



August 23, 2023

The Honorable Buffy Wicks  
Chair, Assembly Housing and Community Development Committee  
1020 N Street, Suite 156  
Sacramento, CA 95814

**RE: SB 326 (Eggman) Behavioral Health Services Act.– CONTINUING CONCERNS**  
*As amended August 15<sup>th</sup>*

Dear Chair Wicks:

On behalf of the California Alliance of Child and Family Services (the California Alliance), we would like to express our sincere appreciation for some recent amendments to SB 326 (Eggman) – the Behavioral Health Services Act. Our members are very relieved to see new amendments that protect funding for early intervention services for youth. However, without the additional revisions outlined below, we remain deeply concerned that this legislation will cause **severe cuts** in critical services for children and youth and undermine California’s efforts to address a [youth mental health crisis](#) the U.S. Surgeon General has called “alarming,” “devastating,” and also “preventable.”

The California Alliance represents over 160 nonprofit, community-based organizations serving children, youth and families through behavioral health, education, foster care, prevention, and juvenile justice programs throughout the state. Our member agencies are on-the-ground service providers delivering lifesaving services funded by the MHSA, in addition to delivering Medi-Cal behavioral health services.

While our members understand the need to strengthen housing interventions for Californians with behavioral health needs, we reject this proposal’s construction of a false choice between homelessness now and homelessness later. Taking resources from critical mental health services for children and youth will only subject more vulnerable Californians to the trauma of life on the streets, especially since the vast majority of individuals develop mental illness prior to 25.

Our members were therefore very pleased to see that the recent amendments set aside 51% of the BHSA funding for Early Intervention programs for services for children and youth. We also deeply appreciate that the children and youth target population was updated to align with CalAIM’s eligibility criteria, which recognize the critical importance of early interventions for youth who have experienced trauma. Lastly, we were pleased to see that the Prevention category also includes a requirement that 51% of those funds must be spent on programming for children and youth. While these amendments represent tremendous progress, the additional revisions outlined below are equally critical in order to protect much-needed supports for children, youth, and families.

Clarify that Early Intervention Funds Can Support Preventive Services for Individual Youth

We recommend that the bill clarify that “Early Intervention” services include preventive services for individual children and youth who are at risk of developing a behavioral health condition. Without this clarification, some counties may interpret the legislation to fund only services for youth with behavioral health

challenges that are so severe that the youth qualifies for a mental health diagnosis. To clarify that Early Intervention funds may also support preventive services for individual youth, we recommend the following additional language to SEC 43, which adds Welfare & Institutions Code § 5840(b) (listing the components of the Early Intervention program):

5840(b)(3)(C) *Mental health treatment services may also include preventive services to the following children and youth:*  
*(i) individual children and youth at high risk for a behavioral health disorder due to experiencing trauma, as evidenced by: scoring in the high-risk range under a trauma screening tool such as an Adverse Childhood Experiences screening tool; involvement in the child welfare system or juvenile justice system; or experiencing homelessness, and*

*(ii) individual children and youth in populations with identified disparities in behavioral health outcomes.*

#### Set-Aside 30% of Funding for Housing Interventions for Children and Families

We remain concerned that the allocation for housing interventions includes no protection for funding for children and families. **About one in four** Californians who struggle with homelessness are unaccompanied youth or families with children.<sup>1</sup> In addition, 1 in 4 California foster youth experience homelessness after existing the foster care system. These already vulnerable youth are facing unprecedented new challenges.

Yet, as the Legislative Analyst’s Office (LAO) recently observed, the proposal’s funding for housing interventions, as currently designed, is not likely to benefit many youth.<sup>2</sup> The bill, for example, allocates half of the funding for housing supports to “persons who are chronically homeless, with a focus on those in encampments.” As the LAO noted, adults are far more likely than children to meet the definition of chronically homeless (e.g. homeless for at least 12 months). Young people who are struggling with homelessness are more likely to be sleeping in a car, “couch-surfing” in the home of a friend, or living in severely substandard housing. While these youth are less publicly visible than adults living in encampments, they are equally in need of adequate housing. Housing supports for youth, moreover, can be particularly effective early interventions that will help these individuals avoid becoming chronically homeless. To ensure that children and families receive critically needed housing supports, we therefore recommend that the legislation allocate 30% of housing intervention funding for children and families.

#### Set Aside 50% of Full Service Partnerships (FSP) Funding for Children and Youth

While our members are thrilled to see the new set aside of 51% of Early Intervention funds for children and youth, we also strongly recommend a similar 50% set-aside within the allocation for FSPs. FSPs provide essential services and supports to youth who are transitioning from or at risk of entering out-of-home placements, such as juvenile hall, foster care and psychiatric emergency facilities. In FY 20-21, nearly half (48.3%) of clients receiving FSP services were children and Transition Aged Youth.<sup>3</sup> However, with the expansion of the target population to include individuals with substance use disorder (SUD) needs, as well as the Governor’s plan to allocate FSP slots to support CARE Court programs, available funding for FSP

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<sup>1</sup> [The Governor’s Homeless Plan](#), LAO Report, February 2022, states that 16% of Californians experiencing homelessness are families with children and an additional 8% are youth under 24. If youth ages 24 and 25 are added to this statistic, the total number would likely be at least 25% of all individuals experiencing homelessness.

<sup>2</sup> [Impact of Governor’s Proposal on Funding for Children and Youth](#), Legislative Analyst’s Office Budget and Policy Post, August 10, 2023.

<sup>3</sup> Mental Health Services Oversight and Accountability Commission website, Transparency Suite, [Full Service Partnerships](#).



programs for youth will clearly be crowded out by these additional demands on the BHSA's finite pool of dollars.

We thank you for considering these recommendations for additional amendments. Please feel free to reach out to us at [chris@cacfs.org](mailto:chris@cacfs.org) if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Christine Stoner-Mertz", is written over a light gray rectangular background.

Christine Stoner-Mertz, LCSW  
Chief Executive Officer

CC: Honorable Members, Assembly Housing and Community Development Committee  
The Honorable Susan Eggman, Author