol and other drug programs. The community alcohol and other drug programs shall operate under the principle that services are designed to be equally accessible to all persons, including persons who because of differences in language, cultural differences in language, cultural traditions, or physical disabilities, confront barriers to knowing about or to using the alcohol and other drug services that are offered.

SEC. 13. Section 11772 of the Health and Safety Code is amended to read:

11772. (a) (1) The department may enter into agreements and contracts with any person or public or private agency, corporation, or other legal entity, including contracts to pay these entities in advance or reimburse them for alcohol and other drug services provided to individuals experiencing substance use disorders and their families and communities.

(2) The department may make grants to public and private entities that are necessary or incidental to the performance of its duties and the execution of its powers. The department may pay these entities in advance or reimburse them for services provided.

(3) The Legislature directs the department to contract with any person or public or private agency, corporation, or other legal entity to perform its duties whenever that expertise is available and appropriate to utilize.

(b) Notwithstanding any other provision of this part, the department may not contract directly for the provision of alcohol and other drug services except as follows:

(1) For demonstration programs of limited duration and scope, which programs, whenever possible, shall be administered through the counties, and which shall be specifically authorized and funded by the Budget Act or other statutes.

(2) To provide supportive services, such as technical assistance, on a statewide basis, or management and evaluation studies to help ensure more effective implementation of this part.

(3) When a county decides not to enter into a contract to provide alcohol and drug services or programs, or both, the department shall determine the need for the services or programs, or both, and provide the services or programs, or both, directly or through contract.

(c) (1) Notwithstanding the rulemaking provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific the amendments to this section made by the act that added this subdivision by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions from the department until regulations are adopted pursuant to that chapter of the Government Code.

(2) The department shall adopt emergency regulations no later than July 1, 2014. The department may subsequently readopt any emergency regulation authorized by this subdivision that is the same as or is substantially equivalent to an emergency regulation previously adopted pursuant to this section.

(3) The initial adoption of emergency regulations and the one readoption of emergency regulations authorized by this subdivision shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. Initial emergency regulations and the one readoption of emergency regulations authorized by this subdivision shall be exempt from review by the Office of Administrative Law. The initial emergency regulations and the one readoption of emergency regulations authorized by this subdivision shall be submitted to the Office of Administrative Law for filing with the Secretary of State and each shall remain in effect for no more than 180 days, by which time final regulations may be adopted.

SEC. 14. Section 11781 of the Health and Safety Code is amended to read:

11781. The Legislature finds and declares all of the following:

(a) Federal, state, and local governments have the responsibility and the expressed intent to provide and ensure the accessibility of alcohol and other drug treatment, recovery, intervention, and prevention services to all individuals, with specific emphasis on women, ethnic minorities, and other disenfranchised segments of the population.

(b) The effects of inappropriate alcohol use by ethnic populations in California are increasing. Concurrently, the use of available recovery services by these populations is not in keeping with the increase of problems experienced by these populations.

(c) There is a great shortage of treatment programs available to pregnant women and their children. African Americans have an infant mortality rate twice that of the general population, and substance use only exacerbates the problem.

(d) Barriers to accessing the services available specifically include, but are not limited to, the following:

(1) Lack of educational materials appropriate to the community.

(2) Geographic isolation or remoteness.

(3) Institutional and cultural barriers.

(4) Language differences.

(5) Lack of representation by affected groups employed by public and private service providers and policymakers.

(6) Insufficient research information regarding problems and appropriate strategies to resolve the problems of access to services.

(e) While current law requires the department to develop and implement a statewide plan to alleviate problems related to inappropriate alcohol use and other drug use and to overcome the barriers to their solution, these attempts have been ineffective due to the magnitude of the task.

SEC. 15. Section 11781.5 of the Health and Safety Code is amended to read:

11781.5. The department shall provide direction to counties and to public and private organizations serving the target populations to increase access to alcohol and other drug use prevention and recovery programs in all of the following ways:

(a) Assume responsibility to increase the knowledge within state agencies and the Legislature of problems affecting the target populations.

(b) Determine, compile, and disseminate information and resource needs of the counties and constituent service providers to better serve the target populations.

(c) Ensure that established state and county standards, policies, and procedures are not discriminatory and do not contribute to service accessibility barriers.

(d) Promote an understanding of ethnic and gender differences, approaches to problems, and strategies for increasing voluntary access to services by the target populations.

(e) Affirmatively coordinate with the counties for the provision of services to the target populations and to assure accountability that necessary services are actually provided.

SEC. 16. Section 11789 of the Health and Safety Code is amended to read:

11789. (a) The department shall be a central information resource on alcohol and other drug use prevention and treatment programs and on research projects with respect to alcohol and other drug use.

(b) The department shall collect, and act as an information exchange for, information on research and service projects completed or in progress relating to alcohol and other drug use, provide, to any person, institution, or public agency proposing any research or service project on that subject, information with respect to the areas in which research is needed, and evaluate programs of research, treatment, and education with respect to alcohol and other drug use.

(c) A state agency shall not conduct a research or service project on alcohol and other drug problems, including substance use disorders, until it has provided the department with a description of its proposed project and until the department has responded with a written description of how the research or service project relates with other completed, concurrently operating, or pending research or service projects. If the department fails to provide the agency with the written description within 60 days from the date of receipt of the proposed project, the state agency may proceed to conduct the research or service project as described in the agency's proposal.

SEC. 17. Section 11790 of the Health and Safety Code is amended to read:

11790. The department, at the request of the county alcohol and drug program administrator, may assist local community organizations in initiating effective programs to prevent and treat alcohol and other drug use. The department may charge a fee for this assistance.

SEC. 18. Section 11791 of the Health and Safety Code is amended to read:

11791. The department may develop and implement a mass media alcohol and other drug education program involving newspapers, radio, and television in order to provide community education, develop public awareness, and motivate community action in alcohol and other drug use prevention, treatment, and rehabilitation.

SEC. 19. Section 11793 of the Health and Safety Code is amended to read:

11793. The department may develop an objective program evaluation device or methodology and evaluate state-supported alcohol and other drug use prevention and treatment programs.

SEC. 20. Section 11794 of the Health and Safety Code is amended to read:

11794. The department shall, in consultation with the State Department of Education, screen and evaluate books, pamphlets, literature, movies, and other audiovisual aids related to the misuse of substances, including substance use disorders, and may prepare and disseminate lists of recommended materials to schools, public libraries, alcohol and other drug information centers, and other public and private agencies. The department may charge a fee, not exceeding actual costs, for providing the materials.

SEC. 21. Section 11795 of the Health and Safety Code is amended to read:

11795. (a) The board of supervisors of each county may apply to the department for funds for the purpose of alleviating problems in its county related to alcohol abuse and other drug use. This part applies only to counties receiving state or federal funds allocated by the department under this part.

(b) The department shall coordinate state and local alcohol and other drug use prevention, including care, treatment, and rehabilitation programs, for individuals with substance use disorders. It is the intent of the Legislature that the department and the counties maintain a cooperative partnership to ensure effective implementation of this chapter.

(c) The Legislature grants responsibility to the county to administer and coordinate all county alcohol and other drug programs funded under this part. County alcohol and other drug programs shall account to the board of supervisors and to the state for their effective implementation. The county shall establish its own priorities for alcohol and other drug programs funded under this part, except with respect to funds that are allocated to the county for federally required programs and services.

SEC. 22. Section 11797 of the Health and Safety Code is amended to read:

11797. (a) Funds allocated to the county pursuant to this part shall be used exclusively for county alcohol and other drug services as identified in the contract for alcohol and other drug services and shall be separately identified and accounted for.

(b) The funds contained in each county's Behavioral Health Subaccount of the Support Services Account of the Local Revenue Fund 2011 established pursuant to Section 30025 of the Government Code shall be considered state funds distributed by the principle state agency for the purposes of receipt of the federal block grant funds for prevention and treatment of substance use disorders described in Subchapter XVII of Chapter 6A of Title 42 of the United States Code to the extent that these funds are used for authorized alcohol and drug prevention and treatment activities.

SEC. 23. Section 11798 of the Health and Safety Code is amended to read:

11798. (a) Counties that apply for funds to provide alcohol and other drug services shall prepare and submit a contract for alcohol and other drug services to the department. The contract shall include a budget for all funds sources to be used to provide alcohol and other drug services. The funds identified in the contract shall be used exclusively for county alcohol and other drug services to the extent that the activities meet the requirements for receipt of the federal block grant funds for prevention and treatment of substance use disorders described in Subchapter XVII of Chapter 6A of Title 42 of the United States Code and shall be separately identified and accounted for. The county shall report utilization of those funds in an annual cost report pursuant to subdivision (b) of Section 11798.1.

(b) The contract shall include provisions to ensure both of the following:

(1) The appropriate expenditures of funds necessary to meet the requirements for receipt of federal block grant funds for prevention and treatment of substance use disorders described in Subchapter XVII of Chapter 6A of Title 42 of the United

States Code and other applicable federal provisions for funds.

(2) The provision of information necessary for the department to meet its oversight function, including, but not limited to, any required auditing, reporting, and data collection.

(c) The contract shall specify the type, scope, and cost of the services to be provided.

(d) The department, after consultation with county alcohol and drug program administrators, shall develop standardized forms to be used by the counties in the development and submission of the contracts. The forms shall include terms and conditions relative to county compliance with applicable laws.

(e) Performance requirements shall be included within the terms of the contract and shall include, at a minimum, all of the following:

(1) A provision for an adequate quality and quantity of service.

(2) A provision for access to services for at-risk populations.

(3) A provision requiring that all funds allocated by the state for alcohol and other drug programs shall be used exclusively for the purpose for which those funds are distributed.

(4) A provision requiring that performance be in compliance with applicable state and federal laws, regulations, and standards.

(5) Estimated numbers and characteristics of clients-participants by type of service.

(f) The contract shall include a provision that allows the department access to financial and service records of the county and contractors of the county for the purpose of auditing the requirements in the contract and establishing the data necessary to meet federal auditing and reporting requirements.

(g) The contract shall include a provision for resolution of disputed audit findings.

(h) Where two or more counties jointly establish substance use programs or where a county contracts to provide services in another county pursuant to Section 11796, information regarding the arrangement shall be included in the contract for alcohol and other drug services.

(i) The contract shall include a provision requiring the county to ensure the security of client records as required by state and federal law.

(j) The contract shall be presented for public input, review, and comment, and the final contract shall be posted on the county's internet website.

(k) (1) Notwithstanding the rulemaking provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions from the department until regulations are adopted pursuant to that chapter of the Government Code.

(2) The department shall adopt emergency regulations no later than July 1, 2014. The department may subsequently readopt any emergency regulation authorized by this section that is the same as or is substantially equivalent to an emergency regulation previously adopted pursuant to this section.

(3) The initial adoption of emergency regulations implementing this section and the one readoption of emergency regulations authorized by this subdivision shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. Initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be exempt from review by the Office of Administrative Law. The initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and each shall remain in effect for no more than 180 days, by which time final regulations may be adopted.

SEC. 24. Section 11798.2 of the Health and Safety Code is amended to read:

11798.2. (a) A county with an approved contract for alcohol and other drug services shall bear the financial risk in providing any alcohol or other drug services to the population described and enumerated in the approved contract.

(b) The county shall not be precluded from contracting to purchase all or part of the delivery of alcohol and other drug services from noncounty providers.

(c) Counties receiving funds shall submit to the department statistical data, as required in the contract, and end-of-year cost data no later than November 1 following the close of the fiscal year.

(d) Whenever a county receives funds under a grant program for alcohol and other drug services, as well as under the county contract from either the federal or state government, or from any other grantor, public or private, and fails to include that grant program in the county budget for its alcohol and other drug program, the director shall not thereafter approve any, or provide, advance payment claims submitted by the county for state reimbursement under this part until the contract and county budget for its alcohol and other drug program has been reviewed to include that grant program, and the revised contract and budget are approved by the director.

(e) (1) Except as provided in paragraphs (2) and (3), regulations adopted by the State Department of Alcohol and Drug Programs pursuant to former Section 11758.29 shall remain in effect unless amended or repealed by regulation adopted pursuant to this section.

(2) Notwithstanding the rulemaking provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section to the extent that this section differs from former Section 11758.29 by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions from the department until regulations are adopted pursuant to that chapter of the Government Code.

(3) (A) The department shall adopt emergency regulations no later than July 1, 2014. The department may subsequently readopt any emergency regulation authorized by this section that is the same as or is substantially equivalent to an emergency regulation previously adopted pursuant to this section.

(B) The initial adoption of emergency regulations implementing the article and the one readoption of emergency regulations authorized by this subdivision shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. Initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be exempt from review by the Office of Administrative Law. The initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and each shall remain in effect for no more than 180 days, by which time final regulations may be adopted.

SEC. 25. Section 11798.3 of the Health and Safety Code is amended to read:

11798.3. The department shall review each county's contract for alcohol and other drug services to determine that the contract complies with this division and with the standards adopted under this division. The department shall approve a contract that is in compliance.

SEC. 26. Section 11801 of the Health and Safety Code is amended to read:

11801. The alcohol and drug program administrator, acting through administrative channels designated pursuant to Section 11795, shall do all of the following:

(a) Coordinate and be responsible for the preparation of the county contract.

(b) Ensure compliance with applicable laws relating to discrimination against any person because of any characteristic listed or defined in Section 11135 of the Government Code.

(c) Submit an annual report to the board of supervisors reporting all activities of the alcohol and other drug program, including a financial accounting of expenditures, number of persons served, and a forecast of anticipated needs for the upcoming year.

(d) Be directly responsible for the administration of all alcohol or other drug program funds allocated to the county under this part, administration of county operated programs, and coordination and monitoring of programs that have contracts with the county to provide alcohol and other drug services.

(e) Ensure the evaluation of alcohol and other drug programs, including the collection of appropriate and necessary client data and program information, pursuant to Chapter 6 (commencing with Section 11825).

(f) Ensure program quality in compliance with appropriate standards pursuant to Chapter 7 (commencing with Section 11830).

(g) Participate and represent the county in meetings of the County Behavioral Health Directors Association of California pursuant to Section 11811.5 for the purposes of representing the counties in their relationship with the state with respect to policies, standards, and administration for alcohol and other drug services.

(h) Perform any other acts that may be necessary, desirable, or proper to carry out the purposes of this part.

SEC. 27. Section 11811 of the Health and Safety Code is amended to read:

11811. Counties shall have broad discretion in the choice of services they utilize to alleviate the alcohol and other drug problems of specific population groups and the community. Those services shall include services for alcohol and other drug use prevention and treatment.

SEC. 28. Section 11811.1 of the Health and Safety Code is amended to read:

11811.1. (a) The major purpose of prevention and early intervention activities includes, but is not limited to, all of the following:

- (1) To facilitate positive change in community and individual understanding, values, attitudes, environmental factors, and behavior concerning alcohol and its inappropriate use and other drug use.
- (2) To reduce the likelihood of the inappropriate use of alcohol and other drugs by developing and implementing public policies designed to reduce or limit alcohol and other drug consumption.
- (3) To lessen the stigmatization of persons who seek help for problems related to inappropriate alcohol use and other drug use.
- (4) To provide information so that the public may make informed personal and public policy decisions regarding the inappropriate use and nonuse of alcoholic beverages and other drugs.
- (5) To enlighten the "helping professions" to recognize persons with alcohol and other drug problems and to offer them appropriate services.
- (6) To encourage persons to seek early help for their alcohol or other drug problems.

(b) The Legislature recognizes that the effective provision of the activities specified in subdivision (a) will result in an increased demand upon, and utilization of, existing services to individuals with substance use disorders and their families. However, the Legislature believes that provision of effective prevention and early intervention activities over the next decade will result in saving taxpayers funds that might otherwise have to be expended for higher health and safety costs.

SEC. 29. Section 11811.5 of the Health and Safety Code is amended to read:

11811.5. To the extent the activities meet the provisions for receipt of the federal block grant funds for prevention and treatment of substance use disorders described in Subchapter XVII of Chapter 6A of Title 42 of the United States Code and other applicable federal provisions for funds, a county may also utilize funds for the following:

- (a) Planning, program development, and administration by the county. The department shall establish uniform definitions of the elements of county alcohol and other drug program administration and shall set the minimum and maximum levels of administrative services, taking into account the total funds expended pursuant to the contract.
- (b) In conducting planning, evaluation, and research activities to develop and implement the county alcohol and other drug program, counties may contract with appropriate public or private agencies.
- (c) Actual and necessary expenses incurred by the alcohol and drug program administrator relating to attendance at not more than four meetings each year of the administrators, any other meetings called by the director, and reasonable dues for any related activities and meetings. Each administrator of a county who receives funds under this part shall attend each quarterly meeting, unless a waiver is provided for by the department.

SEC. 30. Section 11811.7 of the Health and Safety Code is amended to read:

11811.7. Services financed under this part shall:

- (a) Be provided on a voluntary basis only, except as provided in Article 1.5 (commencing with Section 5170) of Chapter 2 of Part 1 of Division 5 of the Welfare and Institutions Code.
- (b) Encourage persons utilizing services, and members of their family, to participate in community self-help groups providing ongoing support to individuals with substance use disorders and their family members.
- (c) Encourage individuals experiencing a substance use disorder to abstain from the use of alcohol and illegal drugs.

SEC. 31. Section 11812 of the Health and Safety Code is amended to read:

11812. The following conditions apply to county expenditures of funds pursuant to this part:

(a) Where the services specified in the contract for alcohol and other drug services are provided pursuant to other general health or social programs, only that portion of the services dealing with alcohol and other drug problems may be financed under this part.

(b) (1) Each county shall utilize available privately operated alcohol and other drug programs and services in the county prior to utilizing new county-operated programs and services, or city-operated programs and services pursuant to Section 11796.1, when the available privately operated programs and services are as favorable in quality and cost as are those operated by the county or city. When these privately operated programs and services are not available, the county shall make a reasonable effort to encourage the development of privately operated programs and services prior to developing county-operated or city-operated programs and services.

(2) The county alcohol and drug program administrator shall demonstrate to the board of supervisors, and to the department, prior to development of any new program or service, that reasonable efforts have been made to comply with paragraph (1). All available local public or private programs and services, as described in paragraph (1), that are appropriate shall be utilized prior to using services provided by hospitals.

(c) All personal information and records obtained by the county, any program that has a contract with the county, or the department pursuant to this section are confidential and may be disclosed only in those instances designated in Section 5328 of the Welfare and Institutions Code.

(1) Any person may bring an action against an individual who has willingly and knowingly released confidential information or records concerning that person in violation of this section, for the greater of the following amounts:

(A) Five hundred dollars (\$500).

(B) Three times the amount of actual damages, if any, sustained by the plaintiff.

(2) (A) Any person may, in accordance with Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, bring an action to enjoin the release of confidential information or records in violation of this chapter, and may in the same action seek damages as provided in this section.

(B) It is not a prerequisite to an action under this section that the plaintiff suffer or be threatened with actual damages.

(d) The department may require that each county and any public or private provider of alcohol and other drug services that receives any funds under this part provide any information requested by the department relating to any application for or receipt of federal or other nonstate funds, including fees, donations, grants, and other revenues, for alcohol and other drug services provided by these agencies.

SEC. 32. Section 11812.6 of the Health and Safety Code is amended to read:

11812.6. In addition to any other services authorized under this chapter, the department shall urge the county to develop within existing resources specific policies and procedures to address the unique treatment problems presented by individuals who have a substance use disorder and also have a mental health disorder. Priority may be given to developing policies and procedures that relate to the diagnosis and treatment of homeless persons who have mental health disorders and have a substance use disorder.

SEC. 33. Section 11825 of the Health and Safety Code is amended to read:

11825. The department may establish reasonable criteria to evaluate the performance of programs and services that are described in the county contract for alcohol and other drug services.

SEC. 34. Section 11828 of the Health and Safety Code is amended to read:

11828. Each county shall ensure the evaluation of all funded programs to determine whether they have achieved their objectives as determined in the planning process. In addition, recognizing the difficulty and expense of conducting effective county alcohol and other drug program evaluation, the department may assist counties in developing evaluation designs for implementation by counties to measure progress of individuals with a substance use disorder, changes in community attitudes toward inappropriate alcohol use and other drug problems, changes in the incidence and prevalence of alcohol and other drug problems within the county, or other objectives identified in the planning process. The department, in cooperation with counties that choose to participate, may assist and fund counties to implement the evaluation designs developed. Counties may contract with public or private agencies and utilize funds allocated under this part for purposes of conducting the evaluations.

SEC. 35. Section 11830 of the Health and Safety Code is amended to read:

11830. The department shall take the following goals and objectives into consideration in the implementation of this part:

- (a) The significance of community-based programs to alcohol and other drug recovery shall not be diminished.
- (b) Opportunities for low-income and special needs populations to receive alcohol and other drug recovery or treatment services shall be encouraged.

SEC. 36. Section 11831.6 of the Health and Safety Code is amended to read:

11831.6. (a) The following persons, programs, or entities shall not give or receive remuneration or anything of value for the referral of a person who is seeking alcohol or other drug recovery or treatment services:

- (1) An alcohol or other drug recovery or treatment facility licensed under this part.
 - (2) An owner, partner, officer, or director, or shareholder who holds an interest of at least 10 percent in an alcohol or other drug recovery or treatment facility licensed under this part.
 - (3) A person employed by, or working for, an alcohol or other drug recovery or treatment facility licensed under this part, including, but not limited to, registered and certified counselors and licensed professionals providing counseling services.
 - (4) An alcohol or other drug program certified by the department in accordance with Chapter 7.1 (commencing with Section 11832).
 - (5) An owner, partner, officer, or director, or shareholder who holds an interest of at least 10 percent in an alcohol or other drug program certified by the department in accordance with Chapter 7.1 (commencing with Section 11832).
 - (6) A person employed by, or working for, an alcohol or other drug program certified by the department in accordance with Chapter 7.1 (commencing with Section 11832), including, but not limited to, registered and certified counselors and licensed professionals providing counseling services.
- (b) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may, if it deems appropriate, implement, interpret, or make specific this section by means of provider bulletins, written guidelines, or similar instructions from the department, until regulations are adopted.

SEC. 37. Section 11831.65 of the Health and Safety Code is amended to read:

11831.65. (a) A laboratory or certified outpatient treatment program that leases, manages, or owns housing units that are offered to individuals who concurrently utilize laboratory or outpatient services shall maintain separate contracts for the housing. The contract shall clearly state that payment for housing is the responsibility of the individual and does not depend on insurance benefits. The contract shall include a repayment plan for any subsidized rent, and the laboratory or certified outpatient treatment program shall make a good faith effort to collect the debt. The offer for housing shall not depend on the individual's agreement to receive services from either the laboratory or the certified outpatient treatment program.

(b) An alcohol or other drug recovery or treatment facility licensed under this part shall only offer an individual discounted housing following discharge from the facility if all of the following conditions are met:

- (1) An alcohol or other drug recovery or treatment facility and the individual enter into a written contract for housing that is separate from the contract for treatment, if the individual also pursues outpatient treatment.
- (2) The contract described in paragraph (1) includes a repayment plan for any subsidized rent, and the alcohol or other drug recovery or treatment facility makes a good faith effort to collect the debt.
- (3) The offer for housing is not dependent upon the individual's agreement to attend outpatient treatment at a program that is owned or operated by the alcohol or other drug recovery or treatment facility.

(c) An alcohol or other drug recovery or treatment facility licensed under this part shall only offer transportation services to an individual who is seeking recovery or treatment services if all of the following conditions are met:

- (1) Any ground transportation provided to an individual who is seeking recovery or treatment services is for a distance of less than 125 miles.

(2) Any air transportation provided to an individual who is seeking recovery or treatment services includes a return ticket that may be used by the individual upon discharge.

(3) A return ticket not used by an individual upon discharge is made available to the individual upon request for a period of one year following the individual's discharge.

(d) This section does not prohibit a person, program, or entity from providing an individual educational or informational materials about community resources, including, but not limited to, housing assistance.

SEC. 38. Section 11831.7 of the Health and Safety Code is amended to read:

11831.7. (a) The department may investigate allegations of violations of this chapter. The department may, upon finding a violation of this chapter or any regulation adopted pursuant to this chapter, do any of the following:

(1) Assess a penalty upon an alcohol or other drug recovery or treatment facility licensed under this part.

(2) Suspend or revoke the license of an alcohol or other drug recovery or treatment facility licensed under Chapter 7.5 (commencing with Section 11834.01), or deny an application for licensure, extension of the licensing period, or modification to a license. Article 4 (commencing with Section 11834.35) of Chapter 7.5 shall apply to any action taken pursuant to this paragraph.

(3) Assess a penalty upon an alcohol or other drug outpatient program certified by the department in accordance with Chapter 7.1 (commencing with Section 11832).

(4) Suspend or revoke the certification of an alcohol or other drug outpatient program certified by the department in accordance with Chapter 7.1 (commencing with Section 11832).

(5) Suspend or revoke the registration or certification of a counselor for a violation of this chapter.

(b) The department may investigate allegations against a licensed professional providing counseling services at an alcohol or other drug recovery or treatment program licensed, certified, or funded under this part, and recommend disciplinary actions, including, but not limited to, termination of employment at a program and suspension and revocation of licensure by the respective licensing board.

(c) The department shall establish an enforcement program focused on the oversight duties of this chapter. Staff of the enforcement program shall have responsibilities, including, but not limited to, all of the following:

(1) Provide the department with analytical support for the development and administration of this chapter.

(2) Provide the department with general oversight and monitoring focused on investigations and enforcement of this chapter.

(3) Provide the department with legal guidance in the interpretation of this chapter.

(d) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may, if it deems appropriate, implement, interpret, or make specific this section by means of provider bulletins, written guidelines, or similar instructions from the department, until regulations are adopted.

SEC. 39. Section 11831.9 of the Health and Safety Code is amended to read:

11831.9. (a) The Legislature recognizes that consumers with substance use disorders have disabling conditions, and that these consumers and their families are vulnerable and at risk of being easily victimized by fraudulent marketing practices that adversely impact the delivery of health care. To protect the health, safety, and welfare of this vulnerable population, an operator of a licensed alcohol or other drug recovery or treatment facility, as defined in Section 11834.02, or a certified alcohol or other drug program, shall not do any of the following:

(1) Make a false or misleading statement or provide false or misleading information about the entity's products, goods, services, or geographical locations in its marketing, advertising materials, or media, or on its internet website or on a third-party internet website.

(2) Make a false or misleading statement or provide false or misleading information about medical treatments or medical services offered in its marketing, advertising materials, or media, or on its internet website, on a third-party internet website, or in its social media presence.

(3) Include on its internet website a picture, description, staff information, or the location of an entity, along with false contact information that surreptitiously directs the reader to a business that does not have a contract with the entity.

(4) Include on its internet website false information or an electronic link that provides false information or surreptitiously directs the reader to another internet website.

(b) The department may investigate an allegation of a violation of this section and, upon finding a violation of this section, or any regulation adopted to enforce this section, may impose one or more of the sanctions described in Section 11831.7 in accordance with regulations adopted pursuant to that section.

SEC. 40. Section 11833 of the Health and Safety Code is amended to read:

11833. (a) The department shall have the sole authority in state government to determine the qualifications, including the appropriate skills, education, training, and experience of personnel working within alcohol or other drug recovery and treatment programs licensed, certified, or funded under this part.

(b) (1) The department shall determine the required core competencies for registered and certified counselors working within an alcohol or other drug recovery and treatment program described in subdivision (a). The department shall consult with affected stakeholders in developing these requirements.

(2) Core competencies shall include all of the following elements:

(A) Knowledge of the current Diagnostic and Statistical Manual of Mental Disorders.

(B) Knowledge of the American Society of Addiction Medicine (ASAM) criteria and continuum of ASAM levels of care, or other similar criteria and standards as approved by the department.

(C) Cultural competence, including for people with disabilities, and its implication for treatment.

(D) Case management.

(E) Utilization of electronic health records systems.

(F) Knowledge of medications for addiction treatment.

(G) Clinical documentation.

(H) Knowledge of cooccurring substance use and mental health conditions.

(I) Confidentiality.

(J) Knowledge of relevant law and ethics.

(K) Understanding and practicing professional boundaries.

(L) Delivery of services in the behavioral health delivery system.

(3) Core competency requirements described in paragraph (2) shall align with national certification domains and competency exams. The hours completed for the core competency requirements under paragraph (2) shall count toward the education requirements for substance use disorder counselor certification.

(4) Hour requirements for registered counselors shall not be lower than the hour requirements approved by the department for certified peer support specialists.

(5) Counselors shall have six months from the time of registration to complete the core competency requirements under paragraph (2). A counselor shall provide to the certifying organization that they are registered with proof of completion of the required hours within that timeframe.

(6) The department shall not implement the core competency requirements described in paragraph (2) for registered and certified counselors registering or certifying with a state-approved substance use disorder counselor certifying organization before July 1, 2025.

(7) Counselors in good standing that registered with a state-approved substance use disorder counselor certifying organization prior to July 1, 2025, are exempt from the requirements detailed in paragraph (4).

(8) For the purposes of this subdivision, "in good standing" means registrants with an active registration status.

(9) Counselors in good standing that are registered with a state-approved substance use disorder counselor certifying organization and have a master's degree in psychology, social work, marriage and family therapy, or counseling are exempt from the core competency requirements in paragraph (2).

(10) The department shall not specify and implement the hour requirements pursuant to paragraph (4) before July 1, 2025.

(c) (1) Except as set forth in subdivision (d), an individual providing counseling services working within a program described in subdivision (a) shall be registered with, or certified by, a certifying organization approved by the department to register and certify counselors.

(2) The department shall not approve a certifying organization that does not, prior to registering or certifying an individual, contact other department-approved certifying organizations to determine whether the individual has ever had their registration or certification revoked or has been removed from a postgraduate practicum for an ethical or professional violation.

(d) (1) The following individuals are exempt from the requirement in paragraph (1) of subdivision (c) to be registered or certified by a department-approved certifying organization:

(A) A graduate student affiliated with university programs in psychology, social work, marriage and family therapy, or counseling, who is completing their supervised practicum hours to meet postgraduate requirements.

(B) An associate registered with the Board of Behavioral Sciences.

(C) A licensed professional, as defined by the department.

(2) A program providing practicum for graduate students exempted from registration or certification in paragraph (1) shall notify department-approved certifying organizations if a graduate student is removed from the practicum as a result of an ethical or professional conduct violation, as determined by either the university or the program.

(e) If a counselor's registration or certification has been previously revoked or the individual has been removed from a postgraduate practicum for an ethical or professional conduct violation, the certifying organization shall deny the request for registration and shall send the counselor a written notice of denial. The notice shall specify the counselor's right to appeal the denial in accordance with applicable statutes and regulations.

(f) The department shall have the authority to conduct periodic reviews of certifying organizations to determine compliance with all applicable laws and regulations, including subdivision (e), and to take actions for noncompliance, including revocation of the department's approval.

(g) (1) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department, without taking any further regulatory action, shall implement, interpret, or make specific the changes made to this section in the 2021–22 Legislative Session by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions.

(2) The department shall adopt regulations to implement the changes made to this section in the 2021–22 Legislative Session by December 31, 2025, in accordance with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 41. Section 11833.05 of the Health and Safety Code is amended to read:

11833.05. (a) All programs certified by the department pursuant to Chapter 7.1 (commencing with Section 11832) or facilities licensed by the department pursuant to Chapter 7.5 (commencing with Section 11834.01) shall disclose to the department the following information:

(1) Ownership or control of, or financial interest in, a recovery residence.

(2) Any contractual relationship with an entity that regularly provides professional services or substance use disorder treatment or recovery services to clients of programs certified or facilities licensed by the department, if the entity is not part of the program certified or facility licensed by the department.

(b) All programs certified or facilities licensed by the department shall make the disclosures pursuant to subdivision (a) upon initial licensure or certification, upon renewal of licensure or certification, and upon a licensed facility or certified program acquiring or starting a relationship that meets paragraph (1) or (2) of subdivision (a).

(c) The department may suspend or revoke the certification of a program or license of a facility for failing to disclose the information required in subdivision (a).

(d) The department shall take action pursuant to Section 11834.31 against an unlicensed facility that is disclosed as a recovery residence pursuant to paragraph (1) of subdivision (a). This subdivision does not require an investigation of a recovery residence that is not alleged to be operating in violation of Section 11834.30.

(e) The department may refer a substantiated complaint against a recovery residence to other enforcement entities as appropriate under state or federal law, including the Department of Insurance, the Department of Managed Health Care, the Attorney General, and the United States Attorney General.

(f) For the purposes of this section, "recovery residence" means a residential dwelling that provides primary housing for individuals who seek a cooperative living arrangement that supports personal recovery from a substance use disorder and that does not require licensure by the department or does not provide licensable services, pursuant to Chapter 7.5 (commencing with Section 11834.01). A recovery residence may include, but is not limited to, residential dwellings commonly referred to as "sober living homes," "sober living environments," or "unlicensed alcohol and drug free residences."

SEC. 41.5. Section 11833.05 of the Health and Safety Code is amended to read:

11833.05. (a) A program certified by the department pursuant to Chapter 7.1 (commencing with Section 11832) or a facility licensed by the department pursuant to Chapter 7.5 (commencing with Section 11834.01) shall disclose to the department if any of its agents, partners, directors, officers, or owners, including a sole proprietor and member, has either of the following:

(1) Ownership or control of, or financial interest in, a recovery residence.

(2) Any contractual relationship with an entity that regularly provides professional services or substance use disorder treatment or recovery services to clients of programs certified or facilities licensed by the department, if the entity is not part of the program certified or facility licensed by the department.

(b) All programs certified or facilities licensed by the department shall make the disclosures pursuant to subdivision (a) upon initial licensure or certification, upon renewal of licensure or certification, and upon a licensed facility or certified program acquiring or starting a relationship that meets the description in paragraph (1) or (2) of subdivision (a).

(c) The department may suspend or revoke the certification of a program or license of a facility for failing to disclose the information required in subdivision (a).

(d) The department shall take action pursuant to Section 11834.31 against an unlicensed facility that is disclosed as a recovery residence pursuant to paragraph (1) of subdivision (a). This subdivision does not require an investigation of a recovery residence that is not alleged to be operating in violation of Section 11834.30.

(e) The department may refer a substantiated complaint against a recovery residence to other enforcement entities as appropriate under state or federal law, including the Department of Insurance, the Department of Managed Health Care, the Attorney General, and the United States Attorney General.

(f) For the purposes of this section, "recovery residence" means a residential dwelling that provides primary housing for individuals who seek a cooperative living arrangement that supports personal recovery from a substance use disorder and that does not require licensure by the department or does not provide licensable services, pursuant to Chapter 7.5 (commencing with Section 11834.01). A recovery residence may include, but is not limited to, residential dwellings commonly referred to as "sober living homes," "sober living environments," or "unlicensed alcohol and drug free residences."

SEC. 42. Section 11834.01 of the Health and Safety Code is amended to read:

11834.01. The department has the sole authority in state government to license adult alcohol or other drug recovery or treatment facilities.

(a) In administering this chapter, the department shall issue new licenses for a period of two years to those programs that meet the criteria for licensure set forth in Section 11834.03.

(b) Onsite program visits for compliance shall be conducted at least once during the license period.

(c) The department may conduct announced or unannounced site visits to facilities licensed pursuant to this chapter for the purpose of reviewing for compliance with all applicable statutes and regulations.

SEC. 43. Section 11834.02 of the Health and Safety Code is amended to read:

11834.02. (a) As used in this chapter, "alcohol or other drug recovery or treatment facility" or "facility" means a premises, place, or building that provides residential nonmedical services to adults who are recovering from problems related to alcohol, drug, or

alcohol and drug misuse or addiction, and who need alcohol, drug, or alcohol and drug recovery treatment or detoxification services.

(b) As used in this chapter, “adults” may include, but is not limited to, all of the following:

(1) Mothers over 18 years of age and their children.

(2) Emancipated minors, which may include, but is not limited to, mothers under 18 years of age and their children.

(c) As used in this chapter, “emancipated minors” means persons under 18 years of age who have acquired emancipation status pursuant to Section 7002 of the Family Code.

(d) Notwithstanding subdivision (a), an alcohol or other drug recovery or treatment facility may serve adolescents upon the issuance of a waiver granted by the department pursuant to regulations adopted under subdivision (c) of Section 11834.50.

SEC. 44. Section 11834.025 of the Health and Safety Code is amended to read:

11834.025. (a) (1) As a condition of providing incidental medical services, as defined in subdivision (a) of Section 11834.026, at a facility licensed by the department, the facility, within a reasonable period of time, as defined by the department in regulations, shall obtain from each program participant, a signed certification described in subdivision (b) from a health care practitioner.

(2) For purposes of this chapter, “health care practitioner” means a person duly licensed and regulated under Division 2 (commencing with Section 500) of the Business and Professions Code, who is acting within the scope of practice of their license or certificate.

(b) The department shall develop a standard certification form for use by a health care practitioner. The form shall include, but not be limited to, a description of the alcohol or other drug recovery or treatment services that an applicant needs.

(c) (1) The department shall adopt regulations, on or before July 1, 2018, to implement this section. The regulations shall be adopted in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(2) Notwithstanding the rulemaking provisions of the Administrative Procedure Act, the department may, if it deems appropriate, implement, interpret, or make specific this section by means of provider bulletins, written guidelines, or similar instructions from the department only until the department adopts regulations.

SEC. 45. Section 11834.026 of the Health and Safety Code is amended to read:

11834.026. (a) As used in this section, “incidental medical services” means services that are in compliance with the community standard of practice and are not required to be performed in a licensed clinic or licensed health facility, as defined by Section 1200 or 1250, respectively, to address medical issues associated with either detoxification from alcohol or drugs or the provision of alcohol or other drug recovery or treatment services, including all of the following categories of services that the department shall further define by regulation:

(1) Obtaining medical histories.

(2) Monitoring health status to determine whether the health status warrants transfer of the patient in order to receive urgent or emergent care.

(3) Testing associated with detoxification from alcohol or drugs.

(4) Providing alcohol or other drug recovery or treatment services.

(5) Overseeing patient self-administered medications.

(6) Treating substance use disorders, including detoxification.

(b) Incidental medical services do not include the provision of general primary medical care.

(c) Notwithstanding any other law, a licensed alcohol or other drug recovery or treatment facility may permit incidental medical services to be provided to a resident at the facility premises by, or under the supervision of, one or more physicians and surgeons licensed by the Medical Board of California or the Osteopathic Medical Board who are knowledgeable about addiction medicine, or one or more other health care practitioners acting within the scope of practice of their license and under the direction of a physician and surgeon, and who are also knowledgeable about addiction medicine, if all of the following conditions are met:

(1) The facility, in the judgment of the department, has the ability to comply with the requirements of this chapter and all other applicable laws and regulations to meet the needs of a resident receiving incidental medical services pursuant to this chapter. The department shall specify in regulations the minimum requirements that a facility shall meet in order to be approved to permit the provision of incidental medical services on its premises. The license of a facility approved to permit the provision of incidental medical services shall reflect that those services are permitted at the facility premises.

(2) The physician and surgeon and any other health care practitioner has signed an acknowledgment on a form provided by the department that they have been advised of and understand the statutory and regulatory limitations on the services that may legally be provided at a licensed alcohol or other drug recovery or treatment facility and the statutory and regulatory requirements and limitations for the physician and surgeon or other health care practitioner and for the facility, related to providing incidental medical services. The licensee shall maintain a copy of the signed form at the facility for a physician and surgeon or other health care practitioner providing incidental medical services at the facility premises.

(3) A physician and surgeon or other health care practitioner shall assess a resident, prior to that resident receiving incidental medical services, to determine whether it is medically appropriate for that resident to receive these services at the premises of the licensed facility. A copy of the form provided by the department shall be signed by the physician and surgeon and maintained in the resident's file at the facility.

(4) The resident has signed an admission agreement. The admission agreement, at a minimum, shall describe the incidental medical services that the facility may permit to be provided and shall state that the permitted incidental medical services will be provided by, or under the supervision of, a physician and surgeon. The department shall specify in regulations, at a minimum, the content and manner of providing the admission agreement, and any other information that the department deems appropriate. The facility shall maintain a copy of the signed admission agreement in the resident's file.

(5) Once incidental medical services are initiated for a resident, the physician and surgeon and facility shall monitor the resident to ensure that the resident remains appropriate to receive those services. If the physician and surgeon determines that a change in the resident's medical condition requires other medical services or that a higher level of care is required, the facility shall immediately arrange for the other medical services or higher level of care, as appropriate.

(6) The facility maintains in its files a copy of the relevant professional license or other written evidence of licensure to practice medicine or perform medical services in the state for the physician and surgeon and any other health care practitioner providing incidental medical services at the facility.

(d) The department is not required to evaluate or have any responsibility or liability with respect to evaluating the incidental medical services provided by a physician and surgeon or other health care practitioner at a licensed facility. This section does not limit the department's ability to report suspected misconduct by a physician and surgeon or other health care practitioner to the appropriate licensing entity or to law enforcement.

(e) A facility licensed and approved by the department to allow provision of incidental medical services shall not by offering approved incidental medical services be deemed a clinic or health facility within the meaning of Section 1200 or 1250, respectively.

(f) Other than incidental medical services permitted to be provided or any urgent or emergent care required in the case of a life-threatening emergency, including the administration of naloxone hydrochloride, or any other opioid antagonist that is approved by the United States Food and Drug Administration for treatment of an opioid overdose, this section does not authorize the provision at the premises of the facility of any medical or health care services or any other services that require a higher level of care than the care that may be provided within a licensed alcohol or other drug recovery or treatment facility.

(g) This section does not require a residential treatment facility licensed by the department to provide incidental medical services or any services not otherwise permitted by law.

(h) (1) On or before July 1, 2024, the department shall adopt regulations to implement this section in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(2) Notwithstanding the rulemaking provisions of the Administrative Procedure Act, the department may, if it deems appropriate, implement, interpret, or make specific this section by means of provider bulletins, written guidelines, or similar instructions from the department until regulations are adopted.

SEC. 46. Section 11834.09 of the Health and Safety Code is amended to read:

11834.09. (a) The department may issue a single license to operate an alcohol or other drug recovery or treatment facility upon receipt of a completed written application, fire clearance, and licensing fee subject to the department's review and determination that the applicant can comply with this chapter and regulations adopted pursuant to this chapter.

(b) Failure to submit a completed written application, fire clearance, and payment of the required licensing fee in a timely manner shall result in termination of the department's licensure review and shall require submission of a new application by the applicant.

(c) Failure of the applicant to demonstrate the ability to comply with this chapter or the regulations adopted pursuant to this chapter shall result in departmental denial of the application for licensure.

(d) Initial licenses for new facilities shall be provisional for one year. During the term of the provisional license, the department may revoke the license for good cause. For the purposes of this section, "good cause" means failure to operate in compliance with this chapter or the regulations adopted pursuant to this chapter. A licensee may not reapply for an initial license for five years following a revocation of a provisional license.

(e) On or before July 1, 2022, the department shall adopt regulations to implement this section in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(f) Notwithstanding the rulemaking provisions of the Administrative Procedure Act, the department may implement, interpret, or make specific this section by means of provider bulletins, written guidelines, or similar instructions, until regulations are adopted.

SEC. 47. Section 11834.10 of the Health and Safety Code is amended to read:

11834.10. (a) A licensee shall not operate an alcohol or other drug recovery or treatment facility beyond the conditions and limitations specified on the license.

(b) Licensed services offered or provided by a licensed alcohol or other drug recovery or treatment facility, including, but not limited to, incidental medical services as defined in Section 11834.026, shall be specified on the license and provided exclusively:

(1) Within the licensed facility.

(2) Within any facilities identified on a single license by street address.

(c) Only residents of the licensed alcohol or other drug recovery or treatment facility shall receive licensed services.

(d) A licensee that serves more than six residents shall, at all times, maintain all of the following insurance coverages, which shall include as an additional insured any government entity with which the licensee has a contract:

(1) Commercial general liability insurance that includes coverage for premises liability, products and completed operations, contractual liability, personal injury and advertising liability, abuse, molestation, sexual actions, and assault and battery, with minimum coverage amounts for bodily injury or property damage of not less than one million dollars (\$1,000,000) per occurrence.

(2) Commercial or business automobile liability insurance covering all owned vehicles, hired or leased vehicles, nonowned vehicles, and borrowed and permissive uses, with minimum coverage amounts for bodily injury or property damage of not less than one million dollars (\$1,000,000) per occurrence.

(3) Workers' compensation insurance, as required by law. Notwithstanding subdivision (b) of Section 3700 of the Labor Code, a certificate of self-insurance obtained pursuant to that subdivision does not satisfy this requirement.

(4) Employer's liability insurance, with minimum coverage amounts for bodily injury or disease of not less than one hundred thousand dollars (\$100,000) per occurrence.

(5) Professional liability and errors and omissions insurance that includes an endorsement for contractual liability, with minimum coverage amounts of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate. If applicable, the contract shall include an endorsement for defense and indemnification of any government entity with which the licensee has contracted.

(e) A licensee that serves six or fewer residents shall, at all times, maintain general liability insurance coverage.

(f) (1) A licensee may meet the insurance requirements of this section by procuring coverage from an admitted insurer, or a nonadmitted insurer that is eligible to insure a home state insured under Chapter 6 (commencing with Section 1760) of Part 2 of Division 1 of the Insurance Code.

(2) Notwithstanding paragraph (1), the workers' compensation insurance required by this section shall be obtained as required by Section 3700 of the Labor Code.

(g) The department may adopt regulations to implement this section in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(h) Notwithstanding the rulemaking provisions of the Administrative Procedure Act, the department may implement, interpret, or make specific this section by means of provider bulletins, written guidelines, or similar instructions.

SEC. 48. Section 11834.17 of the Health and Safety Code is amended to read:

11834.17. A city, county, city and county, or district shall not adopt or enforce a building ordinance or local rule or regulations relating to the subject of fire and life safety in alcohol or other drug recovery facilities that is more restrictive than those standards adopted by the State Fire Marshal.

SEC. 49. Section 11834.18 of the Health and Safety Code is amended to read:

11834.18. (a) This chapter does not authorize the imposition of rent regulations or controls for licensed alcohol or other drug recovery or treatment facilities.

(b) Licensed alcohol or other drug recovery or treatment facilities shall not be subject to controls on rent imposed by any state or local agency or other local government or entity.

SEC. 50. Section 11834.20 of the Health and Safety Code is amended to read:

11834.20. (a) The Legislature hereby declares that it is the policy of this state that each county and city shall permit and encourage the development of sufficient numbers and types of alcohol or other drug recovery or treatment facilities as are commensurate with local need.

(b) The provisions of this article apply equally to any chartered city, general law city, county, city and county, district, and any other local public entity.

(c) For the purposes of this article, "six or fewer persons" does not include the licensee or members of the licensee's family or persons employed as facility staff.

SEC. 51. Section 11834.21 of the Health and Safety Code is amended to read:

11834.21. (a) Any person licensed under this chapter who operates or proposes to operate an alcohol or other drug recovery or treatment facility, the department or other public agency authorized to license such a facility, or any public or private agency that uses or may use the services of the facility to place its clients, may invoke the provisions of this article.

(b) This section shall not be construed to prohibit any interested party from bringing suit to invoke the provisions of this article.

SEC. 52. Section 11834.22 of the Health and Safety Code is amended to read:

11834.22. An alcohol or other drug recovery or treatment facility which serves six or fewer persons shall not be subject to any business taxes, local registration fees, use permit fees, or other fees to which other single-family dwellings are not likewise subject. This section does not forbid the imposition of local property taxes, fees for water service and garbage collection, fees for inspections not prohibited by Section 11834.23, local bond assessments, and other fees, charges, and assessments to which other single-family dwellings are likewise subject. Neither the State Fire Marshal nor any local public entity shall charge any fee for enforcing fire inspection regulations pursuant to state law or regulation or local ordinance, with respect to alcohol or other drug recovery or treatment facilities which serve six or fewer persons.

SEC. 53. Section 11834.23 of the Health and Safety Code is amended to read:

11834.23. (a) Whether or not unrelated persons are living together, an alcohol or other drug recovery or treatment facility that serves six or fewer persons shall be considered a residential use of property for the purposes of this article. In addition, the residents and operators of the facility shall be considered a family for the purposes of any law or zoning ordinance that relates to the residential use of property pursuant to this article.

(b) For the purpose of all local ordinances, an alcohol or other drug recovery or treatment facility that serves six or fewer persons shall not be included within the definition of a boarding house, rooming house, institution or home for the care of minors, the aged, or persons with mental health disorders, foster care home, guest home, rest home, community residence, or other similar term that implies that the alcohol or other drug recovery or treatment home is a business run for profit or differs in any other way from a single-family residence.

(c) This section does not forbid a city, county, or other local public entity from placing restrictions on building heights, setback, lot dimensions, or placement of signs of an alcohol or other drug recovery or treatment facility that serves six or fewer persons as

long as the restrictions are identical to those applied to other single-family residences.

(d) This section does not forbid the application to an alcohol or other drug recovery or treatment facility of any local ordinance that deals with health and safety, building standards, environmental impact standards, or any other matter within the jurisdiction of a local public entity. However, the ordinance shall not distinguish alcohol or other drug recovery or treatment facilities that serve six or fewer persons from other single-family dwellings or distinguish residents of alcohol or other drug recovery or treatment facilities from persons who reside in other single-family dwellings.

(e) A conditional use permit, zoning variance, or other zoning clearance shall not be required of an alcohol or other drug recovery or treatment facility that serves six or fewer persons that is not required of a single-family residence in the same zone.

(f) Use of a single-family dwelling for purposes of an alcohol or other drug recovery facility serving six or fewer persons shall not constitute a change of occupancy for purposes of Part 1.5 (commencing with Section 17910) of Division 13 or local building codes. However, this section does not supersede Section 13143 or 13143.6, to the extent those sections are applicable to alcohol or other drug recovery or treatment facilities serving six or fewer residents.

SEC. 54. Section 11834.24 of the Health and Safety Code is amended to read:

11834.24. A fire inspection clearance or other permit, license, clearance, or similar authorization shall not be denied to an alcohol or other drug recovery or treatment facility because of a failure to comply with local ordinances from which the facility is exempt under Section 11834.23, if the applicant otherwise qualifies for a fire clearance, license, permit, or similar authorization.

SEC. 55. Section 11834.25 of the Health and Safety Code is amended to read:

11834.25. For the purposes of any contract, deed, or covenant for the transfer of real property executed on or after January 1, 1979, an alcohol or other drug recovery or treatment facility which serves six or fewer persons shall be considered a residential use of property and a use of property by a single family, notwithstanding any disclaimers to the contrary.

SEC. 56. Section 11834.26 of the Health and Safety Code is amended to read:

11834.26. (a) The licensee shall provide at least one of the following nonmedical services:

- (1) Recovery services.
- (2) Treatment services.
- (3) Detoxification services.

(b) The department shall adopt regulations requiring records and procedures that are appropriate for each of the services specified in subdivision (a). The records and procedures may include all of the following:

- (1) Admission criteria.
- (2) Intake process.
- (3) Assessments.
- (4) Recovery, treatment, or detoxification planning.
- (5) Referral.
- (6) Documentation of provision of recovery, treatment, or detoxification services.
- (7) Discharge and continuing care planning.
- (8) Indicators of recovery, treatment, or detoxification outcomes.

(c) A licensee shall not deny admission to any individual based solely on the individual having a valid prescription from a licensed health care professional for a medication approved by the federal Food and Drug Administration for the purpose of narcotic replacement treatment or medication-assisted treatment of substance use disorders.

(d) A licensee shall develop a plan to address when a resident relapses, including when a resident is on the licensed premises after consuming alcohol or using illegal drugs. The plan shall include details of how the treatment stay and treatment plan of the resident will be adjusted to address the relapse episode and how the resident will be treated and supervised while under the influence of alcohol or illegal drugs, as well as discharge and continuing care planning, including when a licensee determines that

a resident requires services beyond the scope of the licensee. This subdivision does not require a licensee to discharge a resident.

(e) The department shall have the authority to implement subdivisions (d) and (f) by bulletin or all-county or all-provider letter, after stakeholder input, until regulations are promulgated. The department shall promulgate regulations to implement subdivisions (d) and (f) no later than July 1, 2024.

(f) (1) A licensee shall, at all times, maintain at least two unexpired doses of naloxone hydrochloride, or any other opioid antagonist that is approved by the United States Food and Drug Administration for treatment of an opioid overdose, on the premises and shall, at all times, have at least one staff member on the premises who knows the specific location of the naloxone hydrochloride, or other opioid antagonist that is approved by the United States Food and Drug Administration for treatment of an opioid overdose, and who has been trained on the administration of naloxone hydrochloride, or the other opioid antagonist that is approved by the United States Food and Drug Administration for treatment of an opioid overdose, in accordance with the training requirements set forth by the department. Proof of completion of training on the administration of naloxone hydrochloride, or other opioid antagonist that is approved by the United States Food and Drug Administration for treatment of an opioid overdose, shall be documented in the staff member's individual personnel file.

(2) A trained staff member shall not be liable for damages in a civil action or subject to criminal prosecution for the administration, in good faith, of naloxone hydrochloride, or any other opioid antagonist that is approved by the United States Food and Drug Administration for treatment of an opioid overdose, to a person appearing to experience an opioid-related overdose. This paragraph shall not apply in a case where the person who renders emergency care treatment by the use of naloxone hydrochloride, or any other opioid antagonist that is approved by the United States Food and Drug Administration for treatment of an opioid overdose, acts with gross negligence or engages in willful and wanton misconduct.

(g) In the development of regulations implementing this section, the written record requirements shall be modified or adapted for social model programs.

SEC. 57. Section 11834.28 of the Health and Safety Code is amended to read:

11834.28. (a) No sooner than July 1, 2022, an alcohol or other drug recovery or treatment facility shall either offer medications for addiction treatment (MAT) directly to clients, or have an effective referral process in place with narcotic treatment programs, community health centers, or other MAT providers.

(b) An effective referral process shall include an established relationship with a MAT provider and transportation to appointments for MAT. Providing contact information for a MAT provider does not meet the requirement of an effective referral.

(c) An alcohol or other drug recovery or treatment facility shall implement and maintain a MAT policy approved by the department. The MAT policy shall do all of the following:

- (1) Explain how a client receives information about the benefits and risks of MAT.
- (2) Describe the availability of MAT at the program, if applicable, or the referral process for MAT.
- (3) Identify an evidence-based assessment for determining a client's MAT needs.
- (4) Address administration, storage, and disposal of MAT, if applicable.
- (5) Outline training for staff about the benefits and risks of MAT.
- (6) Outline training for staff on the MAT policy.

(d) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section through the use of all-county letters, provider bulletins, or similar instructions, without taking any further regulatory action.

SEC. 58. Section 11834.30 of the Health and Safety Code is amended to read:

11834.30. A person, firm, partnership, association, corporation, or local governmental entity shall not operate, establish, manage, conduct, or maintain an alcohol or other drug recovery or treatment facility to provide recovery, treatment, or detoxification services within this state without first obtaining a current valid license issued pursuant to this chapter.

SEC. 59. Section 11834.31 of the Health and Safety Code is amended to read:

11834.31. If a facility is alleged to be in violation of Section 11834.30, the department shall conduct a site visit to investigate the allegation. If the department's employee or agent finds evidence that the facility is providing alcohol or other drug recovery, treatment, or detoxification services without a license, the employee or agent shall take the following actions:

(a) Submit the findings of the investigation to the department.

(b) Upon departmental authorization, issue a written notice to the facility stating that the facility is operating in violation of Section 11834.30. The notice shall include all of the following:

(1) The date by which the facility shall cease providing services.

(2) Notice that the department will assess against the facility a civil penalty of two thousand dollars (\$2,000) per day for every day the facility continues to provide services beyond the date specified in the notice.

(3) Notice that the case will be referred for civil proceedings pursuant to Section 11834.32 in the event the facility continues to provide services beyond the date specified in the notice.

(c) Inform the facility of the licensing requirements of this chapter.

(d) A person or entity found to be in violation of Section 11834.30 shall be prohibited from applying for initial licensure for a period of five years from the date of the notice specified in subdivision (b).

SEC. 60. Section 11834.36 of the Health and Safety Code is amended to read:

11834.36. (a) The director may suspend or revoke any license issued under this chapter, as well as any other licenses issued under this chapter to operate an adult alcohol or other drug recovery or treatment facility held by the same person or entity, or deny an application for licensure, extension of the licensing period, or modification to a license, upon any of the following grounds and in the manner provided in this chapter:

(1) Violation by the licensee of any provision of this chapter or regulations adopted pursuant to this chapter.

(2) Repeated violation by the licensee of any of the provisions of this chapter or regulations adopted pursuant to this chapter.

(3) Aiding, abetting, or permitting the violation of, or any repeated violation of, any of the provisions described in paragraph (1) or (2).

(4) Conduct in the operation of an alcohol or other drug recovery or treatment facility that is inimical to the health, morals, welfare, or safety of either an individual in, or receiving services from, the facility or to the people of the State of California.

(5) Misrepresentation of any material fact in obtaining the alcohol or other drug recovery or treatment facility license, including, but not limited to, providing false information or documentation to the department.

(6) The licensee's refusal to allow the department entry into the facility to determine compliance with the requirements of this chapter or regulations adopted pursuant to this chapter.

(7) Violation by the licensee of Section 11834.026 or the regulations adopted pursuant to that section.

(8) Failure to pay any civil penalties assessed by the department.

(b) The director may temporarily suspend any license, as well as any other licenses issued under this chapter to operate an adult alcohol or other drug recovery or treatment facility held by the same person or entity, prior to any hearing when, in the opinion of the director, the action is necessary to protect residents of the alcohol or other drug recovery or treatment facility from physical or mental abuse, abandonment, or any other substantial threat to health or safety. The director shall notify the licensee of the temporary suspension and the effective date of the temporary suspension and at the same time shall serve the provider with an accusation. Upon receipt of a notice of defense to the accusation by the licensee, the director shall, within 15 days, set the matter for hearing, and the hearing shall be held as soon as possible. The temporary suspension shall remain in effect until the time the hearing is completed and the director has made a final determination on the merits. However, the temporary suspension shall be deemed vacated if the director fails to make a final determination on the merits within 30 days after the department receives the proposed decision from the Office of Administrative Hearings.

(c) The department may terminate review of an application for licensure under this chapter from any person or entity that previously had a license issued under this chapter suspended or revoked for a period of five years from the date of the final decision and order.

SEC. 61. Section 11834.50 of the Health and Safety Code is amended to read:

11834.50. The department shall adopt regulations to implement this chapter in accordance with the purposes required by Section 11835. These regulations shall be adopted only after consultation with appropriate groups affected by the proposed regulations. The regulations shall include, but not be limited to, all of the following:

- (a) Provision for a formal appeal process for the denial, suspension, or revocation of a license.
- (b) Establishment of requirements for compliance, procedures for issuance of deficiency notices, and civil penalties for noncompliance.
- (c) Provision for the issuance of a waiver for an alcohol or other drug recovery or treatment facility to serve not more than three adolescents, or 10 percent of the total licensed capacity, whichever is less, 14 years of age and older, when a need exists and services specific to adolescents are otherwise unavailable. The regulations shall specify the procedures and criteria for granting the waiver. The procedures shall include, but not be limited to, criminal record reviews and fingerprinting.
- (d) Establishment of the elements and minimum requirements for recovery, treatment, and detoxification services.
- (e) Provision for an expedited process for reviewing an application for licensure when a license is terminated pursuant to subdivision (c) of Section 11834.40.

SEC. 62. Section 11836.12 of the Health and Safety Code is amended to read:

11836.12. Criteria for licensure of new or existing programs shall include all of the following:

- (a) Completion of a written application containing necessary and pertinent information describing the applicant program.
- (b) Demonstration by the applicant that it possesses adequate administrative, fiscal, and operational capability to operate a driving-under-the-influence program.
- (c) Onsite review of the program by department staff determines that the program is clean, safe, free of alcohol or illegal drug use, and that the program adheres to applicable statutes and regulations.
- (d) The program has paid all licensing fees.

SEC. 63. Section 11839.24 of the Health and Safety Code is amended to read:

11839.24. Substance use testing for narcotic treatment programs operating in the state shall be performed only by a laboratory approved and licensed by the State Department of Public Health for the performance of those tests.

SEC. 64. The heading of Chapter 12 (commencing with Section 11842) of Part 2 of Division 10.5 of the Health and Safety Code is amended to read:

CHAPTER 12. Registration of Narcotic, Alcohol, and Other Drug Use Programs

SEC. 65. Section 11842 of the Health and Safety Code is amended to read:

11842. As used in this chapter, "substance use disorder program" means any program that provides any service of care, treatment, rehabilitation, counseling, vocational training, self-improvement classes or courses, narcotic replacement therapy in maintenance or detoxification treatment, or other medication services for detoxification and treatment, and any other services that are provided either public or private, whether free of charge or for compensation, which services are intended in any way to alleviate the problems of substance use or misuse in whole or in part related to substance use disorders, or any combination of these problems.

SEC. 66. Section 11842.5 of the Health and Safety Code is amended to read:

11842.5. As used in this chapter, a substance use disorder program includes, but is not limited to:

- (a) Residential programs that provide a residential setting and services such as detoxification, counseling, care, treatment, and rehabilitation in a live-in facility.
- (b) Drop-in centers that are established for the purpose of providing counseling, advice, or a social setting for one or more persons who are attempting to understand, alleviate, or cope with their misuse or inappropriate use of alcohol or drugs.
- (c) Crisis lines that provide a telephone answering service that provides, in whole or in part, crisis intervention, counseling, or referral, or that is a source of general information about the misuse or inappropriate use of alcohol and drugs.

(d) Free clinics that are established for the purpose, either in whole or in part, of providing any medical or dental care, social services, or treatment, or referral to these services for those persons recognized as having a substance use disorder. Free clinics include primary care clinics licensed under paragraph (2) of subdivision (a) of Section 1204.

(e) Detoxification centers that are established for the purpose of detoxification from drugs, regardless of whether or not narcotics, restricted dangerous drugs, or other medications are administered in the detoxification and whether detoxification takes place in a live-in facility or on an outpatient basis.

(f) Narcotic treatment programs, whether inpatient or outpatient, that offer narcotic replacement therapy and maintenance, detoxification, or other services, in conjunction with that replacement narcotic therapy.

(g) Substance use disorder programs, whether inpatient or outpatient and whether in a hospital or nonhospital setting, that offer a set program of treatment and rehabilitation for persons with a substance use disorder that is not primarily an alcohol dependency.

(h) Alcohol and other drug prevention programs that promote positive action that changes the conditions under which the drug-taking behaviors to be prevented are most likely to occur and a proactive and deliberate process that promotes health and well-being by empowering people and communities with resources necessary to confront complex and stressful life conditions.

(i) Nonspecific drug programs that have not been specifically mentioned in subdivisions (a) to (h), inclusive, but that provide or offer to provide, in whole or in part, for counseling, therapy, referral, advice, care, treatment, or rehabilitation as a service to those persons suffering from substance use disorder or other problems related to the misuse or inappropriate use of alcohol or drugs that are either physiological or psychological in nature.

SEC. 67. Section 11843 of the Health and Safety Code is amended to read:

11843. The county shall establish and maintain a registry of all narcotic and drug programs and alcohol and other drug programs within the county in order to promote a coordination of effort in the county.

SEC. 68. Section 11843.5 of the Health and Safety Code is amended to read:

11843.5. Each narcotic and drug program and alcohol and other drug program in a county shall register annually with the county alcohol and drug program administrator by July 1 or within 30 days after being established.

SEC. 69. Section 11845.5 of the Health and Safety Code is amended to read:

11845.5. (a) The identity and records of the identity, diagnosis, prognosis, or treatment of any patient, which identity and records are maintained in connection with the performance of any alcohol and other drug treatment or prevention effort or function conducted, regulated, or directly or indirectly assisted by the department shall, except as provided in subdivision (c), be confidential and be disclosed only for the purposes and under the circumstances expressly authorized under subdivision (b).

(b) The content of any records referred to in subdivision (a) may be disclosed in accordance with the prior written consent of the client with respect to whom the record is maintained, but only to the extent, under the circumstances, and for the purposes as clearly stated in the release of information signed by the client.

(c) Whether or not the client, with respect to whom any given record referred to in subdivision (a) is maintained, gives their written consent, the content of the record may be disclosed as follows:

(1) In communications between qualified professional persons employed by the treatment or prevention program in the provision of service.

(2) To qualified medical persons not employed by the treatment program to the extent necessary to meet a bona fide medical emergency.

(3) To qualified personnel for the purpose of conducting scientific research, management audits, financial and compliance audits, or program evaluation, but the personnel may not identify, directly or indirectly, any individual client in any report of the research, audit, or evaluation, or otherwise disclose patient identities in any manner. For purposes of this paragraph, the term "qualified personnel" means persons whose training and experience are appropriate to the nature and level of work in which they are engaged, and who, when working as part of an organization, are performing that work with adequate administrative safeguards against unauthorized disclosures.

(4) If the recipient of services is a minor, ward, or conservatee, and their parent, guardian, or conservator designates, in writing, persons to whom their identity in records or information may be disclosed, except that this section does not compel a physician and surgeon, psychologist, social worker, nurse, attorney, or other professional person to reveal information that has been given to them in confidence by members of the client's family.

(5) If authorized by a court of competent jurisdiction granted after application showing probable cause therefor, as provided in subdivision (c) of Section 1524 of the Penal Code.

(d) Except as authorized by a court order granted under paragraph (5) of subdivision (c), no record referred to in subdivision (a) may be used to initiate or substantiate any criminal charges against a client or to conduct any investigation of a client.

(e) The prohibitions of this section shall continue to apply to records concerning any individual who has been a client, irrespective of whether they cease to be a client.

SEC. 70. The heading of Chapter 13 (commencing with Section 11847) of Part 2 of Division 10.5 of the Health and Safety Code is amended to read:

CHAPTER 13. Narcotic and Alcohol and Other Drug Use Programs

SEC. 71. Section 11847 of the Health and Safety Code is amended to read:

11847. The Legislature hereby finds and declares that it is essential to the health and welfare of the people of this state that action be taken by state government to effectively and economically utilize federal and state funds for narcotic and alcohol and other drug use prevention, care, treatment, and rehabilitation services. To achieve this, it is necessary that all of the following occur:

(a) Existing fragmented, uncoordinated, and duplicative narcotic and alcohol and other drug programs be molded into a comprehensive and integrated statewide program for the prevention of narcotic and alcohol and other drug use and for the care, treatment, and rehabilitation of persons with a substance use disorders.

(b) Responsibility and authority for planning programs and activities for prevention, care, treatment, and rehabilitation of persons with a substance use disorder be concentrated in the department. It is the intent of the Legislature to assign responsibility and grant authority for planning alcohol and other drug prevention, care, treatment, and rehabilitation programs to the department, whose functions shall be subject to periodic review by the Legislature and appropriate federal agencies.

(c) The department succeeds to, and is vested with, all the duties, powers, purposes, responsibilities, and jurisdiction with regard to substance use disorder formerly vested in the State Department of Alcohol and Drug Programs.

SEC. 72. Section 11847.1 of the Health and Safety Code is amended to read:

11847.1. The department shall consult with state and local health planning bodies and encourage and promote effective use of facilities, resources, and funds in the development of integrated, comprehensive local programs for the prevention, care, treatment, and rehabilitation of narcotic and alcohol and other drug use.

SEC. 73. Section 11847.2 of the Health and Safety Code is amended to read:

11847.2. Any community alcohol and other drug service may by contract furnish community alcohol and other drug services to any other county.

SEC. 74. Section 11847.3 of the Health and Safety Code is amended to read:

11847.3. The department shall, within available resources, consult with federal, state, and local agencies involved in the provision and delivery of services of prevention, care, treatment, and rehabilitation of individuals experiencing a substance use disorder.

SEC. 75. Section 11847.4 of the Health and Safety Code is amended to read:

11847.4. The department shall provide technical assistance, guidance, and information to local governments and state agencies with respect to the creation and implementation of programs and procedures for dealing effectively with alcohol and other drug prevention, care, treatment, and rehabilitation. The department may charge a fee for these services.

SEC. 76. Section 11847.5 of the Health and Safety Code is amended to read:

11847.5. The department shall establish goals and priorities for all state agencies providing narcotic and alcohol and other drug services. All state governmental units operating alcohol and other drug programs or administering or subventing state or federal funds for alcohol and other drug programs shall annually set their program priorities and allocate funds in coordination with the department.

SEC. 77. Section 11848.5 of the Health and Safety Code is amended to read:

11848.5. (a) Once the negotiated rate with service providers has been approved by the county, all participating governmental funding sources, except the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code), shall be bound to that rate as the cost of providing all or part of the total county alcohol and other drug program as described in the county contract for each fiscal year to the extent that the governmental funding sources participate in funding the county alcohol and other drug program. Where the State Department of Health Services adopts regulations for determining reimbursement of alcohol and other drug program services formerly allowable under the Short-Doyle program and reimbursed under the Medi-Cal Act, those regulations shall be controlling only as to the rates for reimbursement of alcohol and other drug program services allowable under the Medi-Cal program and rendered to Medi-Cal beneficiaries. Providers under this section shall report to the department and the county any information required by the department in accordance with the procedures established by the director of the department.

(b) The Legislature recognizes that alcohol and other drug services differ from mental health services provided through the State Department of Health Care Services and therefore should not necessarily be bound by rate determination methodology used for reimbursement of those services formerly provided under the Short-Doyle program and reimbursed under the Medi-Cal Act.

SEC. 78. Section 11849.5 of the Health and Safety Code is amended to read:

11849.5. (a) In determining the amounts that may be paid, fees paid by persons receiving services or fees paid on behalf of those persons by the federal government, by the California Medical Assistance Program set forth in Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, and by other public or private sources, shall be deducted from the costs of providing services. Whenever feasible, individuals who are experiencing substance use disorders who are eligible for alcohol and other drug services under the California Medical Assistance Program shall be treated in a facility approved for reimbursement in that program.

(b) General unrestricted or undesignated private charitable donations and contributions made to charitable or nonprofit organizations shall not be considered as "fees paid by persons" or "fees paid on behalf of such persons" under this section and the contributions shall not be applied in determining the amounts to be paid. The unrestricted contributions shall not be used in part or in whole to defray the costs or the allocated costs of the California Medical Assistance Program.

SEC. 79. Section 11850 of the Health and Safety Code is amended to read:

11850. The department shall coordinate all narcotic and alcohol and other drug services and related programs conducted by state agencies with the federal government, and shall ensure that there is no duplication of those programs among state agencies and that all agreements, contracts, plans, and programs proposed to be submitted by any state agency, other than the Regents of the University of California, to the federal government in relation to narcotic and alcohol and other drug related problems shall first be submitted to the state department for review and approval.

SEC. 80. Section 11852.5 of the Health and Safety Code is amended to read:

11852.5. (a) Charges shall be made for services rendered to each person under a county contract in accordance with this section. Charges for the care and treatment of each client receiving service under a county contract shall not exceed the actual cost thereof as determined by the director in accordance with standard accounting practices. The fee requirement shall not apply to prevention and early intervention services. The director is not prohibited from including the amount of expenditures for capital outlay or the interest thereon, or both, in their determination of actual cost. The responsibility of a client, their estate, or their responsible relatives to pay the charges shall be determined in accordance with this section.

(b) Each county shall determine the liability of clients rendered services under a county contract, and of their estates or responsible relatives, to pay the charges according to ability to pay. Each county shall collect the charges. The county shall establish and maintain policies and procedures for making the determinations of liability and collections, by collecting third-party payments and from other sources to the maximum extent practicable. The written criteria shall be a public record and shall be made available to the department or any individual. Fees collected shall be retained at the local level and be applied toward the purchase of additional alcohol and drug services.

(c) Services shall not be denied because of a client's ability or inability to pay. County-operated and contract providers of treatment services shall set and collect fees using methods approved by the county alcohol and drug program administrator. All approved fee systems shall conform to all of the following guidelines and criteria:

- (1) The fee system used shall be equitable.
- (2) The fee charged shall not exceed actual cost.
- (3) Systems used shall consider the client's income and expenses.

(4) Each provider fee system shall be approved by the county alcohol and drug program administrator. A description of each approved system shall be on file in the county board office.

(d) To ensure an audit trail, the county or provider, or both, shall maintain all of the following records:

(1) Fee assessment schedules and collection records.

(2) Documents in each client's file showing client's income and expenses, and how each was considered in determining fees.

(e) Each county shall furnish the director with a cost report of information the director shall require to enable the director to maintain a cost-reporting system of the costs of alcohol and other drug program services in the county funded in whole or in part by funds identified in the county contract with the department. The cost-reporting system established pursuant to this section shall supersede the requirements of paragraph (2) of subdivision (b) of Section 16366.7 of the Government Code for a quarterly fiscal reporting system. An annual cost report, for the fiscal year ending June 30, shall be submitted to the department by November 1.

(f) The Legislature recognizes that alcohol and other drug programs may provide a variety of services described in this part, which services will vary depending on the needs of the communities that the programs serve. In devising a system to ensure that a county has expended its funds pursuant to an approved county contract, including the budget portions of the contract, the department shall take into account the flexibility that a county has in the provision of services and the changing nature of alcohol and other drug programs in responding to the community's needs.

(g) The department shall maintain a reporting system to ensure that counties have budgeted and expended their funds pursuant to their approved contracts.

(h) (1) Notwithstanding the rulemaking provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific the amendments to this section made by the act that added this subdivision by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions from the department until regulations are adopted pursuant to that chapter of the Government Code.

(2) The department shall adopt emergency regulations no later than July 1, 2014. The department may subsequently readopt any emergency regulation authorized by this section that is the same as or is substantially equivalent to an emergency regulation previously adopted pursuant to this section.

(3) The initial adoption of emergency regulations implementing the amendments to this section and the one readoption of emergency regulations authorized by this subdivision shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. Initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be exempt from review by the Office of Administrative Law. The initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and each shall remain in effect for no more than 180 days, by which time final regulations may be adopted.

SEC. 81. Section 11853 of the Health and Safety Code is amended to read:

11853. Counties are encouraged to contract with providers for the provision of alcohol and drug services. Counties shall comply with the regulations of the department for the management of contracts with community organizations.

SEC. 82. Section 11853.5 of the Health and Safety Code is amended to read:

11853.5. (a) Any government entity that contracts with a privately owned recovery residence to provide recovery services, or an alcohol or other drug recovery or treatment facility to provide treatment services for more than six residents, shall require the contractor, at all times, to maintain all of the following insurance coverages, which shall include the government entity as an additional insured:

(1) Commercial general liability insurance that includes coverage for premises liability, products and completed operations, contractual liability, personal injury and advertising liability, abuse, molestation, sexual actions, and assault and battery, with minimum coverage amounts for bodily injury or property damage of not less than one million dollars (\$1,000,000) per occurrence.

(2) Commercial or business automobile liability insurance covering all owned vehicles, hired or leased vehicles, nonowned vehicles, and borrowed and permissive uses, with minimum coverage amounts for bodily injury or property damage of not less than one million dollars (\$1,000,000) per occurrence.

(3) Workers' compensation insurance, as required by law. Notwithstanding subdivision (b) of Section 3700 of the Labor Code, a certificate of self-insurance obtained pursuant to that subdivision does not satisfy this requirement.

(4) Employer's liability insurance, with minimum coverage amounts for bodily injury or disease of not less than one hundred thousand dollars (\$100,000) per occurrence.

(5) Professional liability and errors and omissions insurance that includes an endorsement for contractual liability, with minimum coverage amounts of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate. The contract shall include an endorsement for defense and indemnification of the government entity with which the licensee has contracted.

(b) Any government entity that contracts with an alcohol or other drug recovery or treatment facility to provide treatment services for six or fewer residents, shall require the contractor, at all times, to maintain general liability insurance coverages, which shall include the government entity as an additional insured.

(c) (1) A privately owned recovery residence that contracts with a government entity may meet the insurance requirements of this section by procuring coverage from an admitted insurer, or a nonadmitted insurer that is eligible to insure a home state insured under Chapter 6 (commencing with Section 1760) of Part 2 of Division 1 of the Insurance Code.

(2) Notwithstanding paragraph (1), the workers' compensation insurance required by this section shall be obtained as required by Section 3700 of the Labor Code.

(d) This section does not prohibit a government entity from requiring quality and performance standards or levels of insurance coverage that are similar to, or that exceed, the standards and levels described in this section when contracting for recovery residence services.

(e) For the purposes of this section, the following terms have the following meanings:

(1) "Alcohol or other drug recovery or treatment facility" has the same meaning as in Section 11834.02.

(2) "Government entity" means the state, a county, or a city.

(3) "Recovery residence" has the same meaning as in Section 11833.05.

(f) This section shall apply to contracts entered into, renewed, or amended on or after January 1, 2022.

SEC. 83. Section 11857.1 of the Health and Safety Code is amended to read:

11857.1. The following definitions apply for purposes of this chapter:

(a) "Certified treatment program" means a program certified pursuant to Chapter 7 (commencing with Section 11830) of Part 2.

(b) "Licensed treatment facility" means a facility that is, or is required to be, licensed to provide substance use disorder treatment services, including a residential alcohol or other drug recovery or treatment facility licensed under Chapter 7.5 (commencing with Section 11834.01) of Part 2.

(c) "Treatment provider" means a licensed treatment facility or a certified treatment program.

SEC. 84. The heading of Part 3 (commencing with Section 11876) of Division 10.5 of the Health and Safety Code is amended to read:

PART 3. STATE GOVERNMENT'S ROLE TO ALLEVIATE PROBLEMS RELATED TO THE USE OF ALCOHOL AND OTHER DRUGS

SEC. 85. The heading of Chapter 2 (commencing with Section 11970) of Part 3 of Division 10.5 of the Health and Safety Code is amended to read:

CHAPTER 2. Community Alcohol and Other Drug Use Control

SEC. 86. Section 11971 of the Health and Safety Code is amended to read:

11971. (a) (1) At its option, a county may provide a program authorized by this article. A county that chooses to provide a program shall ensure that any funds used for the program are used in compliance with the requirements for receipt of federal block grant funds for prevention and treatment of substance use disorder described in Subchapter XVII of Chapter 6A of Title 42 of the United States Code and other federal provisions governing the receipt of federal funds.

(2) The funds contained in each county's Behavioral Health Subaccount of the Support Services Account of the Local Revenue Fund 2011 may be used to fund the cost of drug court treatment programs for the purpose of applying for federal grant funds from the federal Substance Abuse and Mental Health Services Administration as described in Section 11775.

(b) If a county chooses to provide a drug court program, a county alcohol and drug program administrator and the presiding judge in the county shall develop, as part of the contract for alcohol and other drug services, a plan for the operation of a drug court program that shall include the information necessary for the state to ensure a county's compliance with the provisions for receipt of the federal block grant funds for prevention and treatment of substance use disorder found at Subchapter XVII of Chapter 6A of Title 42 of the United States Code and other applicable federal provisions for funds.

(c) The plan shall do all of the following:

(1) Describe existing programs that serve adults and juveniles with substance use disorders and parents of children who are detained by, or are dependents of, the juvenile court.

(2) Provide a local action plan for implementing cost-effective drug court systems, including any or all of the following drug court systems:

(A) Drug courts operating pursuant to Sections 1000 to 1000.5, inclusive, of the Penal Code.

(B) Drug courts for juvenile offenders.

(C) Drug courts for parents of children who are detained by, or are dependents of, the juvenile court.

(D) Drug courts for parents of children in family law cases involving custody and visitation issues.

(E) Other drug court systems that are approved by the Drug Court Partnership Executive Steering Committee.

(3) Develop information-sharing systems to ensure that county actions are fully coordinated, and to provide data for measuring the success of the local action plan in achieving its goals.

(4) Identify outcome measures that will determine the cost effectiveness of the local action plan.

SEC. 87. The heading of Article 1.5 (commencing with Section 5170) of Chapter 2 of Part 1 of Division 5 of the Welfare and Institutions Code is amended to read:

Article 1.5. Detention of Individuals Under the Influence of Alcohol for Evaluation and Treatment

SEC. 88. Section 5171 of the Welfare and Institutions Code is amended to read:

5171. (a) If the facility for 72-hour treatment and evaluation of individuals under the influence of alcohol admits the person, it may detain the individual for evaluation and detoxification treatment, and such other treatment as may be indicated, for a period not to exceed 72 hours. Saturdays, Sundays, and holidays shall be included for the purpose of calculating the 72-hour period. However, an individual may voluntarily remain in the facility for more than 72 hours if the professional person in charge of the facility determines the individual is in need of and may benefit from further treatment and care, provided any individual who is taken or caused to be taken to the facility shall have priority for available treatment and care over an individual who has voluntarily remained in a facility for more than 72 hours.

(b) If in the judgment of the professional person in charge of the facility providing evaluation and treatment, the person can be properly served without being detained, the individual shall be provided evaluation, detoxification treatment or other treatment, crisis intervention, or other inpatient or outpatient services on a voluntary basis.

SEC. 89. Section 5175 of the Welfare and Institutions Code is amended to read:

5175. This article does not prevent a facility designated as a facility for 72-hour evaluation and treatment of individuals under the influence of alcohol from also being designated as a facility for 72-hour evaluation and treatment of other persons subject to this part, including persons impaired by chronic alcoholism.

SEC. 90. Section 5176 of the Welfare and Institutions Code is amended to read:

5176. (a) This article shall apply only to those counties wherein the board of supervisors has adopted a resolution stating that suitable facilities exist within the county for the care and treatment of individuals under the influence of alcohol, including persons impaired by chronic alcoholism, designating the facilities to be used as facilities for 72-hour treatment and evaluation of individuals under the influence of alcohol and for the extensive treatment of persons impaired by chronic alcoholism, and otherwise adopting the provisions of this article.

(b) Each county Short-Doyle plan for a county to which this article is made applicable shall designate the specific facility or facilities for 72-hour evaluation and detoxification treatment of individuals under the influence of alcohol and for intensive treatment of persons impaired by chronic alcoholism and for the treatment of those persons on a voluntary basis under this article, and shall specify the maximum number of patients that can be served at any one time by each facility.

SEC. 91. The heading of Article 3 (commencing with Section 5225) of Chapter 2 of Part 1 of Division 5 of the Welfare and Institutions Code is amended to read:

Article 3. Court-Ordered Evaluation for Persons Impaired by Chronic Alcoholism or Drug Use

SEC. 92. Section 5348 of the Welfare and Institutions Code is amended to read:

5348. (a) For purposes of subdivision (e) of Section 5346, a county or group of counties that chooses to provide assisted outpatient treatment services pursuant to this article shall offer assisted outpatient treatment services, including, but not limited to, all of the following:

(1) Community-based, mobile, multidisciplinary, highly trained mental health teams that use high staff-to-client ratios of no more than 10 clients per team member for those subject to court-ordered services pursuant to Section 5346.

(2) A service planning and delivery process that includes the following:

(A) Determination of the numbers of persons to be served and the programs and services that will be provided to meet their needs. The local director of mental health shall consult with the sheriff, the police chief, the probation officer, the mental health board, contract agencies, and family, client, ethnic, and citizen constituency groups as determined by the director.

(B) Plans for services, including outreach to families whose severely mentally ill adult is living with them, design of mental health services, coordination and access to medications, psychiatric and psychological services, substance use disorder services, supportive housing or other housing assistance, vocational rehabilitation, and veterans' services. Plans shall also contain evaluation strategies that shall consider cultural, linguistic, gender, age, and special needs of minorities and those based on any characteristic listed or defined in Section 11135 of the Government Code in the target populations. Provision shall be made for staff with the cultural background and linguistic skills necessary to remove barriers to mental health services as a result of having limited-English-speaking ability and cultural differences. Recipients of outreach services may include families, the public, primary care physicians, and others who are likely to come into contact with individuals who may be suffering from an untreated severe mental illness who would be likely to become homeless if the illness continued to be untreated for a substantial period of time. Outreach to adults may include adults voluntarily or involuntarily hospitalized as a result of a severe mental illness.

(C) Provision for services to meet the needs of persons who are physically disabled.

(D) Provision for services to meet the special needs of older adults.

(E) Provision for family support and consultation services, parenting support and consultation services, and peer support or self-help group support, if appropriate.

(F) Provision for services to be client-directed and that employ psychosocial rehabilitation and recovery principles.

(G) Provision for psychiatric and psychological services that are integrated with other services and for psychiatric and psychological collaboration in overall service planning.

(H) Provision for services specifically directed to seriously mentally ill young adults 25 years of age or younger who are homeless or at significant risk of becoming homeless. These provisions may include continuation of services that still would be received through other funds had eligibility not been terminated as a result of age.

(I) Services reflecting special needs of women from diverse cultural backgrounds, including supportive housing that accepts children, personal services coordinator therapeutic treatment, and substance treatment programs that address gender-specific trauma and abuse in the lives of persons with mental illness, and vocational rehabilitation programs that offer job training programs free of gender bias and sensitive to the needs of women.

(J) Provision for housing for clients that is immediate, transitional, permanent, or all of these.

(K) Provision for clients who have been suffering from an untreated severe mental illness for less than one year, and who do not require the full range of services, but who are at risk of becoming homeless unless a comprehensive individual and family support services plan is implemented. These clients shall be served in a manner that is designed to meet their needs.

(3) Each client shall have a clearly designated mental health personal services coordinator who may be part of a multidisciplinary treatment team that is responsible for providing or ensuring needed services. Responsibilities include complete assessment of the client's needs, development of the client's personal services plan, linkage with all appropriate community services, monitoring of the quality and followthrough of services, and necessary advocacy to ensure each client receives those services that are agreed to in the personal services plan. Each client shall participate in the development of their personal

services plan, and responsible staff shall consult with the designated conservator, if one has been appointed, and, with the consent of the client, shall consult with the family and other significant persons as appropriate.

(4) The individual personal services plan shall ensure that persons subject to assisted outpatient treatment programs receive age-appropriate, gender-appropriate, and culturally appropriate services, to the extent feasible, that are designed to enable recipients to:

(A) Live in the most independent, least restrictive housing feasible in the local community, and, for clients with children, to live in a supportive housing environment that strives for reunification with their children or assists clients in maintaining custody of their children, as is appropriate.

(B) Engage in the highest level of work or productive activity appropriate to their abilities and experience.

(C) Create and maintain a support system consisting of friends, family, and participation in community activities.

(D) Access an appropriate level of academic education or vocational training.

(E) Obtain an adequate income.

(F) Self-manage their illnesses and exert as much control as possible over both the day-to-day and long-term decisions that affect their lives.

(G) Access necessary physical health care and maintain the best possible physical health.

(H) Reduce or eliminate serious antisocial or criminal behavior, and thereby reduce or eliminate their contact with the criminal justice system.

(I) Reduce or eliminate the distress caused by the symptoms of mental illness.

(J) Have freedom from dangerous addictive substances.

(5) The individual personal services plan shall describe the service array that meets the requirements of paragraph (4) and, to the extent applicable to the individual, the requirements of paragraph (2).

(b) A county that provides assisted outpatient treatment services pursuant to this article also shall offer the same services on a voluntary basis.

(c) Involuntary medication shall not be allowed absent a separate order by the court pursuant to Sections 5332 to 5336, inclusive.

(d) A county that operates an assisted outpatient treatment program pursuant to this article shall provide data to the State Department of Health Care Services and, based on the data, the department shall report to the Legislature on or before May 1 of each year in which the county provides services pursuant to this article. The report shall include, at a minimum, an evaluation of the effectiveness of the strategies employed by each program operated pursuant to this article in reducing homelessness and hospitalization of persons in the program and in reducing involvement with local law enforcement by persons in the program. The evaluation and report shall also include any other measures identified by the department regarding persons in the program and all of the following, based on information that is available:

(1) The number of persons served by the program and, of those, the number who are able to maintain housing and the number who maintain contact with the treatment system.

(2) The number of persons in the program with contacts with local law enforcement, and the extent to which local and state incarceration of persons in the program has been reduced or avoided.

(3) The number of persons in the program participating in employment services programs, including competitive employment.

(4) The days of hospitalization of persons in the program that have been reduced or avoided.

(5) Adherence to prescribed treatment by persons in the program.

(6) Other indicators of successful engagement, if any, by persons in the program.

(7) Victimization of persons in the program.

(8) Violent behavior of persons in the program.

(9) Inappropriate use of substances by persons in the program.

- (10) Type, intensity, and frequency of treatment of persons in the program.
- (11) Extent to which enforcement mechanisms are used by the program, when applicable.
- (12) Social functioning of persons in the program.
- (13) Skills in independent living of persons in the program.
- (14) Satisfaction with program services both by those receiving them, and by their families, when relevant.

(e) This section shall become operative on July 1, 2021.

SEC. 92.5. Section 5348 of the Welfare and Institutions Code is amended to read:

5348. (a) For purposes of subdivision (e) of Section 5346, a county or group of counties that chooses to provide assisted outpatient treatment services pursuant to this article shall offer assisted outpatient treatment services, including, but not limited to, all of the following:

- (1) Community-based, mobile, multidisciplinary, highly trained mental health teams that use high staff-to-client ratios of no more than 10 clients per team member for those subject to court-ordered services pursuant to Section 5346.
- (2) A service planning and delivery process that includes the following:
 - (A) Determination of the number of persons to be served and the programs and services that will be provided to meet their needs. The local director of mental health shall consult with the sheriff, the police chief, the probation officer, the mental health board, contract agencies, and family, client, ethnic, and citizen constituency groups as determined by the director.
 - (B) Plans for services, including outreach to families whose adult child living with them is experiencing a severe mental health condition, design of mental health services, coordination and access to medications, psychiatric and psychological services, substance use disorder services, supportive housing or other housing assistance, vocational rehabilitation, and veterans' services. Plans shall also contain evaluation strategies that shall consider cultural, linguistic, gender, age, and special needs of minorities and those based on any characteristic listed or defined in Section 11135 of the Government Code in the target populations. Provision shall be made for staff with the cultural background and linguistic skills necessary to remove barriers to mental health services as a result of having limited-English-speaking ability and cultural differences. Recipients of outreach services may include families, the public, primary care physicians, and others who are likely to come into contact with individuals who may be experiencing an untreated severe mental illness who would be likely to become homeless if the illness continued to be untreated for a substantial period of time. Outreach to adults may include adults voluntarily or involuntarily hospitalized as a result of a severe mental illness.
 - (C) Provision for services to meet the needs of persons who are physically disabled.
 - (D) Provision for services to meet the special needs of older adults.
 - (E) Provision for family support and consultation services, parenting support and consultation services, and peer support or self-help group support, if appropriate.
 - (F) Provision for services to be client-directed and that employ psychosocial rehabilitation and recovery principles.
 - (G) Provision for psychiatric and psychological services that are integrated with other services and for psychiatric and psychological collaboration in overall service planning.
 - (H) Provision for services specifically directed to young adults 25 years of age or younger who have a serious mental health condition and who are homeless or at significant risk of becoming homeless. These provisions may include continuation of services that still would be received through other funds had eligibility not been terminated as a result of age.
 - (I) Services reflecting special needs of women from diverse cultural backgrounds, including supportive housing that accepts children, personal services coordinator therapeutic treatment, and substance treatment programs that address gender-specific trauma and abuse in the lives of persons with a mental illness, and vocational rehabilitation programs that offer job training programs free of gender bias and sensitive to the needs of women.
 - (J) Provision for housing for clients that is immediate, transitional, permanent, or all of these.
 - (K) Provision for clients who have been experiencing an untreated severe mental illness for less than one year, and who do not require the full range of services, but who are at risk of becoming homeless unless a comprehensive individual and family support services plan is implemented. These clients shall be served in a manner that is designed to meet their needs.

(3) Each client shall have a clearly designated mental health personal services coordinator who may be part of a multidisciplinary treatment team that is responsible for providing or ensuring needed services. Responsibilities include complete assessment of the client's needs, development of the client's personal services plan, linkage with all appropriate community services, monitoring of the quality and followthrough of services, and necessary advocacy to ensure each client receives those services that are agreed to in the personal services plan. Each client shall participate in the development of their personal services plan, and responsible staff shall consult with the designated conservator, if one has been appointed, and, with the consent of the client, shall consult with the family and other significant persons as appropriate.

(4) The individual personal services plan shall ensure that persons subject to assisted outpatient treatment programs receive age-appropriate, gender-appropriate, and culturally appropriate services, to the extent feasible, that are designed to enable recipients to:

(A) Live in the most independent, least restrictive housing feasible in the local community, and, for clients with children, to live in a supportive housing environment that strives for reunification with their children or assists clients in maintaining custody of their children, as is appropriate.

(B) Engage in the highest level of work or productive activity appropriate to their abilities and experience.

(C) Create and maintain a support system consisting of friends, family, and participation in community activities.

(D) Access an appropriate level of academic education or vocational training.

(E) Obtain an adequate income.

(F) Self-manage their illnesses and exert as much control as possible over both the day-to-day and long-term decisions that affect their lives.

(G) Access necessary physical health care and maintain the best possible physical health.

(H) Reduce or eliminate serious antisocial or criminal behavior, and thereby reduce or eliminate their contact with the criminal justice system.

(I) Reduce or eliminate the distress caused by the symptoms of mental illness.

(J) Have freedom from dangerous addictive substances.

(5) The individual personal services plan shall describe the service array that meets the requirements of paragraph (4) and, to the extent applicable to the individual, the requirements of paragraph (2).

(b) A county that provides assisted outpatient treatment services pursuant to this article also shall offer the same services on a voluntary basis.

(c) Involuntary medication shall not be allowed absent a separate order by the court pursuant to Sections 5332 to 5336, inclusive.

(d) A county that operates an assisted outpatient treatment program pursuant to this article shall provide data to the State Department of Health Care Services and, based on the data, the department shall report to the Legislature on or before May 1 of each year in which the county provides services pursuant to this article. The report shall include, at a minimum, an evaluation of the effectiveness of the strategies employed by each program operated pursuant to this article in reducing homelessness and hospitalization of persons in the program and in reducing involvement with local law enforcement by persons in the program. The evaluation and report shall also include any other measures identified by the department regarding persons in the program and all of the following, based on information that is available:

(1) The number of persons served by the program and, of those, the number who are able to maintain housing and the number who maintain contact with the treatment system.

(2) The number of persons in the program with contacts with local law enforcement, and the extent to which local and state incarceration of persons in the program has been reduced or avoided.

(3) The number of persons in the program participating in employment services programs, including competitive employment.

(4) The days of hospitalization of persons in the program that have been reduced or avoided.

(5) Adherence to prescribed treatment by persons in the program.

(6) Other indicators of successful engagement, if any, by persons in the program.

- (7) Victimization of persons in the program.
- (8) Violent behavior of persons in the program.
- (9) Inappropriate use of substances by persons in the program.
- (10) Type, intensity, and frequency of treatment of persons in the program.
- (11) Extent to which enforcement mechanisms are used by the program, when applicable.
- (12) Social functioning of persons in the program.
- (13) Skills in independent living of persons in the program.
- (14) Satisfaction with program services both by those receiving them, and by their families, when relevant.

(e) This section shall become operative on July 1, 2021.

SEC. 93. Section 5600.3 of the Welfare and Institutions Code is amended to read:

5600.3. To the extent resources are available, the primary goal of the use of funds deposited in the mental health account of the local health and welfare trust fund should be to serve the target populations identified in the following categories, which shall not be construed as establishing an order of priority:

(a) (1) Seriously emotionally disturbed children or adolescents.

(2) For the purposes of this part, "seriously emotionally disturbed children or adolescents" means minors under the age of 18 years who have a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a primary substance use disorder or developmental disorder, which results in behavior inappropriate to the child's age according to expected developmental norms. Members of this target population shall meet one or more of the following criteria:

(A) As a result of the mental disorder, the child has substantial impairment in at least two of the following areas: self-care, school functioning, family relationships, or ability to function in the community; and either of the following occur:

(i) The child is at risk of removal from home or has already been removed from the home.

(ii) The mental disorder and impairments have been present for more than six months or are likely to continue for more than one year without treatment.

(B) The child displays one of the following: psychotic features, risk of suicide or risk of violence due to a mental disorder.

(C) The child has been assessed pursuant to Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of Division 4 of Title 2 of the Education Code and determined to have an emotional disturbance, as defined in paragraph (4) of subdivision (c) of Section 300.8 of Title 34 of the Code of Federal Regulations.

(b) (1) Adults and older adults who have a serious mental disorder.

(2) For the purposes of this part, "serious mental disorder" means a mental disorder that is severe in degree and persistent in duration, which may cause behavioral functioning which interferes substantially with the primary activities of daily living, and which may result in an inability to maintain stable adjustment and independent functioning without treatment, support, and rehabilitation for a long or indefinite period of time. Serious mental disorders include, but are not limited to, schizophrenia, bipolar disorder, post-traumatic stress disorder, as well as major affective disorders or other severely disabling mental disorders. This section does not exclude persons with a serious mental disorder and a diagnosis of a substance use disorder, developmental disability, or other physical or mental disorder.

(3) Members of this target population shall meet all of the following criteria:

(A) The person has a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a substance use disorder, developmental disorder, or acquired traumatic brain injury pursuant to subdivision (a) of Section 4354 unless that person also has a serious mental disorder as defined in paragraph (2).

(B) (i) As a result of the mental disorder, the person has substantial functional impairments or symptoms, or a psychiatric history demonstrating that without treatment there is an imminent risk of decompensation to having substantial impairments or symptoms.

(ii) For the purposes of this part, "functional impairment" means being substantially impaired as the result of a mental disorder in independent living, social relationships, vocational skills, or physical condition.

(C) As a result of a mental functional impairment and circumstances, the person is likely to become so disabled as to require public assistance, services, or entitlements.

(4) For the purpose of organizing outreach and treatment options, to the extent resources are available, this target population includes, but is not limited to, persons who are any of the following:

(A) Homeless persons who are mentally ill.

(B) Persons evaluated by appropriately licensed persons as requiring care in acute treatment facilities, including state hospitals, acute inpatient facilities, institutes for mental disease, and crisis residential programs.

(C) Persons arrested or convicted of crimes.

(D) Persons who require acute treatment as a result of a first episode of mental illness with psychotic features.

(5) California veterans in need of mental health services and who meet the existing eligibility requirements of this section, shall be provided services to the extent services are available to other adults pursuant to this section. Veterans who may be eligible for mental health services through the United States Department of Veterans Affairs should be advised of these services by the county and assisted in linking to those services, but the eligible veteran shall not be denied county mental or behavioral health services while waiting for a determination of eligibility for, and availability of, mental or behavioral health services provided by the United States Department of Veterans Affairs.

(A) An eligible veteran shall not be denied county mental health services based solely on their status as a veteran, including whether or not the person is eligible for services provided by the United States Department of Veterans Affairs.

(B) Counties shall refer a veteran to the county veterans service officer, if any, to determine the veteran's eligibility for, and the availability of, mental health services provided by the United States Department of Veterans Affairs or other federal health care provider.

(C) Counties should consider contracting with community-based veterans' services agencies, where possible, to provide high-quality, veteran-specific mental health services.

(c) Adults or older adults who require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention because of a mental disorder with symptoms of psychosis, suicidality, or violence.

(d) Persons who need brief treatment as a result of a natural disaster or severe local emergency.

SEC. 93.5. Section 5600.3 of the Welfare and Institutions Code is amended to read:

5600.3. To the extent resources are available, the primary goal of the use of funds deposited in the mental health account of the local health and welfare trust fund should be to serve the target populations identified in the following categories, which shall not be construed as establishing an order of priority:

(a) (1) A child or adolescent with serious emotional disturbance.

(2) For the purposes of this part, a "child or adolescent with serious emotional disturbance" means a minor under 18 years of age who has a mental disorder, as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a primary substance use disorder or developmental disorder that results in behavior inappropriate to the child's age according to expected developmental norms. Members of this target population shall meet one or more of the following criteria:

(A) As a result of the mental disorder, the child has substantial impairment in at least two of the following areas: self-care, school functioning, family relationships, or ability to function in the community; and either of the following occur:

(i) The child is at risk of removal from home or has already been removed from the home.

(ii) The mental disorder and impairments have been present for more than six months or are likely to continue for more than one year without treatment.

(B) The child displays one of the following: psychotic features, risk of suicide, or risk of violence due to a mental disorder.

(C) The child has been assessed pursuant to Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of Division 4 of Title 2 of the Education Code and determined to have emotional disturbance, as defined in paragraph (4) of subdivision

(c) of Section 300.8 of Title 34 of the Code of Federal Regulations.

(b) (1) Adults and older adults who have a serious mental disorder.

(2) For the purposes of this part, "serious mental disorder" means a mental disorder that is severe in degree and persistent in duration, which may cause behavioral functioning which interferes substantially with the primary activities of daily living, and which may result in an inability to maintain stable adjustment and independent functioning without treatment, support, and rehabilitation for a long or indefinite period of time. Serious mental disorders include, but are not limited to, schizophrenia, bipolar disorder, post-traumatic stress disorder, as well as major affective disorders or other severely disabling mental disorders. This section does not exclude persons with a serious mental disorder and a diagnosis of a substance use disorder, developmental disability, or other physical or mental disorder.

(3) Members of this target population shall meet all of the following criteria:

(A) The person has a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a substance use disorder, developmental disorder, or acquired traumatic brain injury pursuant to subdivision (a) of Section 4354 unless that person also has a serious mental disorder as defined in paragraph (2).

(B) (i) As a result of the mental disorder, the person has substantial functional impairments or symptoms, or a psychiatric history demonstrating that without treatment there is an imminent risk of decompensation to having substantial impairments or symptoms.

(ii) For the purposes of this part, "functional impairment" means being substantially impaired as the result of a mental disorder in independent living, social relationships, vocational skills, or physical condition.

(C) As a result of a mental functional impairment and circumstances, the person is likely to become so disabled as to require public assistance, services, or entitlements.

(4) For the purpose of organizing outreach and treatment options, to the extent resources are available, this target population includes, but is not limited to, persons who are any of the following:

(A) Homeless persons who have a mental illness.

(B) Persons evaluated by appropriately licensed persons as requiring care in acute treatment facilities, including state hospitals, acute inpatient facilities, institutes for mental disease, and crisis residential programs.

(C) Persons arrested or convicted of crimes.

(D) Persons who require acute treatment as a result of a first episode of mental illness with psychotic features.

(5) California veterans in need of mental health services and who meet the existing eligibility requirements of this section, shall be provided services to the extent services are available to other adults pursuant to this section. Veterans who may be eligible for mental health services through the United States Department of Veterans Affairs should be advised of these services by the county and assisted in linking to those services, but the eligible veteran shall not be denied county mental or behavioral health services while waiting for a determination of eligibility for, and availability of, mental or behavioral health services provided by the United States Department of Veterans Affairs.

(A) An eligible veteran shall not be denied county mental health services based solely on their status as a veteran, including whether or not the person is eligible for services provided by the United States Department of Veterans Affairs.

(B) Counties shall refer a veteran to the county veterans service officer, if any, to determine the veteran's eligibility for, and the availability of, mental health services provided by the United States Department of Veterans Affairs or other federal health care provider.

(C) Counties should consider contracting with community-based veterans' services agencies, where possible, to provide high-quality, veteran-specific mental health services.

(c) Adults or older adults who require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention because of a mental disorder with symptoms of psychosis, suicidality, or violence.

(d) Persons who need brief treatment as a result of a natural disaster or severe local emergency.

SEC. 94. Section 5802 of the Welfare and Institutions Code is amended to read:

5802. (a) The Legislature finds that a mental health system of care for adults and older adults with severe and persistent mental illness is vital for successful management of mental health care in California. Specifically:

(1) A comprehensive and coordinated system of care includes community-based treatment, outreach services and other early intervention strategies, case management, and interagency system components required by adults and older adults with severe and persistent mental illness.

(2) Mentally ill adults and older adults receive service from many different state and county agencies, particularly criminal justice, employment, housing, public welfare, health, and mental health. In a system of care these agencies collaborate in order to deliver integrated and cost-effective programs.

(3) The recovery of persons with severe mental illness and their financial means are important for all levels of government, business, and the community.

(4) System of care services that ensure culturally competent care for persons with severe mental illness in the most appropriate, least restrictive level of care are necessary to achieve the desired performance outcomes.

(5) Mental health service providers need to increase accountability and further develop methods to measure progress towards client outcome goals and cost-effectiveness as required by a system of care.

(b) The Legislature further finds that the adult system of care model, beginning in the 1989–90 fiscal year through the implementation of Chapter 982 of the Statutes of 1988, provides models for adults and older adults with severe mental illness that can meet the performance outcomes required by the Legislature.

(c) The Legislature also finds that the system components established in adult systems of care are of value in providing greater benefit to adults and older adults with severe and persistent mental illness at a lower cost in California.

(d) Therefore, using the guidelines and principles developed under the demonstration projects implemented under the adult system of care legislation in 1989, it is the intent of the Legislature to accomplish the following:

(1) Encourage each county to implement a system of care as described in this legislation for the delivery of mental health services to adults and older adults with serious mental illness.

(2) To promote system of care accountability for performance outcomes that enable adults with severe mental illness to reduce symptoms that impair their ability to live independently, work, maintain community supports, care for their children, stay in good health, not misuse drugs or alcohol, and not commit crimes.

(3) Maintain funding for the existing pilot adult system of care programs that meet contractual goals as models and technical assistance resources for future expansion of system of care programs to other counties as funding becomes available.

(4) Provide funds for counties to establish outreach programs and to provide mental health services and related medications, substance use disorder services, supportive housing or other housing assistance, vocational rehabilitation, and other nonmedical programs necessary to stabilize persons experiencing homelessness who are mentally ill or persons who are mentally ill and at risk of being homeless, get them off the street, and into treatment and recovery, or to provide access to veterans' services that will also provide for treatment and recovery.

SEC. 94.5. Section 5802 of the Welfare and Institutions Code is amended to read:

5802. (a) The Legislature finds that a mental health system of care for adults and older adults with severe and persistent mental illness is vital for successful management of mental health care in California. Specifically:

(1) A comprehensive and coordinated system of care includes community-based treatment, outreach services and other early intervention strategies, case management, and interagency system components required by adults and older adults with severe and persistent mental illness.

(2) Adults and older adults with a mental health condition receive service from many different state and county agencies, particularly criminal justice, employment, housing, public welfare, health, and mental health. In a system of care these agencies collaborate in order to deliver integrated and cost-effective programs.

(3) The recovery of persons with severe mental illness and their financial means are important for all levels of government, business, and the community.

(4) System of care services that ensure culturally competent care for persons with severe mental illness in the most appropriate, least restrictive level of care are necessary to achieve the desired performance outcomes.

(5) Mental health service providers need to increase accountability and further develop methods to measure progress towards client outcome goals and cost-effectiveness as required by a system of care.

(b) The Legislature further finds that the adult system of care model, beginning in the 1989–90 fiscal year through the implementation of Chapter 982 of the Statutes of 1988, provides models for adults and older adults with severe mental illness that can meet the performance outcomes required by the Legislature.

(c) The Legislature also finds that the system components established in adult systems of care are of value in providing greater benefit to adults and older adults with severe and persistent mental illness at a lower cost in California.

(d) Therefore, using the guidelines and principles developed under the demonstration projects implemented under the adult system of care legislation in 1989, it is the intent of the Legislature to accomplish the following:

(1) Encourage each county to implement a system of care as described in this legislation for the delivery of mental health services to adults and older adults with a serious mental illness.

(2) To promote a system of care accountability for performance outcomes that enable adults with severe mental illness to reduce symptoms that impair their ability to live independently, work, maintain community supports, care for their children, stay in good health, not misuse drugs or alcohol, and not commit crimes.

(3) Maintain funding for the existing pilot adult system of care programs that meet contractual goals as models and technical assistance resources for future expansion of system of care programs to other counties as funding becomes available.

(4) Provide funds for counties to establish outreach programs and to provide mental health services and related medications, substance use disorder services, supportive housing or other housing assistance, vocational rehabilitation, and other nonmedical programs necessary to stabilize persons who are experiencing homelessness with a mental health condition or persons with a mental health condition who are at risk of being homeless, get them off the street, and into treatment and recovery, or to provide access to veterans' services that will also provide for treatment and recovery.

SEC. 95. Section 5806 of the Welfare and Institutions Code, as amended by Section 37 of Chapter 790 of the Statutes of 2023, is amended to read:

5806. The State Department of Health Care Services shall establish service standards that ensure that members of the target population are identified, and services provided to assist them to live independently, work, and reach their potential as productive citizens. The department shall provide annual oversight of grants issued pursuant to this part for compliance with these standards. These standards shall include, but are not limited to, all of the following:

(a) A service planning and delivery process that is target population based and includes the following:

(1) Determination of the numbers of clients to be served and the programs and services that will be provided to meet their needs. The local director of mental health shall consult with the sheriff, the police chief, the probation officer, the mental health board, contract agencies, and family, client, ethnic, and citizen constituency groups as determined by the director.

(2) Plans for services, including outreach to families whose severely mentally ill adult is living with them, design of mental health services, coordination and access to medications, psychiatric and psychological services, substance use disorder services, supportive housing or other housing assistance, vocational rehabilitation, and veterans' services. Plans also shall contain evaluation strategies that shall consider cultural, linguistic, gender, age, and special needs of minorities in the target populations. Provision shall be made for a workforce with the cultural background and linguistic skills necessary to remove barriers to mental health services due to limited-English-speaking ability and cultural differences. Recipients of outreach services may include families, the public, primary care physicians, and others who are likely to come into contact with individuals who may be suffering from an untreated severe mental illness who would be likely to become homeless if the illness continued to be untreated for a substantial period of time. Outreach to adults may include adults voluntarily or involuntarily hospitalized as a result of a severe mental illness.

(3) Provision for services to meet the needs of target population clients who are physically disabled.

(4) Provision for services to meet the special needs of older adults.

(5) Provision for family support and consultation services, parenting support and consultation services, and peer support or self-help group support, where appropriate for the individual.

(6) Provision for services to be client-directed and that employ psychosocial rehabilitation and recovery principles.

(7) Provision for psychiatric and psychological services that are integrated with other services and for psychiatric and psychological collaboration in overall service planning.

(8) Provision for services specifically directed to seriously mentally ill young adults 25 years of age or younger who are homeless or at significant risk of becoming homeless. These provisions may include continuation of services that still would be

received through other funds had eligibility not been terminated due to age.

(9) Services reflecting special needs of women from diverse cultural backgrounds, including supportive housing that accepts children, personal services coordinator therapeutic treatment, and substance treatment programs that address gender-specific trauma and abuse in the lives of persons with mental illness, and vocational rehabilitation programs that offer job training programs free of gender bias and sensitive to the needs of women.

(10) Provision for housing for clients that is immediate, transitional, permanent, or all of these.

(11) Provision for clients who have been suffering from an untreated severe mental illness for less than one year, and who do not require the full range of services but are at risk of becoming homeless unless a comprehensive individual and family support services plan is implemented. These clients shall be served in a manner that is designed to meet their needs.

(12) Provision for services for veterans.

(b) A client shall have a clearly designated mental health personal services coordinator who may be part of a multidisciplinary treatment team who is responsible for providing or ensuring needed services. Responsibilities include complete assessment of the client's needs, development of the client's personal services plan, linkage with all appropriate community services, monitoring of the quality and followthrough of services, and necessary advocacy to ensure that the client receives those services that are agreed to in the personal services plan. A client shall participate in the development of their personal services plan, and responsible staff shall consult with the designated conservator, if one has been appointed, and, with the consent of the client, consult with the family and other significant persons as appropriate.

(c) The individual personal services plan shall ensure that members of the target population involved in the system of care receive age-appropriate, gender-appropriate, and culturally appropriate services or appropriate services based on any characteristic listed or defined in Section 11135 of the Government Code, to the extent feasible, that are designed to enable recipients to:

(1) Live in the most independent, least restrictive housing feasible in the local community, and for clients with children, to live in a supportive housing environment that strives for reunification with their children or assists clients in maintaining custody of their children as is appropriate.

(2) Engage in the highest level of work or productive activity appropriate to their abilities and experience.

(3) Create and maintain a support system consisting of friends, family, and participation in community activities.

(4) Access an appropriate level of academic education or vocational training.

(5) Obtain an adequate income.

(6) Self-manage their illness and exert as much control as possible over both the day-to-day and long-term decisions that affect their lives.

(7) Access necessary physical health care and maintain the best possible physical health.

(8) Reduce or eliminate serious antisocial or criminal behavior and thereby reduce or eliminate their contact with the criminal justice system.

(9) Reduce or eliminate the distress caused by the symptoms of mental illness.

(10) Have freedom from dangerous addictive substances.

(d) The individual personal services plan shall describe the service array that meets the requirements of subdivision (c) and, to the extent applicable to the individual, the requirements of subdivision (a).

(e) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 95.5. Section 5806 of the Welfare and Institutions Code, as amended by Section 37 of Chapter 790 of the Statutes of 2023, is amended to read:

5806. The State Department of Health Care Services shall establish service standards that ensure that members of the target population are identified, and services provided to assist them to live independently, work, and reach their potential as productive citizens. The department shall provide annual oversight of grants issued pursuant to this part for compliance with these standards. These standards shall include, but are not limited to, all of the following:

(a) A service planning and delivery process that is target population based and includes the following:

(1) Determination of the numbers of clients to be served and the programs and services that will be provided to meet their needs. The local director of mental health shall consult with the sheriff, the police chief, the probation officer, the mental health board, contract agencies, and family, client, ethnic, and citizen constituency groups as determined by the director.

(2) Plans for services, including outreach to families who have an adult child experiencing a serious mental health condition living with them, design of mental health services, coordination and access to medications, psychiatric and psychological services, substance use disorder services, supportive housing or other housing assistance, vocational rehabilitation, and veterans' services. Plans also shall contain evaluation strategies that shall consider cultural, linguistic, gender, age, and special needs of minorities in the target populations. Provision shall be made for a workforce with the cultural background and linguistic skills necessary to remove barriers to mental health services due to limited-English-speaking ability and cultural differences. Recipients of outreach services may include families, the public, primary care physicians, and others who are likely to come into contact with individuals who may be experiencing an untreated severe mental illness who would be likely to become homeless if the illness continued to be untreated for a substantial period of time. Outreach to adults may include adults voluntarily or involuntarily hospitalized as a result of a severe mental illness.

(3) Provision for services to meet the needs of target population clients who are physically disabled.

(4) Provision for services to meet the special needs of older adults.

(5) Provision for family support and consultation services, parenting support and consultation services, and peer support or self-help group support, where appropriate for the individual.

(6) Provision for services to be client-directed and that employ psychosocial rehabilitation and recovery principles.

(7) Provision for psychiatric and psychological services that are integrated with other services and for psychiatric and psychological collaboration in overall service planning.

(8) Provision for services specifically directed to young adults 25 years of age or younger who have a serious mental illness and are homeless or at significant risk of becoming homeless. These provisions may include continuation of services that still would be received through other funds had eligibility not been terminated due to age.

(9) Services reflecting special needs of women from diverse cultural backgrounds, including supportive housing that accepts children, personal services coordinator therapeutic treatment, and substance treatment programs that address gender-specific trauma and abuse in the lives of persons with mental illness, and vocational rehabilitation programs that offer job training programs free of gender bias and sensitive to the needs of women.

(10) Provision for housing for clients that is immediate, transitional, permanent, or all of these.

(11) Provision for clients who have been experiencing an untreated severe mental illness for less than one year, and who do not require the full range of services but are at risk of becoming homeless unless a comprehensive individual and family support services plan is implemented. These clients shall be served in a manner that is designed to meet their needs.

(12) Provision for services for veterans.

(b) A client shall have a clearly designated mental health personal services coordinator who may be part of a multidisciplinary treatment team who is responsible for providing or ensuring needed services. Responsibilities include complete assessment of the client's needs, development of the client's personal services plan, linkage with all appropriate community services, monitoring of the quality and followthrough of services, and necessary advocacy to ensure that the client receives those services that are agreed to in the personal services plan. A client shall participate in the development of their personal services plan, and responsible staff shall consult with the designated conservator, if one has been appointed, and, with the consent of the client, consult with the family and other significant persons as appropriate.

(c) The individual personal services plan shall ensure that members of the target population involved in the system of care receive age-appropriate, gender-appropriate, and culturally appropriate services or appropriate services based on any characteristic listed or defined in Section 11135 of the Government Code, to the extent feasible, that are designed to enable recipients to:

(1) Live in the most independent, least restrictive housing feasible in the local community, and for clients with children, to live in a supportive housing environment that strives for reunification with their children or assists clients in maintaining custody of their children as is appropriate.

(2) Engage in the highest level of work or productive activity appropriate to their abilities and experience.

- (3) Create and maintain a support system consisting of friends, family, and participation in community activities.
- (4) Access an appropriate level of academic education or vocational training.
- (5) Obtain an adequate income.
- (6) Self-manage their illness and exert as much control as possible over both the day-to-day and long-term decisions that affect their lives.
- (7) Access necessary physical health care and maintain the best possible physical health.
- (8) Reduce or eliminate serious antisocial or criminal behavior and thereby reduce or eliminate their contact with the criminal justice system.
- (9) Reduce or eliminate the distress caused by the symptoms of mental illness.
- (10) Have freedom from dangerous addictive substances.

(d) The individual personal services plan shall describe the service array that meets the requirements of subdivision (c) and, to the extent applicable to the individual, the requirements of subdivision (a).

(e) If amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election, this section shall become inoperative on July 1, 2026, and as of January 1, 2027, is repealed.

SEC. 96. Section 5814 of the Welfare and Institutions Code is amended to read:

5814. (a) (1) This part shall be implemented only to the extent that funds are appropriated for purposes of this part. To the extent that funds are made available, the first priority shall go to maintain funding for the existing programs that meet adult system of care contract goals. The next priority for funding shall be given to counties with a high incidence of persons who are severely mentally ill and homeless or at risk of homelessness, and meet the criteria developed pursuant to paragraphs (3) and (4).

(2) The Director of Health Care Services shall establish a methodology for awarding grants under this part consistent with the legislative intent expressed in Section 5802, and in consultation with the advisory committee established in this subdivision.

(3) (A) The Director of Health Care Services shall establish an advisory committee for the purpose of providing advice regarding the development of criteria for the award of grants, and the identification of specific performance measures for evaluating the effectiveness of grants. The committee shall review evaluation reports and make findings on evidence-based best practices and recommendations for grant conditions. At not less than one meeting annually, the advisory committee shall provide to the director written comments on the performance of each of the county programs. Upon request by the department, each participating county that is the subject of a comment shall provide a written response to the comment. The department shall comment on each of these responses at a subsequent meeting.

(B) The committee shall include, but not be limited to, representatives from state, county, and community veterans' services and disabled veterans outreach programs, supportive housing and other housing assistance programs, law enforcement, county mental health and private providers of local mental health services and mental health outreach services, the Department of Corrections and Rehabilitation, local substance use disorder services providers, the Department of Rehabilitation, providers of local employment services, the State Department of Social Services, the Department of Housing and Community Development, a service provider to transition youth, the United Advocates for Children of California, the California Mental Health Advocates for Children and Youth, the Mental Health Association of California, the California Alliance for the Mentally Ill, the California Network of Mental Health Clients, the California Behavioral Health Planning Council, the Mental Health Services Oversight and Accountability Commission, and other appropriate entities.

(4) The criteria for the award of grants shall include, but not be limited to, all of the following:

(A) A description of a comprehensive strategic plan for providing outreach, prevention, intervention, and evaluation in a cost appropriate manner corresponding to the criteria specified in subdivision (c).

(B) A description of the local population to be served, ability to administer an effective service program, and the degree to which local agencies and advocates will support and collaborate with program efforts.

(C) A description of efforts to maximize the use of other state, federal, and local funds or services that can support and enhance the effectiveness of these programs.

(5) In order to reduce the cost of providing supportive housing for clients, counties that receive a grant pursuant to this part after January 1, 2004, shall enter into contracts with sponsors of supportive housing projects to the greatest extent possible.

Participating counties are encouraged to commit a portion of their grants to rental assistance for a specified number of housing units in exchange for the counties' clients having the right of first refusal to rent the assisted units.

(b) In each year in which additional funding is provided by the annual Budget Act, the State Department of Health Care Services shall establish programs that offer individual counties sufficient funds to comprehensively serve severely mentally ill adults who are homeless, recently released from a county jail or the state prison, or others who are untreated, unstable, and at significant risk of incarceration or homelessness unless treatment is provided to them and who are severely mentally ill adults. For purposes of this subdivision, "severely mentally ill adults" are those individuals described in subdivision (b) of Section 5600.3. In consultation with the advisory committee established pursuant to paragraph (3) of subdivision (a), the department shall report to the Legislature on or before May 1 of each year in which additional funding is provided, and shall evaluate, at a minimum, the effectiveness of the strategies in providing successful outreach and reducing homelessness, involvement with local law enforcement, and other measures identified by the department. The evaluation shall include for each program funded in the current fiscal year as much of the following as available information permits:

(1) The number of persons served, and of those, the number who receive extensive community mental health services.

(2) The number of persons who are able to maintain housing, including the type of housing and whether it is emergency, transitional, or permanent housing, as defined by the department.

(3) (A) The amount of grant funding spent on each type of housing.

(B) Other local, state, or federal funds or programs used to house clients.

(4) The number of persons with contacts with local law enforcement and the extent to which local and state incarceration has been reduced or avoided.

(5) The number of persons participating in employment service programs including competitive employment.

(6) The number of persons contacted in outreach efforts who appear to be severely mentally ill, as described in Section 5600.3, who have refused treatment after completion of all applicable outreach measures.

(7) The amount of hospitalization that has been reduced or avoided.

(8) The extent to which veterans identified through these programs' outreach are receiving federally funded veterans' services for which they are eligible.

(9) The extent to which programs funded for three or more years are making a measurable and significant difference on the street, in hospitals, and in jails, as compared to other counties or as compared to those counties in previous years.

(10) For those who have been enrolled in this program for at least two years and who were enrolled in Medi-Cal prior to, and at the time they were enrolled in, this program, a comparison of their Medi-Cal hospitalizations and other Medi-Cal costs for the two years prior to enrollment and the two years after enrollment in this program.

(11) The number of persons served who were and were not receiving Medi-Cal benefits in the 12-month period prior to enrollment and, to the extent possible, the number of emergency room visits and other medical costs for those not enrolled in Medi-Cal in the prior 12-month period.

(c) To the extent that state savings associated with providing integrated services for the mentally ill are quantified, it is the intent of the Legislature to capture those savings in order to provide integrated services to additional adults.

(d) Each project shall include outreach and service grants in accordance with a contract between the state and approved counties that reflects the number of anticipated contacts with people who are homeless or at risk of homelessness, and the number of those who are severely mentally ill and who are likely to be successfully referred for treatment and will remain in treatment as necessary.

(e) All counties that receive funding shall be subject to specific terms and conditions of oversight and training, which shall be developed by the department, in consultation with the advisory committee.

(f) (1) As used in this part, "receiving extensive mental health services" means having a personal services coordinator, as described in subdivision (b) of Section 5806, and having an individual personal service plan, as described in subdivision (c) of Section 5806.

(2) The funding provided pursuant to this part shall be sufficient to provide mental health services, medically necessary medications to treat severe mental illnesses, alcohol and drug services, transportation, supportive housing and other housing assistance, vocational rehabilitation and supported employment services, money management assistance for accessing other

health care and obtaining federal income and housing support, accessing veterans' services, stipends, and other incentives to attract and retain sufficient numbers of qualified professionals as necessary to provide the necessary levels of these services. These grants shall, however, pay for only that portion of the costs of those services not otherwise provided by federal funds or other state funds.

(3) Methods used by counties to contract for services pursuant to paragraph (2) shall promote prompt and flexible use of funds, consistent with the scope of services for which the county has contracted with each provider.

(g) Contracts awarded pursuant to this part shall be exempt from the Public Contract Code and the state administrative manual and shall not be subject to the approval of the Department of General Services.

(h) Notwithstanding any other provision of law, funds awarded to counties pursuant to this part and Part 4 (commencing with Section 5850) shall not require a local match in funds.

SEC. 96.5. Section 5814 of the Welfare and Institutions Code is amended to read:

5814. (a) (1) This part shall be implemented only to the extent that funds are appropriated for purposes of this part. To the extent that funds are made available, the first priority shall go to maintain funding for the existing programs that meet adult system of care contract goals. The next priority for funding shall be given to counties with a high incidence of persons who have a serious mental health condition and are homeless or at risk of homelessness, and meet the criteria developed pursuant to paragraphs (3) and (4).

(2) The Director of Health Care Services shall establish a methodology for awarding grants under this part consistent with the legislative intent expressed in Section 5802, and in consultation with the advisory committee established in this subdivision.

(3) (A) The Director of Health Care Services shall establish an advisory committee for the purpose of providing advice regarding the development of criteria for the award of grants, and the identification of specific performance measures for evaluating the effectiveness of grants. The committee shall review evaluation reports and make findings on evidence-based best practices and recommendations for grant conditions. At not less than one meeting annually, the advisory committee shall provide to the director written comments on the performance of each of the county programs. Upon request by the department, each participating county that is the subject of a comment shall provide a written response to the comment. The department shall comment on each of these responses at a subsequent meeting.

(B) The committee shall include, but not be limited to, representatives from state, county, and community veterans' services and disabled veterans outreach programs, supportive housing and other housing assistance programs, law enforcement, county mental health and private providers of local mental health services and mental health outreach services, the Department of Corrections and Rehabilitation, local substance use disorder services providers, the Department of Rehabilitation, providers of local employment services, the State Department of Social Services, the Department of Housing and Community Development, a service provider to transition youth, the United Advocates for Children of California, the California Mental Health Advocates for Children and Youth, the Mental Health Association of California, the California Alliance for the Mentally Ill, the California Network of Mental Health Clients, the California Behavioral Health Planning Council, the Mental Health Services Oversight and Accountability Commission, and other appropriate entities.

(4) The criteria for the award of grants shall include, but not be limited to, all of the following:

(A) A description of a comprehensive strategic plan for providing outreach, prevention, intervention, and evaluation in a cost appropriate manner corresponding to the criteria specified in subdivision (c).

(B) A description of the local population to be served, ability to administer an effective service program, and the degree to which local agencies and advocates will support and collaborate with program efforts.

(C) A description of efforts to maximize the use of other state, federal, and local funds or services that can support and enhance the effectiveness of these programs.

(5) In order to reduce the cost of providing supportive housing for clients, counties that receive a grant pursuant to this part after January 1, 2004, shall enter into contracts with sponsors of supportive housing projects to the greatest extent possible. Participating counties are encouraged to commit a portion of their grants to rental assistance for a specified number of housing units in exchange for the counties' clients having the right of first refusal to rent the assisted units.

(b) In each year in which additional funding is provided by the annual Budget Act, the State Department of Health Care Services shall establish programs that offer individual counties sufficient funds to comprehensively serve adults with a serious mental health condition who are homeless, recently released from a county jail or the state prison, or others who are untreated, unstable, and at significant risk of incarceration or homelessness unless treatment is provided to them. In consultation with the advisory committee established pursuant to paragraph (3) of subdivision (a), the department shall report to the Legislature on or before

May 1 of each year in which additional funding is provided, and shall evaluate, at a minimum, the effectiveness of the strategies in providing successful outreach and reducing homelessness, involvement with local law enforcement, and other measures identified by the department. The evaluation shall include for each program funded in the current fiscal year as much of the following as available information permits:

- (1) The number of persons served, and of those, the number who receive extensive community mental health services.
 - (2) The number of persons who are able to maintain housing, including the type of housing and whether it is emergency, transitional, or permanent housing, as defined by the department.
 - (3) (A) The amount of grant funding spent on each type of housing.
(B) Other local, state, or federal funds or programs used to house clients.
 - (4) The number of persons with contacts with local law enforcement and the extent to which local and state incarceration has been reduced or avoided.
 - (5) The number of persons participating in employment service programs including competitive employment.
 - (6) The number of persons contacted in outreach efforts who appear to have a serious mental health condition, as described in Section 5600.3, who have refused treatment after completion of all applicable outreach measures.
 - (7) The amount of hospitalization that has been reduced or avoided.
 - (8) The extent to which veterans identified through these programs' outreach are receiving federally funded veterans' services for which they are eligible.
 - (9) The extent to which programs funded for three or more years are making a measurable and significant difference on the street, in hospitals, and in jails, as compared to other counties or as compared to those counties in previous years.
 - (10) For those who have been enrolled in this program for at least two years and who were enrolled in Medi-Cal prior to, and at the time they were enrolled in, this program, a comparison of their Medi-Cal hospitalizations and other Medi-Cal costs for the two years prior to enrollment and the two years after enrollment in this program.
 - (11) The number of persons served who were and were not receiving Medi-Cal benefits in the 12-month period prior to enrollment and, to the extent possible, the number of emergency room visits and other medical costs for those not enrolled in Medi-Cal in the prior 12-month period.
- (c) To the extent that state savings associated with providing integrated services for persons with a mental health condition are quantified, it is the intent of the Legislature to capture those savings in order to provide integrated services to additional adults.
- (d) Each project shall include outreach and service grants in accordance with a contract between the state and approved counties that reflects the number of anticipated contacts with people who are homeless or at risk of homelessness, and the number of those who have a serious mental health condition and who are likely to be successfully referred for treatment and will remain in treatment as necessary.
- (e) All counties that receive funding shall be subject to specific terms and conditions of oversight and training, which shall be developed by the department, in consultation with the advisory committee.
- (f) (1) As used in this part, "receiving extensive mental health services" means having a personal services coordinator, as described in subdivision (b) of Section 5806, and having an individual personal service plan, as described in subdivision (c) of Section 5806.
- (2) The funding provided pursuant to this part shall be sufficient to provide mental health services, medically necessary medications to treat severe mental illnesses, alcohol and drug services, transportation, supportive housing and other housing assistance, vocational rehabilitation and supported employment services, money management assistance for accessing other health care and obtaining federal income and housing support, accessing veterans' services, stipends, and other incentives to attract and retain sufficient numbers of qualified professionals as necessary to provide the necessary levels of these services. These grants shall, however, pay for only that portion of the costs of those services not otherwise provided by federal funds or other state funds.
 - (3) Methods used by counties to contract for services pursuant to paragraph (2) shall promote prompt and flexible use of funds, consistent with the scope of services for which the county has contracted with each provider.

(g) Contracts awarded pursuant to this part shall be exempt from the Public Contract Code and the state administrative manual and shall not be subject to the approval of the Department of General Services.

(h) Notwithstanding any other provision of law, funds awarded to counties pursuant to this part and Part 4 (commencing with Section 5850) shall not require a local match in funds.

SEC. 97. Section 5856.2 of the Welfare and Institutions Code is amended to read:

5856.2. (a) Eligible children shall include seriously disturbed children who meet the requirements of Section 5856 and who are referred by collaborating programs, including wrap-around programs (Chapter 4 (commencing with Section 18250) of Part 6 of Division 9), Family Preservation programs (Part 4.4 (commencing with Section 16600) of Division 9), Juvenile Crime Enforcement and Accountability Challenge Grant programs (Article 18.7 (commencing with Section 749.2) of Chapter 2 of Part 1 of Division 1), programs serving children with dual diagnosis including substance use disorders or whose emotional disturbance is related to family substance use, misuse, or disorders, and children whose families are enrolled in CalWORKs (Chapter 2 (commencing with Section 11200.5) of Part 3 of Division 9).

(b) Counties shall ensure, within available resources, that programs are designed to serve young children from zero to five years of age, inclusive, their families, and adolescents in transition from 15 to 21 years of age, inclusive.

SEC. 97.5. Section 5856.2 of the Welfare and Institutions Code is amended to read:

5856.2. (a) An eligible child includes a child with serious emotional disturbance who meets the requirements of Section 5856 and who is referred by collaborating programs, including wrap-around programs (Chapter 4 (commencing with Section 18250) of Part 6 of Division 9), Family Preservation programs (Part 4.4 (commencing with Section 16600) of Division 9), Juvenile Crime Enforcement and Accountability Challenge Grant programs (Article 18.7 (commencing with Section 749.2) of Chapter 2 of Part 1 of Division 1), programs serving children with dual diagnosis including substance use disorders or whose emotional disturbance is related to family substance use, misuse, or disorders, and children whose families are enrolled in CalWORKs (Chapter 2 (commencing with Section 11200.5) of Part 3 of Division 9).

(b) A county shall ensure, within available resources, that programs are designed to serve young children from zero to five years of age, inclusive, their families, and adolescents in transition from 15 to 21 years of age, inclusive.

SEC. 98. Section 5863 of the Welfare and Institutions Code is amended to read:

5863. In addition to the requirements of Section 5862, each county program proposal shall contain all of the following:

(a) Methods and protocols for the county mental health department to identify and screen the eligible target population children. These protocols shall be developed with collaborative partners and shall ensure that eligible children can be referred from all collaborating agencies.

(b) Measurable system performance goals for client outcome and cost avoidance. Outcomes shall be made available to collaborating partners and used for program improvement.

(c) Methods to achieve interagency collaboration by all publicly funded agencies serving children experiencing emotional disturbances.

(d) Appropriate written interagency protocols and agreements with all other programs in the county that serve similar populations of children. Agreements shall exist with wrap-around programs (Chapter 4 (commencing with Section 18250) of Part 6 of Division 9), Family Preservation programs (Part 4.4 (commencing with Section 16600) of Division 9), Juvenile Crime Enforcement and Accountability Challenge Grant programs (Article 18.7 (commencing with Section 749.2) of Chapter 2 of Part 1 of Division 1), programs serving children with a dual diagnosis including substance use disorder or whose emotional disturbance is related to family substance use, misuse, or disorders, and programs serving families enrolled in CalWORKs (Chapter 2 (commencing with Section 11200.5) of Part 3 of Division 9).

(e) A description of case management services for the target population. Each county program proposal shall include protocols developed in the county for case management designed to provide assessment, linkage, case planning, monitoring, and client advocacy to facilitate the provision of appropriate services for the child and family in the least restrictive environment as close to home as possible.

(f) Mental health services that enable a child to remain in their usual family setting and that offer an appropriate alternative to out-of-home placement.

(g) Methods to conduct joint interagency placement screening of target population children prior to out-of-home placement.

(h) Identification of the number and level of county evaluation staff and the resources necessary to meet requirements established by the State Department of Health Care Services to measure client and cost outcome and other system performance measures.

(i) A budget specifying all new and currently funded mental health expenditures provided as part of the proposed system of care. The department shall establish reporting requirements for direct and indirect administrative overhead, to be included in the request for proposals. Weight shall be given to counties with lower administrative overhead costs. Administrative costs shall not exceed those of existing county mental health programs and services. Expenditures for evaluation staff and resources shall not be considered administrative costs for this purpose.

(j) Any requirements for interagency collaboration, agreements, or protocols contained in this section shall not diminish requirements for the confidentiality of medical information or information maintained by a county agency or department.

SEC. 99. Section 18986.40 of the Welfare and Institutions Code is amended to read:

18986.40. (a) For the purposes of this chapter, "program" or "integrated children's services programs" means a coordinated children's service system, operating as a program that is part of a department or State Department of Health Care Services initiative, that offers a full range of integrated behavioral, social, health, and mental health services, including applicable educational services, to seriously emotionally disturbed and special needs children, or programs established by county governments, local education agencies, or consortia of public and private agencies, to jointly provide two or more of the following services to children or their families, or both:

- (1) Educational services for children at risk of dropping out, or who need additional educational services to be successful academically.
- (2) Health care.
- (3) All mental health diagnostic and treatment services, including medication.
- (4) Substance use, misuse, or disorder prevention and treatment.
- (5) Child abuse prevention, identification, and treatment.
- (6) Nutrition services.
- (7) Childcare and development services.
- (8) Juvenile justice services.
- (9) Child welfare services.
- (10) Early intervention and prevention services.
- (11) Crisis intervention services, as defined in subdivision (c).
- (12) Any other service that will enhance the health, development, and well-being of children and their families.

(b) For the purposes of this chapter, "children's multidisciplinary services team" means a team of two or more persons trained and qualified to provide one or more of the services listed in subdivision (a), who are responsible in the program for identifying the educational, health, or social service needs of a child and their family, and for developing a plan to address those needs. A family member, or the designee of a family member, shall be invited to participate in team meetings and decisions, unless the team determines that, in its professional judgment, this participation would present a reasonable risk of a significant adverse or detrimental effect on the minor's psychological or physical safety. Members of the team shall be trained in the confidentiality and information sharing provisions of this chapter.

(c) "Crisis intervention services" means early support and psychological assistance, to be continued as necessary, to children who have been victims of, or whose lives have been affected by, a violent crime or a cataclysmic incident, such as a natural disaster, or who have been involved in school, neighborhood, or family based critical incidents likely to cause profound psychological effects if not addressed immediately and thoroughly.

SEC. 99.5. Section 18986.40 of the Welfare and Institutions Code is amended to read:

18986.40. (a) For the purposes of this chapter, "program" or "integrated children's services programs" means a coordinated children's service system, operating as a program that is part of a department or State Department of Health Care Services initiative, that offers a full range of integrated behavioral, social, health, and mental health services, including applicable

educational services, to special needs children with serious emotional disturbance, or programs established by county governments, local education agencies, or consortia of public and private agencies, to jointly provide two or more of the following services to children or their families, or both:

- (1) Educational services for children at risk of dropping out, or who need additional educational services to be successful academically.
- (2) Health care.
- (3) All mental health diagnostic and treatment services, including medication.
- (4) Substance use, misuse, or disorder prevention and treatment.
- (5) Child abuse prevention, identification, and treatment.
- (6) Nutrition services.
- (7) Childcare and development services.
- (8) Juvenile justice services.
- (9) Child welfare services.
- (10) Early intervention and prevention services.
- (11) Crisis intervention services, as defined in subdivision (c).
- (12) Any other service that will enhance the health, development, and well-being of children and their families.

(b) For the purposes of this chapter, “children’s multidisciplinary services team” means a team of two or more persons trained and qualified to provide one or more of the services listed in subdivision (a), who are responsible in the program for identifying the educational, health, or social service needs of a child and their family, and for developing a plan to address those needs. A family member, or the designee of a family member, shall be invited to participate in team meetings and decisions, unless the team determines that, in its professional judgment, this participation would present a reasonable risk of a significant adverse or detrimental effect on the minor’s psychological or physical safety. Members of the team shall be trained in the confidentiality and information sharing provisions of this chapter.

(c) “Crisis intervention services” means early support and psychological assistance, to be continued as necessary, to a child who was the victim of, or whose life has been affected by, a violent crime or a cataclysmic incident, such as a natural disaster, or who have been involved in a school, neighborhood, or family-based critical incident likely to cause profound psychological effects if not addressed immediately and thoroughly.

SEC. 100. (a) Section 41.5 of this bill incorporates amendments to Section 11833.05 of the Health and Safety Code proposed by both this bill and Assembly Bill 2574. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 11833.05 of the Health and Safety Code, and (3) this bill is enacted after Assembly Bill 2574, in which case Section 41 of this bill shall not become operative.

(b) Section 92.5 of this bill incorporates amendments to Section 5348 of the Welfare and Institutions Code proposed by both this bill and Assembly Bill 2119. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 5348 of the Welfare and Institutions Code, and (3) this bill is enacted after Assembly Bill 2119, in which case Section 92 of this bill shall not become operative.

(c) Section 93.5 of this bill incorporates amendments to Section 5600.3 of the Welfare and Institutions Code proposed by both this bill and Assembly Bill 2119. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 5600.3 of the Welfare and Institutions Code, and (3) this bill is enacted after Assembly Bill 2119, in which case Section 93 of this bill shall not become operative.

(d) Section 94.5 of this bill incorporates amendments to Section 5802 of the Welfare and Institutions Code proposed by both this bill and Assembly Bill 2119. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 5802 of the Welfare and Institutions Code, and (3) this bill is enacted after Assembly Bill 2119, in which case Section 94 of this bill shall not become operative.

(e) Section 95.5 of this bill incorporates amendments to Section 5806 of the Welfare and Institutions Code proposed by both this bill and Assembly Bill 2119. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 5806 of the Welfare and Institutions Code, and (3) this bill is enacted after Assembly Bill 2119, in which case Section 95 of this bill shall not become operative.

(f) Section 96.5 of this bill incorporates amendments to Section 5814 of the Welfare and Institutions Code proposed by both this bill and Assembly Bill 2119. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 5814 of the Welfare and Institutions Code, and (3) this bill is enacted after Assembly Bill 2119, in which case Section 96 of this bill shall not become operative.

(g) Section 97.5 of this bill incorporates amendments to Section 5856.2 of the Welfare and Institutions Code proposed by both this bill and Assembly Bill 2119. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 5856.2 of the Welfare and Institutions Code, and (3) this bill is enacted after Assembly Bill 2119, in which case Section 97 of this bill shall not become operative.

(h) Section 99.5 of this bill incorporates amendments to Section 18986.40 of the Welfare and Institutions Code proposed by both this bill and Assembly Bill 2119. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 18986.40 of the Welfare and Institutions Code, and (3) this bill is enacted after Assembly Bill 2119, in which case Section 99 of this bill shall not become operative.