



PROS & CONS

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The *Pros & Cons* is a nonpartisan explanation of state propositions, with supporting and opposing arguments. The arguments come from many sources and are not limited to those presented in the *Official Voter Information Guide*. The LWVCEF does not judge the merits of the arguments or guarantee their validity.

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Primary Election • March 5, 2024

In this primary election, California voters will choose candidates to run against each other in the November election. In this election you can vote for: President; U.S. Senator; Representatives in U.S. Congress and the California State Legislature; and other candidates and proposed laws depending on where you live.

California voters will also be deciding on 1 state proposition that is explained in this *Pros & Cons*. Proposition 1 was placed on the ballot by the state legislature.

Visit Vote411.org/California to see everything on your ballot, find your polling place, and get unbiased information on all your voting choices.

How to Evaluate Ballot Propositions

- ★ Examine what the measure seeks to accomplish. Do you agree with those goals?
- ★ Is the measure consistent with your ideas about government? Do you think the proposed changes will make things better?
- ★ Who are the real sponsors and opponents of the measure? Check where the money is coming from on Cal-Access.sos.ca.gov.
- ★ Is the measure written well? Will it create conflicts in law that may require court resolution or interpretation? Is it "good government," or will it cause more problems than it will resolve?
- ★ Does the measure create its own revenue source? Does it earmark, restrict, or obligate government revenues? If so, weigh the benefit of securing funding for this measure against the cost of reducing overall flexibility in the budget.
- ★ Does the measure mandate a government program or service without addressing how it will be funded?
- ★ Does the measure deal with one issue that can be easily decided by a YES or NO vote? Or, is it a complex issue that should be thoroughly examined in the legislative arena?
- ★ If the measure amends the Constitution, consider whether it really belongs in the Constitution. Would a statute accomplish the same purpose? All constitutional amendments require voter approval; what we put into the Constitution would have to come back to the ballot to be changed.
- ★ Be wary of distortion tactics and commercials that rely on image but tell nothing of substance about the measure. Beware of half truths.

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

THE QUESTION: Should a greater share of county Mental Health Services Act funding be used, and new bonds issued, to build treatment facilities and housing for people with mental illness and substance use disorders as well as housing for other homeless individuals?

THE SITUATION

The Legislature placed Proposition 1 on the ballot.

Annually, \$2.0-3.5 billion for mental health services is derived from the Mental Health Services Act (MHSA), known as the "Millionaire Tax," passed by voters in 2004. California's counties are granted 95% of these funds, with relative flexibility in their use for mental health services and for substance use treatment for people with or at risk of developing mental illness. Currently, total housing and treatment resources are insufficient to address these crises.

In January 2022, approximately 171,500 Californians were homeless. Of that population approximately 75,700 are suffering from severe mental illness and/or chronic substance disorders. Another 10,400 are veterans.

THE PROPOSAL

If passed, Proposition 1 would:

- Authorize the issuance of bonds to raise \$6.4 billion: \$4.4 billion to build facilities for treatment of people with mental illness and substance use disorders, and \$2 billion to build or renovate housing for people who are experiencing or at risk of homelessness, or who have mental illness or substance use disorders.
- Shift approximately \$140 million of annual MHSA funding, currently available to counties for community-based mental health services, to the state for its mental health services.
- Divert roughly one third of all county MHSA funding currently used to provide mental health services -- including outpatient treatment, crisis response, early intervention, prevention and outreach, and treatment for people with substance use disorder -- to housing and personalized support services like employment assistance and education.

FISCAL EFFECTS

Counties would annually receive approximately \$140 million less in MHSA funding and would have to use a greater percentage of their MHSA funding for housing and support services and less for community-based mental and behavioral health treatment. Counties would provide more housing and personalized support services but would have less MHSA money for their mental health services.

This means counties may need to use other county, state, or federal money to keep current service levels.

The Legislative Analyst Office estimates the bond would pay for building 6,800 treatment beds in new facilities and up to 4,350 housing units, half for veterans experiencing homelessness. The number of new housing units would reduce overall statewide homelessness by approximately 3 percent, although there are also other funding sources for such housing.

The cost to repay the bond from the General Fund over thirty years would be approximately \$310 million annually. The total cost to pay off the bonds plus interest would be \$6.38 billion plus several more billion, depending on the interest rate.

SUPPORTERS SAY

- The bond will pay for needed housing for people who are chronically unhoused, including veterans and people with mental or behavioral health challenges.
- The bond will pay for needed construction and rehabilitation of psychiatric and other facilities necessary for the treatment of people with mental illness or substance use disorders.
- Proposition 1 provides treatment over incarceration.

OPPONENTS SAY

- The actual number of newly built or rehabilitated housing units would have minimal impact on reducing overall statewide homelessness.
- Billions of dollars will be borrowed to build new locked facilities to hide the homeless, the addicted and the mentally ill against their will.
- Proposition 1 reduces local funding for community and evidence-based treatment that is accessible, effective, and voluntary. Forced treatment is ineffective and associated with higher suicide risk.

FOR MORE INFORMATION

Supporters: [TreatmentNotTents](#) (Governor Newsom's Ballot Measure Committee)

Opponents: [Californians Against Proposition 1](#)