



DEPARTMENT OF MENTAL HEALTH

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DMH Legislative Report for the Behavioral Health Commission – October 3, 2025

This report includes an update on the Federal government shutdown. It also includes an updated list of DMH's priority bills and bills of interest for the 2025-26 legislative session. The Department will continue identifying and analyzing legislation throughout the session and updates on our priority list of bills that may impact our operations and the public mental health safety net.

Federal Government Shutdown

As of the time of this report's drafting (October 3rd), the Federal government is currently shut down and unfunded. Funding for the Federal government expired as of 12:01 AM on October 1, 2025, effectively shutting down the Federal government. Although Congress has supported partial and full continuing budget resolutions in the recent past, Congress was unable to pass a budget bill before the current continuing budget resolution expired. While the shutdown will impact large sections of the safety net, there is no immediate impact to DMH or our local mental health system. This is because the Department's main source of funding from the Federal government, Medicaid/Medi-Cal funding, is appropriated through December 31, 2025. So, there should be no impact on DMH or the Department's operations and funding of the local mental health system as long as the shutdown does not extend beyond the end of the calendar year.

At this moment it is unclear how and when this budget impasse will be resolved. The County and the Department continue to closely monitor the situation and will share any relevant updates with the Commission as they become available.

Priority Legislation

The analysis and status update offered below should be considered preliminary and may be subject to change as bills are awaiting on the Governor's desk. The Governor has until October 12th, 2025 to sign or veto bills.

- **SB 27 Community Assistance, Recovery, and Empowerment (CARE) (Umberg)**, as amended on September 2, 2025, would allow the court to conduct the initial appearance on the petition at the same time as the prima facie determination if specified requirements are met. The bill, in the first hearing to determine competence to stand trial, would authorize the court to consider the petitioner's eligibility for both diversion and the CARE program. Authorize the county behavioral health agency and jail medical providers to share confidential medical records and other relevant information with the court for the purpose of determining likelihood of eligibility for behavioral health services and programs. Authorize the court to call additional progress hearings after 60 days. Would include persons suffering from bipolar I disorder with psychotic features, except for psychosis related to current intoxication, in the disorder class. Authorize a court to refer an individual from felony proceedings, as specified, to the CARE Act program. Authorize a CARE Act court to consider a referral as a petition for participation in the CARE program if certain requirements are met. Would include a nurse practitioner and physician assistant as a "licensed

behavioral health professional” for purposes of individuals authorized to prepare an affidavit supporting a CARE process petition.

DMH’s Analysis: SB 27, June 17, 2025 amended version, originally included an expansion of the eligibility criteria to include mood disorders with psychotic features. The Department opposed the earlier version of the bill because it would have significantly increased the population eligible for CARE Court. In addition, the previous version would have expanded the definition of “licensed medical professionals” that could be involved in the CARE Court process to include nurse practitioners and physician assistants. However, the bill required neither of these provider types to specialize in a behavioral health field.

The current version of the bill, amended on September 2, 2025, narrowed the expansion to clients with bipolar I disorder with psychotic features and limited the roles of nurse practitioners and physician assistants to submitting affidavit to support petitions. The Department has no concerns with the enrolled language (as of September 17, 2025) which removed the urgency clause and, if passed, would roll out on January 1, 2026.

DMH’s Position: Watch.
County Position: Watch.
CBHDA Position: Oppose.

Current Status: On the Governor’s desk, awaiting his signature/veto.

- **SB 331 Substance Abuse (Menjivar)**, as amended on May 23, 2025, would include in the definition of “gravely disabled” for purposes of the above provisions an individual who is unable to provide for their basic personal needs due to chronic alcoholism, as defined. Would further define a “mental health disorder” as a condition outlined in the current edition of the Diagnostic and Statistical Manual of Mental Disorders. Would include the original petitioner, and in specified circumstances, the original petitioner if the respondent consents, in the specified entities that would receive notice of proceedings and service of documents and reports. Would include the original petitioner in those required to work with county behavioral health agencies to enter into CARE agreements, among other things.

DMH Analysis: DMH has concerns with SB 331’s current intent to broaden the definition of “mental health disorder” and believes that current processes are appropriate and sufficient to ensure that individuals with potential mental health disorders are evaluated for 5150’s. If an individual is a danger to themselves or others, there are already processes in place for that individual to get access to the LPS systems.

DMH Position: Expressed concerns.
County Position: Watch.
CBHDA Position: Oppose.

Current Status: The author has decided to turn this into a two-year bill.

- **SB 483 Mental Health Diversion (Stern)**, as amended on July 9, 2025, requires a defendant to agree that a recommended treatment plan will meet their specialized needs. Redefines pretrial

diversion to require that the court is also satisfied that the recommended program is consistent with the underlying purpose of mental health diversion. Would state that, notwithstanding the court's determination whether a defendant may pose an unreasonable risk that the defendant will commit a new violent felony, the court retains discretion to deny pretrial diversion if it concludes that the defendant poses an unreasonable risk to the physical safety of another.

DMH Analysis: SB 483, introduced on February 19, 2025, originally included a requirement for the court to approve any recommended inpatient or outpatient mental health treatment programs. This could have delayed the processing and placement of individuals seeking treatment through diversion. The Department also opposed the earlier version of the bill because it would have allowed courts to bypass the clinical judgment of county behavioral health agencies and overrule the subject matter expertise of clinicians.

However, the current version of the bill, amended on July 9, 2025, has removed this provision. The Department has no concerns with the amended language (as of July 9, 2025), which requires the defendant to agree that the recommended treatment plan will address their specific needs as a condition of diversion.

DMH Position: No position taken yet.
County Position: No position taken yet.
CBHDA Position: No position taken yet.

Current Status: The bill was held in Assembly Committee on Appropriations on August 29, 2025.

- **SB 16 Ending Street Homelessness (Blakespear)**, as amended on June 23, 2025, would require applicants for Round 7 of the Homelessness Housing, Assistance, and Prevention Program (HHAP) to identify goals to reach functional zero for homelessness and city and county applicants to submit an MOU describing their roles and responsibilities as it relates to homelessness. In addition, new amendments would allow HHAP applicants to draw down additional dollars from BH Housing Funds, No Place Like Home, BHBH, and HomeKey+.

DMH Analysis: SB 16, March 23, 2025 amended version, would have required counties to pay for at least 50% of the expected operating costs for city homeless shelters in order to qualify for Homeless, Housing, Assistance, and Prevention (HHAP) funding. The County of Los Angeles took an oppose position on the previous version (March 25, 2025, amended version). However, SB 16 was significantly amended on June 23, 2025 and became a two-year bill. DMH does not have concerns on the current version of SB 16, however, it is possible the bill will be amended again in 2026.

DMH Position: Expressed concerns (over March 25, 2025 version), no concerns on the June 23, 2025 version.
County Position: Watch (based upon the June 23, 2025 version).
CBHDA Position: Oppose (based upon the June 23, 2025 version).

Current Status: The author has decided to turn this into a two-year bill.

- **SB 823 Mental health: the CARE Act (Stern)**, would include bipolar I disorder in the criteria for a person to receive services under the CARE Act. By increasing the duties on the county behavioral health agencies, this bill would impose a state-mandated local program.

DMH's Analysis: DMH recommends supporting SB 823 if it is amended to restrict the eligibility expansion to clients with a diagnosis of bipolar I disorder *with* psychotic features. This would ensure that those who are most in need of support, including clients with anosognosia, receive access to the CARE Act process and services.

DMH Position: Support if amended.

County Position: Support if amended.

CBHDA Position: Support if amended.

Current Status: The bill was held in Senate Committee on Appropriations on May 23, 2025.

- **SB 367 Mental Health (Allen)**, as amended on May 1, 2025, makes multiple changes to the LPS conservatorship process. Some of the changes that would be introduced by the bill include:
 - Requires an LPS assessment to consider reasonably available, relevant information as specified.
 - Expands the list of individuals or entities that may recommend a conservatorship for a gravely disabled person without that person being an inpatient in a facility providing comprehensive evaluation or intensive treatment to include, among others, the county agency providing investigations for conservatorships of the person.
 - Specifies probate conservatorships with or without major neurocognitive disorder powers in the list of available alternatives that the officer providing conservatorship investigation is required to investigate. The bill would additionally require an officer providing conservatorship investigation to include a recommended individualized plan for treatment and care drawn from the documented list of less-restrictive alternatives in the written report described above if the officer recommends against an LPS conservatorship.
 - Requires an individualized treatment plan to specify goals for stabilization, the individual's evidenced-based treatment, and movement to a less-restrictive setting. The bill would require the treatment plan to be filed with the court, as specified, after it is developed. The bill would require the court to order the treating agency to remedy any perceived defects in a treatment plan if the plan does not meet the specified goals and criteria and would create procedures for remedying those defects and terminating the conservatorship. The bill would authorize the court, upon termination of the conservatorship, to refer the individual to assisted outpatient treatment or CARE court, as specified. This bill would prohibit the court from terminating the conservatorship prior to the end of the conservator's one-year mark if the conservatee cannot be located at any point during that one-year period, except as specified.
 - Authorize a court, at any point after entry of a CARE agreement or adoption of a CARE plan, to order the respondent to an evaluation under the LPS without a petition from the county if the court believes the respondent has become gravely disabled. The bill would establish the procedures required before a court could issue an order pursuant to these provisions.

DMH Initial Analysis: Delayed due to the extensive amendments that were recently accepted by the author. Analysis is pending.

DMH Position: No position taken yet.

County Position: No position taken yet.

CBHDA Position: Oppose (position announced prior to May 1st amendments).

Current Status: The bill was held in Senate Committee on Appropriations on May 23, 2025.

- **AB 543 Medi-Cal: Street Medicine (Gonzalez)**, as amended on September 5, 2025, authorizes a Medi-Cal managed care (MCMC) plan to elect to offer Medi-Cal services through an in-network, contracted field medicine provider. Requires a MCMC plan that elects to offer Medi-Cal covered services through a field medicine provider to allow a Medi-Cal beneficiary who is a person experiencing homelessness (PEH) to receive those services directly from a field medicine provider, regardless of the beneficiary's network assignment. Requires a MCMC plan to allow a field medicine provider enrolled in the Medi-Cal program to directly refer a Medi-Cal beneficiary who is a PEH for covered services, including specialist, diagnostic services, medications, durable medical equipment, transportation, or other medically necessary covered services, within the appropriate network of the MCMC plan or independent practice association (IPA).

DMH Initial Analysis: The Department does not have a position on AB 543 since the enrolled version did not include interim housing clients.

DMH Position: No position taken yet.

County Position: No position taken yet.

CBHDA Position: Support.

Current Status: On the Governor's desk, awaiting his signature/veto.

- **AB 255 The Supportive-Recovery Residence Program (Haney)**, as amended on August 29, 2025, authorizes State programs to fund supportive-recovery residences that emphasize abstinence as long as the state program meets at least 90% of program funds awarded to each jurisdiction is used for housing or housing-based services using a harm-reduction model. Prohibits eviction on the basis of relapse. Requires HCD to establish a separate process for determining if the supportive-recovery residence complies with the core components of Housing First. Requires HCD to verify compliance with the core components of Housing First for residences seeking Housing First certification.

DMH Analysis: The Department has no concerns with the enrolled language (based upon September 11, 2025 version).

DMH Position: No position taken yet.

County Position: Watch.

CBHDA Position: No position taken yet.

Current Status: The Governor vetoed AB 255 on October 2, 2025.

- **AB 339 Local public employee organizations: notice requirements (Ortega)**, as amended on August 29, 2025, requires the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 45 days written notice before issuing a request for proposals, request for

quotes, or renewing or extending an existing contract to perform services that are within the scope of work of the job classifications represented by the recognized employee organization.

DMH Analysis: DMH agrees with the concerns in the County's analysis and its opposition position of AB 339. The full analysis can be found [here](#).

DMH Position: Oppose.

County Position: Oppose.

CBHDA Position: No position taken yet.

Current Status: On the Governor's desk, awaiting his signature/veto.

- **[AB 348 Full service partnerships \(Krell\)](#)**, as amended on August 29, 2025, would establish criteria for an individual with a serious mental illness to be presumptively eligible for a full-service partnership, including, among other things, the person is transitioning to the community after 6 months or more in the state prison or county jail. Specifies that a county is not required to enroll an individual who meets that presumptive eligibility criteria if doing so would conflict with contractual Medi-Cal obligations or court orders, or exceed full-service partnership capacity or funding, as specified. Make enrollment of a presumptively eligible individual contingent upon the individual meeting specified criteria and receiving a recommendation for enrollment by a licensed behavioral health clinician. Prohibits deeming an individual with a serious mental illness ineligible for enrollment in a full-service partnership solely because their primary diagnosis is a substance use disorder. Would make these provisions operative on January 1, 2027.

DMH Initial Analysis: DMH opposes putting full-service partnership (FSP) eligibility criteria into state statute would limit both the Department's and the State's flexibility and ability to deliver services in the best interest of clients.

DMH Position: Oppose.

County Position: Oppose.

CBHDA Position: Oppose unless amended.

Current Status: On the Governor's desk, awaiting his signature/veto.

- **[AB 416 Involuntary commitment \(Krell\)](#)**, would require a county behavioral health director to include an emergency physician as one of the practice disciplines eligible to be designated by the county when developing and implementing procedures for the designation and training of those professionals. Exempt an emergency physician who is responsible for the detainment of a person under those provisions from criminal and civil liability

DMH Analysis: The Department does not have concerns with the enrolled language (as of September 8, 2025 version).

DMH Position: No position taken yet.

County Position: No position taken yet.

CBHDA Position: Oppose.

Current Status: On the Governor's desk, awaiting his signature/veto.

Legislation of Interest

- **AB 4 Covered California Expansion (Arambula)**, requires the Health Benefit Exchange, no sooner than January 1, 2027, and upon appropriation by the Legislature for this purpose, to administer a program to allow persons otherwise not able to obtain coverage by reason of immigration status to enroll in health insurance coverage in a manner as substantially similar to other Californians as feasible, consistent with federal guidance and given existing federal law and rules.

DMH's Initial Analysis: This bill may allow some LA County residents to maintain access to affordable health insurance, including access to mental health benefits, regardless of their immigration status. While it is unclear whether or not there would be a direct impact to DMH or the Department's operations, this bill may assist in the continued access to mental health services for County residents.

DMH Position: Watch.

County Position: Watch.

CBHDA Position: No position taken yet.

- **AB 37 Workforce Development: Mental Health Service Providers (Elhawary)**, would require the California Workforce Development Board to study how to expand the workforce of mental health service providers who provide services to homeless persons.

DMH's Initial Analysis: The Department has been supportive of similar legislative proposals in the past that were designed to expand the behavioral health workforce in the State. This bill is likely to be amended in the near future, since it lacks details in its current draft.

DMH Position: No position taken yet.

County Position: No position taken yet.

CBHDA Position: No position taken yet.

- **AB 1012 Medi-Cal Immigration Status (Essayli)**, creates the Serving Our Seniors Fund would make an individual who does not have satisfactory immigrant status ineligible for Medi-Cal benefits and would transfer funds previously appropriated for the provision of Medi-Cal benefits to those individuals to that fund. Appropriates the moneys in that fund to the State Department of Health Care Services to restore and maintain payments for Medicare Part B premiums for eligible individuals.

DMH Initial Analysis: The Department is in the process of analyzing the impacts of this bill on access to care to County residents.

DMH Position: Watch.

County Position: No position taken yet.

CBHDA Position: No position taken yet.

- **AB 1032 Coverage for behavioral health visits (Harabedian)**, would generally require an individual or group health care service plan contract or health insurance policy issued, amended,

or renewed on or after January 1, 2026, to reimburse an eligible enrollee or insured for up to 12 visits per year with a licensed behavioral health provider if the enrollee or insured lives in a county where a local or state emergency has been declared due to wildfires. Under the bill, an enrollee or insured would be entitled to those benefits until one year from the date the local or state emergency is lifted, whichever is later. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.

DMH Analysis: DMH believes that this bill applies to non-specialty (LA Care, Health Net, etc.) and commercial managed care plans under the Dept of Managed Health Care and does not apply to the specialty MH and SUD plans (SAPC and DMH) under the Dept of Health Care Services. So, this bill will not impact DMH's Specialty Mental Health Plan and therefore will not impact our directly operated or contracted services. The bill requires that these managed care plans cover up to 12 visits per year with a licensed behavioral health provider, which would be beneficial for those residents whose managed care plans do not currently offer up to 12 visits per year.

The Department agrees with the authors' statement about the increased need for behavioral health services due to the recent fires. DMH has also been seeing a rise in behavioral health needs since the fires, and we have also heard of similar increased needs in other jurisdictions that have experienced similar natural disasters and wildfires.

DMH agrees with the basic argument for the need to ensure access to behavioral health services for our residents, regardless of their insurance coverage and provider. This bill would not directly impact DMH or our services, DMH has no concerns with the bill and believes it would be beneficial for county residents overall.

DMH Position: Support.

County Position: Support.

CBHDA Position: No position taken yet.