



OFFICE OF THE GOVERNOR

**OCT 12 2019**

To the Members of the California State Assembly:

I am returning Assembly Bill 920 without my signature.

This bill would eliminate an existing voluntary outpatient certification program. Beginning January 1, 2021, it would attempt to require an outpatient substance use disorder (SUD) recovery or treatment services facility which is not licensed under existing law, to obtain licensure from the Department of Health Care Services (DHCS) to provide SUD services. The bill attempts to do this by replacing references to program certification in existing Health and Safety Code references to program licensure.

I am supportive of the Legislature's intent to license all SUD recovery and treatment services. However, developing a new licensing schema is a significant undertaking, and would require a significant departure from the bill as enrolled. This bill would need to be revised to provide adequate statutory authority for DHCS to effectively monitor and ensure compliance with outpatient licensure requirements. In addition, establishing the associated administrative oversight is not without significant cost. After reviewing this bill, it is clear that a substantial amount of work is still needed to develop a program that my administration can implement.

As such, I recommend the Legislature and sponsors of this bill work closely with DHCS on a more robust proposal for my consideration. Costs for implementation of such a bill would need to be considered in the budget process.

Sincerely,

Gavin Newsom