



OFFICE OF THE GOVERNOR

SEP 27 2022

To the Members of the California State Assembly:

I am returning Senate Bill 1238 without my signature.

This bill would require the Department of Health Care Services (DHCS), in consultation with local governments, to conduct a review of and prepare a report regarding current and projected behavioral health care infrastructure and service needs in each region of the state every five years. The bill also requires local governments to provide behavioral health service access and utilization data for their region.

I appreciate the author's intent to identify the existing and projected behavioral health care infrastructure and service needs, which is why DHCS recently updated an assessment of California's behavioral health system in the *Assessing the Continuum of Care for Behavioral Health Services in California* report, published in January 2022, which presents an analysis of data gathered from surveys and focus groups and includes many of the data sets and service categories specified in SB 1238. Additionally, the *Statewide Needs Assessment and Planning Report*, which is published biennially, and the Mental Health and Substance Use System Needs Assessment and Service Plan, which was developed for California's section 1115 Bridge to Reform waiver approval, also provide assessments of our needs. This bill lacks detail regarding data collection, reporting timeframes, and funding which would result in significant implementation challenges. Furthermore, this bill would create a large mandate, potentially costing the state tens of millions of dollars that are not accounted for in the budget.

With our state facing lower-than-expected revenues over the first few months of this fiscal year, it is important to remain disciplined when it comes to spending, particularly spending that is ongoing. We must prioritize existing obligations and priorities, including education, health care, public safety and safety-net programs.

The Legislature sent measures with potential costs of well over \$20 billion in one-time spending commitments and more than \$10 billion in ongoing commitments not accounted for in the state budget. Bills with significant fiscal impact, such as this measure, should be considered and accounted for as part of the annual budget process.

For these reasons, I cannot sign this bill.

Sincerely,



Gavin Newsom