
Governor's Proposed State Budget Fiscal Year 2022-23

Areas of Interest in the Intersection of Criminal Justice & Behavioral Health Systems

This document reflects excerpts from the California Fiscal Year (FY) 2022-23 Proposed Budget Summary, which is located on the California Budget [website](#). Related Departmental Budget Change Proposals may be found on the Department of Finance [website](#).

The [Governor's California Blueprint](#) helps to ensure vulnerable people have the necessary help to get off the streets and get the mental health treatment they need. Governor Newsom's new investments expand on last year's \$12 billion package, creating 55,000 new housing units and treatment slots for people exiting homelessness. The Governor's plan doubles down on the work of the last several years to respond to COVID-19, the climate crisis – including worsening wildfires and drought, persistent inequality and homelessness, and keeping our streets safe.

Key Elements of Proposed Budget

The Governor's Proposed Budget projects a surplus of \$45.7 billion, \$20.6 of which includes General Funds available for discretionary purposes, which are expected to add and/or build upon the progress made to Health and Safety, Education, Economic Growth and Stability, Climate Change and Housing. The Budget anticipates that the State Appropriations limit or "Gann Limit," which constitutionally requires funds to be reallocated evenly between schools and tax refunds, will be exceeded in FY 2021-22, and the updated calculations to account for these funds, as well as any unanticipated COVID-19 impacts due to variant surges, will be addressed in the May Revision. The budget proposal addresses the needs of people with mental health and substance use disorders, those who are justice-involved, and other vulnerable populations, while also addressing underlying inequities and the following are some of the highlights of those priorities:

- ❖ **Health for All:** Building upon Medi-Cal expansions from the Affordable Care Act, an addition of \$819.3 million in FY 2023-24 and \$2.7 billion annually to provide access to full-scope Medi-Cal to all income-eligible adults aged 26 through 49 regardless of immigration status, beginning January 2024.
- ❖ **Preventative Care:** \$400 million (one-time) for provider payments focused on advancing equity and improving quality in children's preventive and integrated behavioral health care.
- ❖ **Housing and Homelessness:** \$9 billion for housing resources and \$8 billion for homelessness resources. Some of the expenditures include:
 - \$1.5 billion over the next two years to expand access to housing for vulnerable populations living with complex behavioral health conditions.
 - \$10.6 million annually for three years for the Returning Home Well Program to continue providing housing for justice-involved individuals who are transitioning from incarceration.
 - \$500 million (one-time) to reduce the number of encampments by funding local

jurisdictions to invest in short- and long-term rehousing strategies.

- ❖ **Public Health Infrastructure:** \$200 million ongoing for local public health infrastructure intended to specifically address workforce expansion, data collection and integration for informing local decision-making, and for the expansion of local partnerships with health care delivery systems, community-based organizations (CBOs), and faith-based organizations, to align efforts to affect necessary system changes.
- ❖ **Crime:** \$285 million over three years for grants to assist local law enforcement and prosecutors to address organized retail theft crime and hold perpetrators accountable.
 - \$25 million (one-time) matching funds for local gun buyback programs.
 - \$20 million (one-time) to support small businesses victimized by retail theft.
 - \$20 million (one-time) programs to intercept the smuggling of drugs at the California-Mexico border.
- ❖ **Labor and Workforce:** Significant investments to address health care and education workforce issues.
 - \$350 million to recruit, train and develop 25,000 new Community Health Workers by 2025 to include specialty certifications in climate health, homelessness and dementia.
 - \$210 million to expand programs for creation of a diverse pool of social workers.
 - \$120 million to develop psychiatric practitioner workforce to include promotional opportunities and attractive salaries.
 - \$60 million to expand emergency medical technicians, in partnership with local public health systems and their contracted emergency medical providers.
- ❖ **Budget Reserves:**
 - \$20.9 billion for the Proposition 2 Budget Stabilization Account (Rainy Day Fund) for fiscal emergencies.
 - \$900 million for the Safety Net Reserve.
 - \$9.7 billion for the Public School System Stabilization Account.
 - \$3.1 billion for the State's operating reserve.

Health and Human Services

The California Health and Human Services Agency (CalHHS) is responsible for the oversight and review of the delivery of health and social services across the state and, more specifically, to the most vulnerable and at-risk Californians. The Governor's January Budget proposal includes \$217.5 billion (\$64.7 billion General Fund and \$152.7 billion other funds) for all health and human services programs in FY 2022-23. For more information visit the [CalHHS Budget Highlights webpage](#) or [Health and Human Services Budget Summary](#) or [Health and Human Services Budget Detail](#).

Addressing Behavioral Health

- ❖ **988 Behavioral Health Crisis Care Continuum** — The Budget proposes \$7.5 million General Fund (\$6 million ongoing) and 10 positions to Public Safety Communications, within the California Office of Emergency Services (OES), to implement a new federally mandated 988 call system to increase the ease and accessibility for those experiencing a behavioral or mental health crisis. Those who dial 988 will be directed to 1 of the 13

existing Lifeline Call Centers across the state. These centers already provide immediate assistance with mental distress, and the additional funding will assist those needing services to receive help more efficiently. In 2022, the CalHHS will develop a plan to support connections between prevention efforts like warm-lines and peer support services, 988 mental health crisis call centers, and mobile crisis response at the local level. See the Office of Emergency Services in the General Government and Statewide Issues section of this summary for more information.

- ❖ **Children and Youth Behavioral Health Initiative** — The Children and Youth Behavioral Health Initiative is a \$4.4 billion allocation over five years dedicated to transform California’s children and youth behavioral health systems to screen, support, and serve all children and youth with behavioral health needs. Services will be statewide, evidence-based, culturally competent, and equity focused. During FY 2021-22, CalHHS launched an interdepartmental team to focus initially on activating and expanding stakeholder engagement, analyzing existing efforts, planning implementation, and making preparations to launch the initial solution design. The [CalHHS Brief](#) provides information on the goals, focus areas, components including milestones for the first half of 2022. The proposed Budget includes the following:
 - \$87 million total fund (\$41 million General Fund) to implement Dyadic Services effective January 1, 2023.
 - \$429 million General Fund for evidence-based behavioral health practices.
 - \$450 million General Fund for school behavioral health partnerships and capacity (on top of the \$100 million provided for FY 2021-22).
 - \$230 million General Fund for the Behavioral Health Services and Supports Platform and related e-Consult service and provider training (in addition to the \$10 million provided in FY 2021-22).
- ❖ **Office of Youth and Community Restoration (OYCR)** — \$7.2 million ongoing General Fund for the OYCR, which operates within CalHHS to support the transition of justice involved youth to being served in local communities and promotes a youth continuum of services that are trauma responsive and culturally informed, using public health approaches that support positive youth development, build the capacity of community-based approaches, and reduce the justice involvement of youth. The OYCR will also assess the efficacy of local programs, provide technical assistance and support, review local Juvenile Justice Realignment Grants, fulfill statutory obligations of an Ombudsperson and develop policy recommendations.

Department of Health Care Services

The Medi-Cal Budget is expected to be \$132.7 billion (\$34.9 billion General Fund) in FY 2022-23. For more information visit the [DHCS Departmental Summary](#) or [DHCS Budget Detail](#).

- ❖ **Behavioral Health Continuum Infrastructure** — The Governor’s Budget proposes \$755.7 million one-time General Fund for competitive grants to qualified entities to construct, acquire, and rehabilitate real estate assets to expand the community continuum of behavioral health treatment resources. In addition, the Governor’s Budget proposed \$1.4 billion (\$1.2 billion General Fund and \$220 million Coronavirus Fiscal Recovery Fund) in FY 2022-23 and \$2.1 million General Fund in FY 2023-24 for competitive

grants to qualified entities to construct, acquire, and rehabilitate real estate assets or to invest in mobile crisis infrastructure to expand community continuum of behavioral health treatment resources. For more information visit the [BHCIP and Community Care Expansion webpage](#).

- ❖ **Behavioral Health Bridge Housing** — The proposed Budget includes funding for behavioral health bridge housing, totaling \$1.5 billion General Fund (\$1 billion in FY 2022-23 and \$500 million in FY 2023-24), to address the immediate housing and treatment needs of people experiencing unsheltered homelessness with serious behavioral health conditions by purchasing and installing tiny homes and providing time-limited operational supports in various bridge housing settings, including tiny homes and existing assisted living settings.
- ❖ **Mobile Crisis Services** — The Budget includes \$108 million total funds (\$16 million General Fund), and trailer bill language, to add qualifying community-based mobile crisis intervention services, as soon as January 1, 2023, as a mandatory Medi-Cal benefit. The benefit will be implemented through county behavioral health delivery systems by multidisciplinary mobile crisis teams in the community. This benefit qualifies for 85 percent federal funding under the American Rescue Plan Act of 2021.
- ❖ **California Advancing and Innovating Medi-Cal (CalAIM) Initiative** — The Budget includes \$2.8 billion (\$982.6 million General Fund) in FY 2022-23 for the CalAIM Initiative. The cost increases in General Fund to \$1.6 billion (\$500 million General Fund) by FY 2024-25.
 - Justice-Involved Initiative: The proposed DHCS Budget includes \$50 million total funds (\$16 million General Fund) in FY 2022-23 to implement the CalAIM justice-related initiatives. California statute mandates that all counties implement pre-release application processes in county jails and youth correctional facilities no sooner than January 1, 2023. Funding includes resources to support capacity building, technical assistance, collaboration, and planning by county and corrections entities to support the design and launch of key CalAIM justice related initiatives, including pre-release applications, pre-release “in-reach” services, and coordinated re-entry.
 - Providing Access and Transforming Health (PATH): PATH provides funding to CBOs, counties, and other local providers to support capacity building as they begin to implement and scale Enhanced Care Management and Community Supports, in particular increasing resources available to populations and communities that have been historically under-resourced and under-served. In addition, PATH will support justice-involved adults and youth by sustaining the pre-release and post-release services. The proposed Budget reflects an expanded scope of activities through PATH as part of the Department’s 1115 Demonstration waiver renewal, subject to adjustment due to late changes in the final waiver package, finalized at the end of December 2021. The Budget includes:
 - \$1.3 billion total funds over five years to support the development of Enhanced Care Management and Community Supports in CalAIM.
 - \$561 million total funds over five years to support implementation of CalAIM justice-involved initiatives, described above.

- Foster Care Model of Care: [AB 2083](#) (2018) required the CalHHS and the Superintendent of Public Instruction to establish a Joint Interagency Resolution Team (JIRT), to provide technical assistance to counties to develop a more integrated System of Care for Children Youth for foster youth who have experienced severe trauma. The FY 2021-22 Budget's accompanying trailer bill language specifies that the JIRT will update its trauma-informed care review to expand or preserve in-state placements and take into account the specific needs and characteristics of youth with unplanned STRTP discharges and youth for whom counties have difficulty finding suitable placements. DHCS and the Department of Social Services (DSS) will center this effort on establishing an accountability framework across systems, advancing equity, and integrating services and care and provide recommendations to the Legislature by December 31, 2022.
- ❖ **Community Health Workers “California 25x25 Initiative”** — \$350 million General Fund to recruit, train, and certify 25,000 new community health workers by 2025, with specialty certifications in areas that include climate health, homelessness, and dementia. See the Labor and Workforce Development section of this summary for more information.
- ❖ **American Rescue Plan (ARP) Act Home and Community-Based Services (HCBS) Spending Plan** — The Centers for Medicare & Medicaid Services (CMS) approved California's HCBS spending plan and DHCS will begin claiming enhanced HCBS funding, making funds available for the state's spending plan initiatives. The ARP provides funding to enhance, expand, and strengthen HCBS. The HCBS Spending Plan includes \$3 billion to enhance, expand, and strengthen HCBS funding and an additional \$1.6 billion in regular federal financial participation across several departments.
- ❖ **Short-Term Residential Therapeutic Programs (STRTPs)** — The Budget Act of 2021 allocated \$7.5 million General Fund in FY 2021-22, for grants to county mental health plans to maintain capacity while facilities transition to qualify for ongoing funding. The FY 2022-23 Budget proposes an additional \$7.5 million from the General Fund for this purpose. Additionally, CMS developed a waiver opportunity for states to receive federal funds for mental services provided to populations with a Serious Mental Illness or Serious Emotional Disturbance (SMI/SED). DHCS plans to submit a proposal to CMS for the SMI/SED Demonstration Waiver in the fall of 2022.
- ❖ **Medication Assisted Treatment (MAT) Expansion Project** — The Budget includes \$96 million General Fund in FY 2022-23 and \$61 million ongoing General Fund for the MAT Expansion Project. Additional MAT resources would be targeted towards expanding the Naloxone Distribution Project, supporting 100 new MAT access points statewide, expanding MAT in county jails, and increasing MAT services within state-licensed facilities. There is an additional \$26 million to train providers to build out the SUD workforce with a focus on opioid treatment, see Labor and Workforce Development section of this summary for more information.
- ❖ **Extension of Adverse Childhood Experiences (ACES) Provider Training** — The Budget includes one-time \$135.1 million (\$67.6 million Mental Health Services Fund and \$67.5 million federal funds), over a three-year period to extend Medi-Cal provider training for ACEs screenings.

Department of Managed Health Care

The California Department of Managed Health Care (DMHC) protects consumers' health care rights and ensures a stable health care delivery system.

- ❖ **Behavioral Health Timely Access to Care Oversight (SB 221)** — DMHC requests \$3.8 million and 19 new positions in a budget change proposal to implement and maintain the new workload resulting from additional Timely Access requirements for substance use disorder (SUD) providers; non-urgent follow-up appointments with mental health/SUD providers; and specialty referrals, as well as to provide technical assistance to Medi-Cal managed care plans, county Mental Health Plans, and Drug Medi-Cal Organized Delivery System counties; develop the necessary monitoring tools; and conduct ongoing monitoring activities pursuant to Chapter 724, Statutes of 2021.

Department of Social Services

The Department of Social Services (DSS) serves, aids, and protects needy and vulnerable children and adults in ways that strengthen and preserve families, encourage personal responsibility, and foster independence. For more information visit the [CDSS Budget Detail](#).

State Supplemental Payment (SSP) Increase — The Budget assumes an additional SSP increase of 24 percent, effective January 1, 2024, resulting in an estimated \$296 million General Fund in FY 2023-24 and \$593 million ongoing, and would fully restore SSP monthly payments for both individuals and couples to pre-Great Recession levels. The increase is projected to bring maximum SSI/SSP grant levels to \$1,123 per month for individuals and \$1,940 per month for couples in 2024.

- ❖ **CalWORKs Grant Increase** — The Budget project a 7.1 percent increase to CalWORKs Maximum Aid Payment levels, with an estimated cost of \$200.7 million in FY 2022-23. These increased grant costs are funded entirely by the Child Poverty and Family Supplemental Support Subaccounts of the Local Revenue Fund.
- ❖ **Children's Programs** — The Budget includes \$665.8 million General Fund in FY 2022-23 for services to children and families in these programs. When federal and 1991 and 2011 Realignment funds are included, total funding for children's programs is in excess of \$8.5 billion in FY 2022-23.
- ❖ **Foster Youth Independence Pilot Program** — The Budget includes \$1 million one-time General Fund, available over two years, for the Foster Youth Independence Pilot Program, which provides county child welfare agencies funds to provide case management and support services for former foster youth utilizing federal housing choice vouchers.
- ❖ **Family Finding and Engagement** — The Budget includes \$1 million (\$750,000 General Fund) ongoing for the CDSS to provide additional technical assistance and training to counties to help connect children in foster care and unaccompanied minors to permanent family.

Department of Public Health

The California Department of Public Health (CDPH) is charged with protecting and promoting the health and well-being of the people of California. For more information, visit the [CDPH Budget Detail](#).

- ❖ **Local Assistance Funding** — The Budget includes \$200 million General Fund annually for local health jurisdictions (LHJs) to enhance their public health infrastructure and addressing social determinants of health. The intent is to drive collaboration across counties and leverage resources collectively in order to gain economies of scale. While LHJs may have more individualized investment areas of focus to meet their local community needs DPH has collaborated with local partners to develop key metrics, minimum requirements for use of the funds, and reporting requirements to determine that local funding resources should broadly include Workforce Expansion, Data Collection and Integration, and Community Partnerships.
- ❖ **State Operations Funding** — The Budget includes \$100 million General Fund annually for CDPH to strengthen statewide public health infrastructure and complement local funding so that state and local governments can collaboratively work together to improve the health of all Californians.
- ❖ **Opioids** — One-time \$86 million opioid settlement funds which will be dedicated to a public awareness campaign targeted towards youth opioids education and awareness and fentanyl risk education (\$50 million) and improving the state's ability to collect and analyze data on opioid overdose trends (\$5 million) for the Department of Public Health systems and CBOs, including faith-based organizations, in order to marshal all resources to drive system change.

Department of State Hospitals

The Department of State Hospitals (DSH) cares for patients with serious mental illness, 90 percent of whom are sent to state hospitals through the California court system and the pandemic has exacerbated the felony incompetent to Stand Trial (IST) patients. For more information visit the [Departmental Budget Highlights](#) and [DSH Budget Estimate](#).

- ❖ **Felony Incompetent to Stand Trial (IST) Waitlist Solutions** — The Budget includes language authorizing the Department of Finance to augment DSH's Budget by \$75 million General Fund in FY 2021-22 for the purposes of implementing solutions identified by the IST Workgroup to address the IST patient waitlist.

The Budget includes statutory language authorizing the Department of Finance to augment DSH's Budget by an additional \$350 million General Fund, building on the \$175 million already available in FY 2022-23 authorized by the 2021 Budget Act for the purposes of implementing solutions identified by the IST Workgroup to address the IST patient waitlist. Informed by the deliberations of the Workgroup, the Budget reflects spending of \$93 million General Fund in FY 2021-22 (including funds previously appropriated for Workgroup solutions and redirected funds) and \$571 million General Fund in FY 2022-23 and ongoing (including funds previously appropriated for Workgroup solutions, redirected funds and new funding). Additional details can be found in the [DSH IST Solutions Proposal](#). These funds will provide for:

- Early Stabilization and Community Care Coordination to provide immediate solutions to support access to treatment for the nearly 1,700 individuals currently found IST on felony charges and waiting in jail, and to reduce the flow of new incoming referrals. This includes funding for:
 - Early access to medication stabilization teams to encourage substantive treatment in jail settings,
 - Statewide funding for medication support, and
 - DSH case management teams to coordinate IST care with counties and other community providers.
- Expand Diversion and Community-Based Restoration (CBR) Capacity to increase IST treatment alternatives by investing in the community infrastructure required to support the felony IST population. This includes funding for:
 - Infrastructure to increase the number of community residential beds dedicated to DSH Diversion and CBR programs,
 - Augmented funding for counties to expand DSH Diversion and CBR,
 - Creation or expansion of permanent community-based treatment programs for felony IST patients,
 - Supporting county partnerships for entities impacted by felony IST community placements, and
 - Providing robust technical assistance for counties and resources for DSH to provide administrative and clinical support to the community programs.
- Increased Placements to Conditional Release Program (CONREP). This includes funding for:
 - new independent placement determination panel to increase the number of individuals served in the community via CONREP, and
 - Improving assessment process for patients who are committed to DSH.

Department of Health Care Access and Information

Formerly the Office of Statewide Health Planning and Development, the Department of Health Care Access and Information (HCAI) is committed to expanding equitable access to health care for all Californians—ensuring every community has the health workforce they need, safe and reliable health care facilities, and health information that can help make care more effective and affordable. For more information visit the [HCAI Budget Detail](#).

- ❖ **Care Economy: Workforce for a Healthy California for All** — \$1 billion one-time General Fund over three years to HCAI to strengthen and expand the state's health and human services workforce. See the Labor and Workforce Development Chapter for more information.
- ❖ **Community Benefit Funding for Community-Based Organizations** — The Administration proposes statutory changes to direct 25 percent of non-profit hospitals' community benefit dollars to CBOs and gives HCAI enforcement authority over these requirements. CBOs play a key role in efforts to address SDOH including housing security, food security,

economic stability, schools and childcare, community violence and hate crimes, youth criminal justice, transportation, environment and environmental justice, and community capacity building. These organizations bring valuable skills, perspectives, and community connections to effective public health interventions. The state intends to advance equity and reduce disparities in health outcomes by leveraging this sector and investing in CBOs that are focused on public health efforts.

Housing and Homelessness

The Budget reflects the Administration's commitment to equitably build more affordable housing for Californians and expand access to housing for vulnerable populations, including individuals with complex behavioral health conditions and people living in unsheltered settings. In total, the Budget includes \$9 billion for housing resources and \$8 billion for homelessness resources in FY 2022-23.

The Budget includes \$2 billion to expand access to housing for vulnerable populations with complex behavioral health conditions and people living in encampments and complements the funding included in the 2021 Budget. For more information visit the [housing and homelessness](#) portion of the FY 2022-23 budget.

- ❖ **Behavioral Health Continuum Infrastructure** — The Budget includes \$1.5 billion General Fund over two years to in dedicated resources to address immediate housing and treatment needs through DHCS' Behavioral Health Continuum Infrastructure Program, with competitive grants to purchase and install tiny homes and to provide time-limited operational supports in these tiny homes or in other bridge housing settings including existing assisted living settings. See the Department of Health Care Services section for more information.
- ❖ **Encampments and Unsheltered Settings** — The Budget includes an additional \$500 million one-time General Fund, building on the \$50 million of Encampment Resolution Grants to local jurisdictions that will be awarded in Spring 2022, to deploy a substantially expanded program for jurisdictions to invest in short- and long-term rehousing strategies for people experiencing homelessness in encampments around the state.
- ❖ **Returning Home Well** — The Budget includes \$10.6 million General Fund annually for three years to continue the Returning Home Well Program which provides transitional housing services to individuals released from CDCR who would otherwise be at risk of being unhoused at the time of their release. This program, initiated during the COVID-19 Pandemic, has served over 5,300 individuals to date. See California Department of Corrections and Rehabilitation section of this summary for more information.

Criminal Justice

California Department of Corrections and Rehabilitation

The California Department of Corrections and Rehabilitation (CDCR) incarcerates people convicted of the most violent felonies, supervises those released to parole, and provides rehabilitation programs to help them reintegrate into the community. CDCR strives to facilitate the successful reintegration of the individuals in its care back to their communities equipped with the tools to be drug-free, healthy, and employable members of society by providing education, treatment, and rehabilitative and restorative justice programs. The proposed Budget includes a total of \$14.2 billion (\$13.8 billion General Fund and \$363.4 million other funds) for CDCR. For more information visit the [CDCR budget webpage](#), [CDCR Budget Detail](#) or [Criminal Justice Budget Summary](#).

COVID-19 Update

In December 2020, CDCR reported as many as 10,600 active incarcerated adult COVID-19 cases and 3,250 active staff COVID-19 cases in its adult institutions. The number of active COVID-19 cases across CDCR's prison system decreased significantly throughout 2021. In early December, the number of active cases began increasing. As of December 31, 2021, CDCR reported 634 incarcerated adult cases and 1,101 staff cases in its adult institutions. Given the recent increase in cases and the ongoing risks posed by the pandemic within the prison environment, the Department will continue focused efforts and emergency actions to mitigate the impacts of COVID-19.

Due to the impacts of COVID-19, state intake suspension from county jail, early release programs, and Proposition 57, the adult inmate population has declined substantially. The average daily adult incarcerated population for FY 2021-22 is now projected to total 104,554. Current projections show the adult incarcerated population is temporarily trending upward and is expected to increase by 8,310 individuals between FYs 2021-22 and 2022-23, primarily because CDCR has resumed intake of individuals sentenced to prison, but who remain in county jails awaiting transfer to state prison. The population is projected to resume long-term downward trends to 100,361 in FY 2024-25.

The 2021 Budget Act projected an overall parolee average daily population of 48,269 in FY 2021-22. The average daily parolee population is projected to decrease by 5,306 to 42,963 in FY 2022-23, a decrease of 11 percent from spring projections. The parole population is projected to decline to 38,284 by June 30, 2026. Below are some key budget highlights:

- ❖ **Expansion of Rehabilitative Opportunities** — The Budget includes \$3 million ongoing to operate a rehabilitative environment within Valley State Prison (VSP) that better prepares people for release and life outside of the institution. These funds will expand programming and support facility improvements at VSP, guided by the Norway model. CDCR is leveraging these resources to establish two new baccalaureate degree programs, ramp up new vocational and career technical training opportunities, and purchase additional laptops that will be rolled out to support literacy development. CDCR is also in the process of utilizing these funds to construct two new modular buildings that will accommodate additional educational and rehabilitative programming.

- ❖ **Expand Higher Education Opportunities** — The Budget includes \$5 million General Fund in FY 2022-23, and \$4.7 million ongoing, to permanently fund Bachelor's Degree Programs at seven institutions in collaboration with the California State University system. These programs will be available to students upon successful completion of their community college programs and will enable them to further prepare to enter the workforce and find gainful employment upon their release from prison. CDCR offers a variety of educational programs to incarcerated individuals to further their educational attainment and reduce recidivism following release. These programs include Adult Basic Education, secondary education (high school diploma or equivalency), and career technical education. CDCR has also expanded its community college programs in partnership with the California Community Colleges and now offers these programs at 33 of 34 institutions. CDCR served 6,246 community college students during the spring 2021 semester.
- ❖ **Rehabilitative Programming Administrative Support** — The Budget includes \$3.9 million General Fund in FY 2022-23 and \$4.6 million ongoing to provide administrative support for the operation of expanded rehabilitative services. CDCR offers several types of programs that provide credit-earning opportunities, including health and education learning options. As the Department expands these opportunities, CDCR needs additional administrative resources to support program delivery and credit tracking. The California Correctional Health Care Services' (CCHCS) treatment model is based on the principle that every patient should be an active partner in their own health. One way in which CCHCS puts this principle into practice is by operating Nursing Led Therapeutic Groups, which provide incarcerated individuals with standardized education on medical conditions, positive health behaviors, and methods to improve patient health and wellness. CCHCS plans to run more than 1,300 groups at 19 institutions in FY 2022-23.
- ❖ **Integrated Substance Use Disorder Treatment (ISUDT) Program** — The Budget includes \$126.6 million General Fund in FY 2022-23, and \$162.5 million ongoing, to expand the ISUDT Program and enhance the Department's ability to treat individuals with SUDs. These resources will enable CDCR to serve an increasing number of program participants with MAT annually and make other targeted enhancements, including increasing patient screening and adding an aftercare component for individuals who complete the core ISUDT programming. Additionally, the Budget includes \$10.4 million ongoing (\$5.2 million General Fund and \$5.2 million in reimbursement authority) for CDCR to implement California Advancing and Innovating Medi-Cal (CalAIM) services and supports for justice-involved individuals, as required by statute. See DHCS section of this summary for more details on CalAIM.
- ❖ **Returning Home Well** — The Budget includes \$10.6 million General Fund annually for three years for the Returning Home Well Program to continue while providing the opportunity to assess the ongoing needs of the released population. CDCR established the Returning Home Well Program during the pandemic to provide emergency transitional housing services to individuals who would otherwise be at risk of being unhoused at the time of their release. As of November 2021, the Returning Home Well

Program had served 5,293 individuals. While this program was initiated in response to the pandemic, the need for emergency transitional housing for parolees will remain after the public health crisis subsides. For more information, visit the [Returning Well Home budget change proposal](#).

Division of Juvenile Justice

Consistent with Chapter 337, Statutes of 2020 (SB 823), the Division of Juvenile Justice (DJJ) ceased intake of new youth on July 1, 2021, with limited exceptions, and is scheduled to close on June 30, 2023. The youth population is expected to decline decreasing to be 544 youth in FY 2022-23. DJJ is currently experiencing various challenges with regard to recruiting and retaining staff. The Administration plans to engage with the relevant stakeholders early in 2022 to identify solutions to address these challenges given the important role these positions play in supporting DJJ operations and the delivery of rehabilitative programming and treatment to youth housed at DJJ. The OYCR will play an active role in monitoring and facilitating the transition of services for the DJJ to be provided at the local level.

Local Public Safety

Specific details of the Budget for the following programs can be found at the [Criminal Justice Budget Summary](#).

- ❖ **Cracking Down on Organized Retail Theft and Other Crimes** — The Budget includes a total of \$356 million General Fund over three years, including \$132 million in FY 2022-23, for the proposals that bolster local law enforcement efforts to crack down on organized retail theft and other crimes, and support affected small businesses.
 - \$85 million annually through FY 2024-25 in competitive grants for local law enforcement to combat organized retail crime. The program will be administered by the Board of State and Community Corrections and provide funding to the police departments, county sheriffs, and probation departments to enforce theft-related laws.
 - \$10 million annually through FY 2024-25 for competitive grants to local District Attorneys to create dedicated retail theft prosecution teams.
 - \$6 million in FY 2022-23 to provide a total of \$15 million annually for the California Highway Patrol to expand and make permanent its Organized Retail Theft Taskforce.
 - \$6 million annually through FY 2024-25 and \$500,000 ongoing for the Department of Justice (DOJ) to support regional task forces combating organized retail theft and to prosecute retail theft cases that span multiple jurisdictions.
 - \$5 million for the DOJ to continue leading anti-crime task forces around the state, including High Impact Investigation Teams, Los Angeles interagency efforts, and task forces to combat human trafficking and gangs.

- \$20 million (one-time) for grants to small businesses that have been the victim of retail theft, or that have suffered damage caused during retail theft incidents, to assist with repairing or replacing infrastructure to resume business operations.
 - \$25 million one-time General Fund to establish a competitive grant program to support local gun buyback programs.
 - \$20 million one-time General Fund to expand the Military Department’s existing drug interdiction efforts supporting the four High Intensity Drug Trafficking Areas in California.
- ❖ **Proposition 47 Savings** — The Department of Finance estimates net General Fund savings of \$147.3 million in FY 2022-23. This is an increase of \$31.1 million over FY 2021-22, due to the inclusion of savings associated with the closure of Deuel Vocational Institution in Tracy in September 2021. These funds will be allocated according to the formula specified in the initiative, which requires 65 percent be allocated for grants to public agencies to support various recidivism reduction programs (such as mental health and substance use treatment services), 25 percent for grants to support truancy and dropout prevention programs, and 10 percent for grants for victims' services. This additional funding will bring the total allocated for these programs to approximately \$555 million General Fund since the passage of Proposition 47.
 - ❖ **Post Release Community Supervision (PRCS)** — A \$23.2 million one-time General Fund allocation for county probation departments to supervise the temporary increase in the average daily population of offenders on PRCS as a result of the implementation of Proposition 57.
 - ❖ **Community Corrections Performance Incentive Grant** — The Community Corrections Performance Incentive Grant, Chapter 608, Statutes of 2009 (SB 678) was created to provide incentives for counties to reduce the number of felony probationers sent to state prison. The Budget contains \$115 million one-time General Fund to support the incentive program.
 - ❖ **Officer Wellness** — The Budget includes \$5 million one-time General Fund in FY 2022-23, to be spent over three years, for the Commission on Peace Officer Standards and Training to support the physical, mental, and emotional health of local law enforcement personnel through sustainable wellness programs, training, and research.

Labor and Workforce Development

The Budget includes a one-time \$1.7 billion investment over three years in care economy workforce development-across both the Labor and Workforce Development Agency (Labor Agency) and CalHHS-that will create more innovative and accessible opportunities to recruit, train, hire, and advance on ethnically and culturally inclusive health and human services workforce, with improved diversity, wages, and health equity outcomes. The Care Economy Workforce investments will be jointly coordinated by the Labor Agency and CalHHS through the CalHHS/Health Care Access and Information (HCAI) Health Workforce Education and Training Council. For more information see the [Labor and Workforce Development Budget Summary](#). These specific investments include:

- ❖ **California 25x25 Initiative** — \$350 million General Fund to recruit, train, and certify 25,000 new community health workers by 2025, in partnership with the HCAI and the DHCS, with specialty certifications in areas that include climate health, homelessness, and dementia.
- ❖ **High Road Training Partnerships** — \$340 million General Fund for training and career advancement programs for people with barriers to employment, in alignment with the Workforce Council for Healthcare Training priorities. Funding supports collaborations and training programs among CBOs, local workforce boards, labor unions, educational institutions, and employers to build partnerships and pathways into family-sustaining healthcare jobs.
- ❖ **California Social Work 2030 Initiative** — \$210 million General Fund to support social work training programs and provide stipends and scholarships to create a new pipeline for diverse social workers who cannot otherwise afford the financial or time investment required to complete full-time programs.
- ❖ **Psychiatric Resident Program** — \$120 million General Fund to create training positions for psychiatric residents, psychiatric mental health nurse practitioners, psychology interns/fellows, and psychiatric nurses. Increasing on-site training programs will assist in building the workforce while also serving as an active recruitment pool for advancement within the health and human services workforce, leading to promotional pathways and increased salaries.
- ❖ **Healthcare Workforce Advancement Fund** — \$90 million General Fund for the Employment Training Panel to support job entry and career advancement for entry-level and other workers in health and human service settings, with \$40 million intended for social worker training.
- ❖ **Multilingual Health initiatives** — \$60 million General Fund to expand scholarships and loan repayment programs in healthcare and social work for multilingual applicants, with the goal of increasing language and cultural competencies throughout the care workforce.
- ❖ **Emergency Medical Services Corps** — \$60 million General Fund to expand Emergency Medical Technicians, in partnership with local public health systems and their contracted emergency medical providers.
- ❖ **Workforce Council for Healthcare Training** — \$3 million General Fund to leverage HCAI's Health Workforce Education and Training Council to research healthcare shortages and support research on best practices and strategies to build a diverse, culturally competent workforce to build the health care workforce.
- ❖ **California Youth Leadership Program Language Justice Pathway** — \$10 million to expand earn-and-learn community change career pathways for community college students through the California Youth Leadership Corps, a new statewide partnership between the Labor Agency, the Community Learning Partnership, selected California community colleges, local nonprofit organizations, and community partners.

General Government and Statewide Issues

The Budget includes funding proposals in a variety of departments that will impact the criminal justice and behavioral health populations. Innovative work to research genetics as they relate to ACEs and depression, mental health crisis numbers, funds to build strong communities and address racism, free school meals, to build capacity and infrastructure of the community-based organizations (CBOs) providing vital services to the most vulnerable communities. For more information see the [General Government and Statewide Issues Budget Summary](#).

Governors' Office of Planning and Research

- ❖ **California Initiative to Advance Precision Medicine** — The California Initiative to Advance Precision Medicine (CIAPM), located in the Governors' Office of Planning and Research (OPR), supports collaborative research and partnerships between the state, researchers, patients, and communities to advance a holistic perspective of physical and mental well-being. [CIAPM's portfolio of demonstration projects](#) comprises broad collaborative efforts across institutions and sectors. The activities range from discovery to clinical implementation, aiming to enable more precise, individually targeted prevention, diagnosis, and treatment of disease, and to illustrate that precision medicine is making a difference now. In Fall 2019, in partnership with California's first-ever Surgeon General, CIAPM announced funding for demonstration projects that address ACEs with a Precision Medicine approach. In Summer 2021 CAIPM awarded [over \\$20 million dollars of state funds](#) to support proof-of-principle demonstration projects for families and communities with ACEs with an aim to improve access, care, and outcomes through collaboration between academic, community, nonprofit, and industry partners.
 - **Precision Medicine and Depression Research in Behavioral Health Settings** — The Budget includes \$10 million one-time General Fund for a competitive grant program to support precision medicine-based approaches to preventing, diagnosing, and treating depression. Grant recipients will use the principles of precision medicine to harness the power of computational analytics, next-generation genetic sequencing, and data sharing and aggregation to provide interventions that are tailored to a specific patient. For more information, visit the [Precision Medicine Depression budget change proposal](#).
 - **Equitable inclusion in Biomedical Research** — The Budget includes \$9.3 million one-time General Fund to increase participation in biomedical research to better reflect California's diversity. CIAPM will lead an interagency collaboration to develop best practices, create promotional materials, and host events to raise awareness and increase participation among underrepresented communities in research studies.
- ❖ **Office of Community Partnerships and Strategic Communications (OCPSC)** — The Budget includes \$65 million ongoing General Fund to create the OCPSC within the Governor's OPR to formalize and leverage the infrastructure and work of the Census 2020 and COVID-19 public awareness and community engagement campaigns. The OCPSC will be established within OPR and will manage the state's highest priority public awareness and community outreach campaigns. In managing these select efforts, the office will develop and execute the public awareness and outreach strategy, working in partnership

with the respective state agencies who will serve as subject matter experts. The OCPSC will work with local CBOs and other partners statewide to engage Californians experiencing the greatest health and social inequities with culturally competent and relevant information to improve the quality of their lives and livelihoods.

Department of Education

- ❖ **Two Free School Meals** — The Budget proposes that beginning in FY 2022-23 school year, all public schools will be required to provide two free meals per day to any student who requests a meal, regardless of income eligibility. Further, all schools eligible for the Community Eligibility Provision, the federal universal meals provision, will be required to apply for the program by June 30, 2022 (if they are not already participating), to reduce volatility in costs to the state and ensure the state is not responsible for costs that could be reimbursed at the federal level. The state will then cover any remaining unreimbursed costs up to the federal free per-meal rate, at an estimated cost of \$650 million Proposition 98 General Fund annually.
- ❖ **Anti-Racism Initiatives** — An increase of \$5.6 million one-time Proposition 98 General Fund to support the implementation of the provisions of Chapter 32, Statutes of 2020 (AB 1460) and system-wide anti-racism initiatives.
- ❖ **Former and Current Foster Youth Access Award** — An increase of approximately \$15.1 million ongoing General Fund to provide a supplemental access award for former or current foster youth.

Office of Emergency Services (OES)

- ❖ **Strengthening Equity and Connections with Communities** — \$29.9 million ongoing General Fund and 13 positions to establish a new Office of Equity and make permanent an annual \$25 million *Listos* California grant program to further strengthen connections and build resiliency with all communities.
- ❖ **Community Hardening to Build Disaster Resilient Communities** — \$100 million one-time General Fund to support community hardening efforts. Of this amount, \$85 million will be used to support under-resourced communities by covering up to 100 percent of the local government's cost share for participating in the federal hazard mitigation grant program. The remaining funds will be used for efforts supporting this program, including but not limited to, outreach to disadvantaged local communities and providing technical assistance to local governments as they apply for federal grants.
- ❖ **Implementing a 988 Behavioral/Mental Health Crisis Hotline** — The Budget proposes \$7.5 million General Fund (\$6 million ongoing) and 10 positions to Public Safety Communications, within OES, to invest in the state's network of emergency call centers to support the launch of a new 988 hotline, an alternative to 911 for people seeking help during a mental health crisis. Beginning in July 2022, calls to the new 988 mental health crisis number will be received by the 13 public and private call centers in California that currently take calls that are routed to them from the National Suicide Prevention Lifeline.

These counselors, which include volunteers who are not registered/certified professional behavioral health counselors, are highly trained to assist people in emotional distress or suicidal crisis. Funding for 988 crisis call centers will link to new mobile crisis services that will be linked to effective community treatment.

Department of Consumer Affairs

❖ **Cannabis Tax Fund** — The Department of Consumer Affairs oversees the continuously appropriated allocation of resources in the Cannabis Tax Fund (Proposition 64). Pursuant to Proposition 64, expenditures are prioritized for regulatory and administrative workload necessary to implement, administer, and enforce the Cannabis Act, followed by research and activities related to the legalization of cannabis and the past effects of its criminalization. Once these priorities have been met, the remaining funds are allocated to youth education, prevention, early intervention, and treatment; environmental protection; and public safety-related activities. The Budget estimates \$594.9 million will be available for these purposes in FY 2022-23, and the structure of these allocations is unchanged from FY 2021-22:

- Education, prevention, and treatment of youth SUDs and school retention — 60 percent (\$356.9 million)
- Clean-up, remediation, and enforcement of environmental impacts created by illegal cannabis cultivation — 20 percent (\$119 million)
- Public safety-related activities — 20 percent (\$119 million)

These figures reflect a decrease of \$34.2 million compared to the allocation estimates in the 2021 Budget Act.