

California Code, Welfare and Institutions Code - WIC § 5892

Current as of January 01, 2025 | Updated by [Findlaw Staff](#)

<Section operative until July 1, 2026. See, also, [§ 5892](#) operative July 1, 2026.>

(a) To promote efficient implementation of this act, the county shall use funds distributed from the Behavioral Health Services Fund as follows:

(1) Twenty percent of funds distributed to the counties pursuant to [subdivision \(c\) of Section 5891](#) shall be used for prevention and early intervention programs in accordance with Part 3.6 (commencing with [Section 5840](#)).

(2) The expenditure for prevention and early intervention may be increased in a county in which the department determines that the increase will decrease the need and cost for additional services to persons with severe mental illness in that county by an amount at least commensurate with the proposed increase.

(3) The balance of funds shall be distributed to county mental health programs for services to persons with severe mental illnesses pursuant to Part 4 (commencing with [Section 5850](#)) for the children's system of care and Part 3 (commencing with [Section 5800](#)) for the adult and older adult system of care. These services may include housing assistance, as defined in [Section 5892.5](#), to the target population specified in [Section 5600.3](#).

(4) Five percent of the total funding for each county mental health program for Part 3 (commencing with [Section 5800](#)), Part 3.6 (commencing with [Section 5840](#)), and Part 4 (commencing with [Section 5850](#)) shall be utilized for innovative programs in accordance with [Sections 5830, 5847, and 5963.03](#).

(b)(1) Programs for services pursuant to Part 3 (commencing with [Section 5800](#)) and Part 4 (commencing with [Section 5850](#)) may include funds for technological needs and capital facilities, human resource needs, and a prudent reserve to ensure services do not have to be significantly reduced in years in which revenues are below the average of previous years. The total allocation for purposes authorized by this subdivision shall not exceed 20 percent of the average amount of funds allocated to that county for the previous five fiscal years pursuant to this section.

(2) A county shall calculate a maximum amount it establishes as the prudent reserve for its Local Behavioral Health Services Fund, not to exceed 33 percent of the average of the total funds distributed to the county pursuant to subdivision (c) of Section 5891 in the preceding five years.

(3) A county with a population of less than 200,000 shall calculate a maximum amount it establishes as the prudent reserve for its Local Behavioral Health Services Fund, not to exceed 25 percent of the average of the total funds distributed to the county pursuant to subdivision (c) of Section 5891 in the preceding five years.

(c) Notwithstanding [subdivision \(a\) of Section 5891](#), the allocations pursuant to subdivisions (a) and (b) shall include funding for annual planning costs pursuant to [Sections 5847 and 5963.03](#). The total of these costs shall not exceed 5 percent of the total of annual revenues received for the Local Behavioral Health Services Fund. The planning costs shall include funds for county mental health

programs to pay for the costs of consumers, family members, and other stakeholders to participate in the planning process and for the planning and implementation required for private provider contracts to be significantly expanded to provide additional services pursuant to Part 3 (commencing with [Section 5800](#)) and Part 4 (commencing with [Section 5850](#)).

(d)(1) Notwithstanding [subdivision \(a\) of Section 5891](#), the allocations pursuant to subdivision (a) may include funding to improve plan operations, quality outcomes, fiscal and programmatic data reporting, and monitoring of subcontractor compliance for all county behavioral health programs, including, but not limited to, programs administered by a Medi-Cal behavioral health delivery system, as defined in [subdivision \(i\) of Section 14184.101](#), and programs funded by the Projects for Assistance in Transition from Homelessness grant, the Community Mental Health Services Block Grant, and other Substance Abuse and Mental Health Services Administration grants.

(2) The total of these costs shall not exceed 2 percent of the total of annual revenues received for the Local Behavioral Health Services Fund.

(3) A county may commence use of funding pursuant to this paragraph on July 1, 2025.

(e)(1)(A) Prior to making the allocations pursuant to subdivisions (a), (b), (c), and (d), funds shall be reserved for state directed purposes for the California Health and Human Services Agency, the State Department of Health Care Services, the California Behavioral Health Planning Council, the Department of Health Care Access and Information, the Behavioral Health Services Oversight and Accountability Commission, the State Department of Public Health, and any other state agency.

(B) These costs shall not exceed 5 percent of the total of annual revenues received for the fund.

(C) The costs shall include funds to assist consumers and family members to ensure the appropriate state and county agencies give full consideration to concerns about quality, structure of service delivery, or access to services.

(D) The amounts allocated for state directed purposes shall include amounts sufficient to ensure adequate research and evaluation regarding the effectiveness of services being provided and achievement of the outcome measures set forth in Part 3 (commencing with [Section 5800](#)), Part 3.6 (commencing with [Section 5840](#)), and Part 4 (commencing with [Section 5850](#)).

(E) The amount of funds available for the purposes of this subdivision in any fiscal year is subject to appropriation in the annual Budget Act.

(2) Prior to making the allocations pursuant to subdivisions (a), (b), (c), and (d), funds shall be reserved for the costs of the Department of Health Care Access and Information to administer a behavioral health workforce initiative in collaboration with the California Health and Human Services Agency. Funding for this purpose shall not exceed thirty-six million dollars (\$36,000,000). The amount of funds available for the purposes of this subdivision in any fiscal year is subject to appropriation in the annual Budget Act.

(f) Each county shall place all funds received from the State Behavioral Health Services Fund in a local Mental Health Services Fund. The Local Mental Health Services Fund balance shall be invested consistent with other county funds and the interest earned on the investments shall be

transferred into the fund. The earnings on investment of these funds shall be available for distribution from the fund in future fiscal years.

(g) All expenditures for county mental health programs shall be consistent with a currently approved plan or update pursuant to [Section 5847](#).

(h)(1) Other than funds placed in a reserve in accordance with an approved plan, any funds allocated to a county that have not been spent for their authorized purpose within three years, and the interest accruing on those funds, shall revert to the state to be deposited into the Reversion Account, hereby established in the fund, and available for other counties in future years, provided, however, that funds, including interest accrued on those funds, for capital facilities, technological needs, or education and training may be retained for up to 10 years before reverting to the Reversion Account.

(2)(A) If a county receives approval from the Mental Health Services Oversight and Accountability Commission of a plan for innovative programs, pursuant to [subdivision \(e\) of Section 5830](#), the county's funds identified in that plan for innovative programs shall not revert to the state pursuant to paragraph (1) so long as they are encumbered under the terms of the approved project plan, including any subsequent amendments approved by the commission, or until three years after the date of approval, whichever is later.

(B) Subparagraph (A) applies to all plans for innovative programs that have received commission approval and are in the process at the time of enactment of the act that added this subparagraph, and to all plans that receive commission approval thereafter.

(3) Notwithstanding paragraph (1), funds allocated to a county with a population of less than 200,000 that have not been spent for their authorized purpose within five years shall revert to the state as described in paragraph (1).

(4)(A) Notwithstanding paragraphs (1) and (2), if a county with a population of less than 200,000 receives approval from the Mental Health Services Oversight and Accountability Commission of a plan for innovative programs, pursuant to [subdivision \(e\) of Section 5830](#), the county's funds identified in that plan for innovative programs shall not revert to the state pursuant to paragraph (1) so long as they are encumbered under the terms of the approved project plan, including any subsequent amendments approved by the commission, or until five years after the date of approval, whichever is later.

(B) Subparagraph (A) applies to all plans for innovative programs that have received commission approval and are in the process at the time of enactment of the act that added this subparagraph, and to all plans that receive commission approval thereafter.

(i) Notwithstanding subdivision (h) and [Section 5892.1](#), unspent funds allocated to a county, and interest accruing on those funds, which are subject to reversion as of July 1, 2019, and July 1, 2020, shall be subject to reversion on July 1, 2021.

(j) If there are revenues available in the fund after the State Department of Health Care Services has determined there are prudent reserves and no unmet needs for any of the programs funded pursuant to this section, the department, in consultation with counties, shall develop a plan for

expenditures of these revenues to further the purposes of this act and the Legislature may appropriate these funds for any purpose consistent with the department's plan that furthers the purposes of this act.

(k) This section shall become operative on January 1, 2025, if amendments to the Mental Health Services Act 1 are approved by the voters at the March 5, 2024, statewide primary election.

(l) This section shall become inoperative on July 1, 2026, if amendments to the Mental Health Services Act are approved by the voters at the March 5, 2024, statewide primary election.