

AMENDED IN ASSEMBLY JANUARY 4, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 168

Introduced by Assembly Member Maienschein

January 22, 2015

An act to ~~amend Section 96.15 of the Revenue and Taxation Code, relating to local government finance.~~ *add Section 14021.2 to the Welfare and Institutions Code, relating to mental health services.*

LEGISLATIVE COUNSEL'S DIGEST

AB 168, as amended, Maienschein. ~~Local government finance.~~ *Mental health: community-based services.*

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income persons receive health care benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions. Existing law provides for a schedule of benefits under the Medi-Cal program and provides for specified services, including various mental health services. Existing federal law, the Protecting Access to Medicare Act of 2014, requires the United States Secretary of Health and Human Services to, among other things, select, no later than September 1, 2017, among those states awarded a planning grant to participate in a time-limited demonstration program that is designed to improve access to community mental health and substance use treatment services provided by certified community behavioral health clinics.

This bill would require the department to develop and submit a proposal to the United States Secretary of Health and Human Services to be selected as a participating state in the time-limited demonstration

program described above to receive enhanced federal matching funds for mental health services provided by certified community behavioral health clinics to Medi-Cal beneficiaries. The bill would require the department to work with counties and other stakeholders in developing its proposal for participation in the demonstration program. The bill would also require the department to include in its proposal a requirement that a county shall not be selected to participate in the demonstration program unless the county includes plans to redirect a portion of the funds currently used to match federal funds to provide increased housing opportunities for individuals with severe mental illnesses, as specified.

~~Existing law generally requires the county auditor, in each fiscal year, to allocate property tax revenues to local jurisdictions in accordance with specified formulas and procedures, and generally requires that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. Existing property tax law also requires a county auditor to make certain property tax revenue allocations to qualifying cities, as defined, in accordance with a specified Tax Equity Allocation formula, and to make corresponding reductions in the amount of property tax revenue that is allocated to the county. Existing law also requires the county auditor, in the case in which a qualifying city becomes the successor agency to a special district as a result of a merger with that district as described in a specified statute, to additionally allocate to that successor qualifying city that amount of property tax revenue that otherwise would have been allocated to that special district pursuant to general allocation requirements.~~

~~This bill would make nonsubstantive changes to the provision pertaining to property tax revenue allocations to a qualifying city that merges with a special district.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. The Legislature finds and declares the following:*
- 2 *(a) In 2014 Congress enacted the federal Protecting Access to*
- 3 *Medicare Act of 2014.*

1 (b) Under the Protecting Access to Medicare Act, eight states
2 will be selected to have their federal share of costs increased to
3 90 percent for two years for outpatient behavioral health care for
4 individuals with severe mental illnesses or serious emotional
5 disturbances.

6 (c) If successful, this federal opportunity would enable
7 California to serve the tens of thousands of individuals with those
8 conditions that it now lacks the funding to serve.

9 (d) A major challenge in serving that population is that many
10 are homeless and in need of housing assistance. Federal funding
11 cannot pay for that housing assistance.

12 (e) This federal funding would free up nearly \$2 billion in county
13 funds now being used to match federal funds. The money that is
14 currently being used to match federal funds will now be available
15 to be used to meet the housing needs of those individuals who are
16 not currently receiving the behavioral health care that they need.

17 (f) In October 2015, the United States Secretary of Health and
18 Human Services awarded California a planning grant pursuant
19 to Section 223 of the federal Protecting Access to Medicare Act
20 of 2014 to support California in, among other things, developing
21 its proposal to participate in the two-year demonstration program.

22 SEC. 2. Section 14021.2 is added to the Welfare and Institutions
23 Code, to read:

24 14021.2. (a) The department shall develop and submit a
25 proposal to the United States Secretary of Health and Human
26 Services for selection as a participating state in the time-limited
27 demonstration program pursuant to Section 223 of the federal
28 Protecting Access to Medicare Act of 2014 (Public Law 113-93)
29 in order to improve mental health services furnished by certified
30 community behavioral health clinics to Medi-Cal beneficiaries.

31 (b) In planning to develop its proposal for the demonstration
32 program, the department shall work with counties and other
33 stakeholders to identify the unmet need for the covered services
34 and to estimate the number of individuals who will need housing
35 assistance.

36 (c) The proposal shall require that counties shall not be selected
37 to participate in the demonstration program unless they include
38 plans to redirect a portion of the funds that are currently used to
39 match federal funds but will not be needed for that purpose during

1 *the demonstration period to provide increased housing*
2 *opportunities for individuals with severe mental illnesses.*

3 SECTION 1. ~~Section 96.15 of the Revenue and Taxation Code~~
4 ~~is amended to read:~~

5 96.15. (a) ~~Notwithstanding any other provision of this chapter,~~
6 ~~if a qualifying city, as defined by subdivision (d) of Section 98 or~~
7 ~~subdivision (f) of Section 98.02, becomes the successor agency to~~
8 ~~a special district as a result of a merger described in Section~~
9 ~~57087.3 of the Government Code, the auditor shall allocate to that~~
10 ~~qualifying city, in addition to any other amount of ad valorem~~
11 ~~property tax revenue required to be allocated to that city pursuant~~
12 ~~to this chapter, the amount of ad valorem property tax revenue that~~
13 ~~otherwise would be allocated to that district pursuant to this article.~~

14 (b) ~~It is the intent of the Legislature in enacting this section to~~
15 ~~confirm and clarify a county auditor's duty and authority,~~
16 ~~established by subdivision (d) of Section 57087.3 of the~~
17 ~~Government Code, to allocate to a qualifying city the ad valorem~~
18 ~~property tax revenue of a subsidiary district that has been merged~~
19 ~~with the city.~~