



**LEAGUE OF WOMEN VOTERS
OF SONOMA & MARIN COUNTIES**

***2024 California State
Proposition 1***





PROPOSITION 1

The Title:

Authorizes \$6.38 billion in bonds to build mental health treatment facilities for those with mental health and substance use challenges; provides housing for the homeless. Legislative Statute.

The Question:

Should the state change how counties can use funds from the ***Mental Health Services Act (MHSA)*** and issue new bonds to build treatment facilities and housing for people with mental illness and substance use disorders and for homeless veterans?



PROPOSITION 1

The Situation:

Currently counties receive money from statewide taxes and federal grants to provide mental health care services.

About one-third of this money, \$2 - 3.5 billion annually, comes from the 2004 ***Mental Health Services Act***, which is funded from a 1 percent tax on income over one million dollars.

Ninety-five percent of this tax money goes to counties. The rest goes to support state mental health programs.

Counties can only spend these funds on treatment for people with mental illness, including treatment for drug or alcohol addiction, and prevention programs for people at risk for developing mental illness.



PROPOSITION 1

The Situation, continued:

Most of the money goes to direct treatment programs such as outpatient services and crisis prevention. A smaller amount goes to housing and support services.

According to the Legislative Analyst's Office, *California would need to be able to see over 10,000 more people at any one time than is possible today.* The state provides some money to build more facilities, but those funds do not meet this need.

The 2022 US Department of Housing and Urban Development estimates that approximately 171,500 people in California experienced homelessness in January 2022.

Nearly half of that population suffers from severe mental illness and/or chronic substance use disorders. Another 10,400 are veterans.



PROPOSITION 1

The Proposal:

Proposition 1 has two major parts.

- It changes how money from the ***Mental Health Services Act*** can be used.
- It approves a \$6.4 billion bond to build more mental health care and drug or alcohol treatment facilities and more housing for people with mental health or substance use challenges.

It gives a greater share of MHSA funds to the state for its mental health services - 10% compared to the current 5% - with more going toward housing and personalized support services like employment assistance and education.

It also allows MHSA money to be used for drug and alcohol treatment for people without mental illness.

The size of the Oversight Commission would increase from 16 to 27 voting members.



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The Proposal, continued:

Proposition 1 authorizes the sale of bonds to raise \$6.38 billion.

\$4.4 billion would go to build facilities for treatment of people with mental illness and substance use disorders.

\$2 billion would go to build or renovate housing for people who are homeless with mental illness or substance use disorders and for chronically unhoused veterans.



PROPOSITION 1

The Fiscal Effect

Prop 1 would shift roughly \$140 million annually of existing tax revenue for mental health and drug and alcohol treatment from counties to the state.

It would increase the state bond repayment costs to about \$310 million annually for 30 years - less than one-half of one percent of the state's budget.

Payment would be made from the General Fund.



PROPOSITION 1

Supporters Include:

- Governor Gavin Newsom (D)
- Kaiser Foundation Health Plan
- Sutter Health
- CA Assn. of Veteran Service Agencies
- CA Hospital Assn.
- Mental Health Services Oversight and Accountability Commission
- National Alliance on Mental Illness (NAMI) - California

Opponents Include:

- State Senator Brian Jones (R)
- State Representative Diane Dixon (R)
- Cal Voices
- Disability Rights California
- Howard Jarvis Taxpayers Assn.
- Mental Health America of California
- CA Assn. of Mental Health Peer-Run Organizations

As of 2/9/24



PROPOSITION 1

Campaign Financing

In Support:

Total to date: \$11.7 million

Top Donors:

\$1,500,000 - Federated Indians of
Graton Rancheria

\$1,000,000 - CA Correctional Peace
Officers Assn.

\$1,000,000 - CA Hospital Committee on
Issues

\$1,000,000 - Kaiser Foundation Health
Plan

In Opposition:

Total to date: \$1,000

Top Donors:

\$1,000 - Californians Against Prop 1

Source: <https://powersearch.sos.ca.gov/advanced.php>





PROPOSITION 1

TITLE: \$6.38 billion in bonds to build mental health treatment facilities for those with mental health and substance use challenges; provides housing for the homeless.

A Yes Vote:

- Renames the **2004 Mental Health Services Act** to the **Behavioral Health Services Act** and expands it to include services for persons with substance use disorders without mental illness.
- Changes how revenue from the MHSA is spent under the law, including requiring that 30% of the funds would be allocated to housing intervention programs.
- Gives a greater share of MHSA funds to the state.
- Increases the size of the Oversight Commission from 16 to 27 voting members.
- Issues \$6.38 billion in bonds to fund housing for homeless individuals and veterans, including up to \$4.4 billion for mental health care and alcohol or drug treatment facilities and \$2 billion for housing for homeless persons.

A No Vote Means:

- No change would be made to the way the **2004 Mental Health Services Act** is allocated.
- \$6.38 billion in bonds would not be issued.



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Thank you!

