

CALIFORNIA STATE BOARD OF BEHAVIORAL SCIENCES BILL ANALYSIS

BILL NUMBER: AB 988 **VERSION:** INTRODUCED FEBRUARY 18, 2021

AUTHOR: BAUER-KAHAN **SPONSOR:** NUMEROUS – SEE BELOW

RECOMMENDED POSITION: NONE

SUBJECT: MENTAL HEALTH: MOBILE CRISIS SUPPORT TEAMS: 988 CRISIS HOTLINE

Summary: This bill establishes a statewide 988 mental health crisis hotline system.

Existing Law:

- 1) Existing Federal Law establishes the National Suicide Hotline Designation Act of 2020. This law designates 988 as the universal telephone number for the purpose of the national suicide prevention and mental health crisis hotline system operating through the National Suicide Prevention Lifeline and through the Veterans Crisis Line. (“S. 2661 — 116th Congress: National Suicide Hotline Designation Act of 2020.”)

This Bill:

- 1) Requires the Office of Emergency Services (OES) to implement and oversee the newly established 988 mental health crisis hotline system for the State of California. (Government Code (GC) §53123.2)
- 2) Requires OES to perform certain tasks to implement the system, including the following (GC §53123.2):
 - a) Appoint a crisis hotline system director to direct and oversee the program.
 - b) Designate at least one 988 crisis hotline center prior to July 16, 2022.
 - c) Ensure coordination between the 988 crisis hotline centers, the 911 system, and mental health crisis services.
 - d) Establish training guidelines for employees involved in the implementation of 988, 911 operators, emergency medical services, law enforcement, and firefighters.

- e) Establish standards for mental health crisis services accessible through the 988 system.
 - f) Adopt regulations by January 1, 2023.
 - g) Work with the National Suicide Prevention Lifeline, Veterans Crisis Line, and Substance Abuse and Mental Health Services Administration to implement the 988 program.
- 3) Requires each 988 crisis hotline center to perform certain specified tasks, including the following (GC §53123.3)**
- a) Utilize technology that is interoperable between and across crisis and emergency response systems used throughout the state, including 911, emergency services, and other nonmental health crisis services. Requires the technology to be capable of:
 - Rapidly deploying mobile crisis support teams through GPS.
 - Tracking and providing real-time bed availability to crisis responders and individuals in crisis, for all mental health bed types.
 - b) Deploy mental health crisis services and coordinate access to crisis receiving and stabilization services.
 - c) Provide follow-up services to individuals consistent with the guidance and policies established by the National Suicide Prevention Lifeline.
 - d) Employ or contract with a sufficient number of qualified bilingual persons or interpreters.
- 4) Requires counties to make county operated mental health crisis services available to 988 callers and coordinate with the 988 crisis hotline on deployment and access. Requires counties to bill the appropriate health care service plan or insurer for all medically necessary treatment of a mental health or substance use disorder provided to privately-insured individuals through the 988 system. (GC §53123.4)**
- 5) Requires all elements of the 988 system to be designed to meet the unique needs of California's diverse communities, and to do the following (GC §53123.5):**
- a) Ensure equitable access to service regardless of race, ethnicity, socioeconomic status, sexual orientation, gender identity or expression, or geographic location.
 - b) Meet the unique needs of specified populations, including those at greater risk of suicide, homeless individuals, children and youth, older adults, individuals with disabilities, underserved communities, the LGBTQ

community, immigrants and refugees, non-English speakers, low-income persons, and religious communities.

- 6) Creates a 988 monthly surcharge on phone service lines, similar to the existing 911 surcharge, to fund the program. (Revenue and Taxation Code §41020)
- 7) Defines “mental health crisis services” as the continuum of services to address crisis intervention, crisis stabilization, and crisis residential treatment needs that are wellness, resiliency, and recovery oriented. They include crisis intervention and mobile crisis support teams that include licensed mental health professionals and peer support specialists, and may include medical and health professionals. (GC 53123.1(c))
- 8) Defines a “mental health professional” as a licensed clinical social worker, a licensed professional clinical counselor, a licensed marriage and family therapist, a licensed psychologist, or a licensed physician board certified as a psychiatrist or who has completed a residency in psychiatry. (GC 53123.1(c))

Comments:

- 1) **Author’s Intent.** With the passage of the federal government’s National Suicide Hotline Designation Act, which establishes a 988 mental health crisis hotline, the state must create a framework to receive callers and provide callers with care.

In their fact sheet, the author’s office states the following:

“California is facing a mental health crisis. One in 6 Californians now live with a mental illness and suicides have increased by 35% over the last two decades – a tragic trend that has only been exacerbated by COVID-19. According to the CDC, in direct response to COVID-19, surveys show twice as many people thought seriously about suicide this year compared to previous years. In Los Angeles, calls to a suicide hotline increased by 8000% since the start of the pandemic.

Well-intentioned but piecemeal approaches have failed to provide necessary mental health services amidst the state’s growing mental health crisis. For many people with mental health and substance use disorders, particularly people of color and people who experience chronic homelessness, the criminal justice system has become the state’s default mental health system when, in times of crisis, individuals and their families feel they have no option but to call the police for help.

Currently, the U.S. lacks a mental health crisis response system. Instead, we rely on law enforcement and confinement and put people suffering from mental illness through an expensive and traumatizing revolving-door as they shuttle between jails, emergency rooms, and the street. With 9-8-8, California has a historic opportunity to create a comprehensive crisis response system that promotes equity and provides services and supports to help individuals and communities thrive. A better system is possible – one that leads with treatment, not law enforcement.”

2) Inclusion of Associates and Trainees. The bill states mobile crisis support teams may include licensed mental health professionals and certified peer support specialists. It goes on to define mental health professionals as including LCSWs, LPCCs, and LMFTs. However, it does not include associates or trainees in the definition of a mental health professional. If certified peer support specialists are going to be included on mobile crisis support teams, staff believes it is appropriate to discuss whether associates and trainees should be included as well.

Support and Opposition.

Support

- County of Contra Costa (Sponsor)
- County of Los Angeles (Sponsor)
- Miles Hall Foundation (Sponsor)
- NAMI Contra Costa (Sponsor)
- Steinberg Institute (Sponsor)
- The Kennedy Forum (Sponsor)
- NAMI of Greater Los Angeles
- Re:Store Justice

Oppose

- None at this time.

History

2021

03/04/21 Referred to Coms. on HEALTH and C. & C.
02/19/21 From printer. May be heard in committee March 21.
02/18/21 Read first time. To print.

ASSEMBLY BILL

No. 988

**Introduced by Assembly Members Bauer-Kahan, Berman, Chiu,
Quirk-Silva, and Ting**
**(Coauthors: Assembly Members Aguiar-Curry, Burke,
Cristina Garcia, McCarty, Mullin, Luz Rivas, Rodriguez,
Santiago, Stone, Villapudua, and Wicks)**
(Coauthors: Senators Archuleta, Eggman, Glazer, Leyva, and Wiener)

February 18, 2021

An act to add Article 6.1 (commencing with Section 53123) to Part 1 of Division 2 of Title 5 of the Government Code, to add Section 324.9 to the Public Utilities Code, to amend Sections 41007.2, 41007.3, 41013, 41020, 41021, 41022, 41023, 41024, 41026, 41028, 41030, 41031, 41032, 41050, 41098, 41100, 41128, 41135, 41136, and 41150 of, to amend the heading of Article 1 (commencing with Section 41020) and the heading of Article 2 (commencing with Section 41030) of Chapter 2 of Part 20 of Division 2 of, and to amend the heading of Chapter 2 (commencing with Section 41020) of Part 20 of Division 2 of, the Revenue and Taxation Code, relating to emergency services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

legislative counsel's digest

AB 988, as introduced, Bauer-Kahan. Mental health: mobile crisis support teams: 988 crisis hotline.

Existing law, the Warren-911-Emergency Assistance Act, requires every local public agency, as defined, to have an emergency communication system and requires the digits “911” to be the primary emergency telephone number within the system.

Existing law, specifies provisions governing the operation and financing of community mental health services for the mentally disordered in every county through locally administered and locally controlled community mental health programs. Existing law specifies that county mental health services should be organized to provide immediate response to individuals in precrisis and crisis and to members of the individual's support system, on a 24-hour, 7-day-a-week basis and authorizes provision of crisis services offsite, as mobile services.

Existing federal law, the National Suicide Hotline Designation Act, designates the 3-digit telephone number "988" as the universal number within the United States for the purpose of the national suicide prevention and mental health crisis hotline system operating through the National Suicide Prevention Lifeline maintained by the Assistant Secretary for Mental Health and Substance Abuse and the Veterans Crisis Line maintained by the Secretary of Veterans Affairs.

This bill would establish the 988 Crisis Hotline Center, using the digits "988" in compliance with existing federal law and standards governing the National Suicide Prevention Lifeline. The bill would require the Office of Emergency Services to take specified actions to implement the hotline system, including hiring a director with specified experience and designating a 988 crisis hotline center or centers to provide crisis intervention services and crisis care coordination to individuals accessing the 988.

This bill would require the office to designate at least one center prior to July 16, 2022, and would require crisis hotline centers to meet specified requirements. The bill would require the office to adopt emergency regulations implementing these provisions by July 16, 2022. Beginning January 1, 2023, and not later than January 1, 2024, the bill would require crisis hotline centers, counties, and other relevant entities to become fully compliant with the regulations.

This bill would require that all elements of the 988 system be designed to meet the unique needs of California's diverse communities, as provided. The bill would require counties to provide and make crisis services, including mobile crisis teams and crisis receiving and stabilization services, available to 988 callers and would require counties to coordinate with 988 crisis hotline centers on the deployment of, and access to, these services.

This bill would specify reporting requirements, including a requirement, beginning January 1, 2025, and annually thereafter, for the office to prepare a report containing specified information, and

deliver it to the Legislature, the Substance Abuse and Mental Health Services Administration, and the Federal Communications Commission. Crisis hotline centers would be required to provide data, and reports, and participate in evaluations and related quality improvement activities as required by the office.

Existing law, the Emergency Telephone Users Surcharges Act, generally imposes a surcharge on each access line for each month or part thereof for which a service user subscribes with a service supplier, at an amount no greater than \$0.80, based on the Office of Emergency Services' estimate of the number of access lines to which the surcharge will be applied per month for a calendar year period, that it estimates, pursuant to a specified formula, will produce sufficient revenue to fund the current fiscal year's 911 costs.

Existing law imposes a surcharge on the purchase of prepaid mobile telephony services at the time of each retail transaction in this state, at the rate equal to the monthly surcharge amount per access line, to be paid by prepaid consumers and collected by sellers, as defined. Existing law requires the surcharge to be remitted to, and administered by, the California Department of Tax and Fee Administration, in accordance with specified provisions. Existing law makes certain violations of the Emergency Telephone Users Surcharge Act a crime.

Existing law requires amounts to be paid to the state pursuant to the Emergency Telephone Users Surcharge Act to be deposited into the State Emergency Telephone Number Account and that the amounts deposited, upon appropriation by the Legislature, be spent solely for specified purposes, including payment for the installation of, and ongoing expenses for, a basic system.

This bill would create a separate surcharge, beginning January 1, 2022, on each access line for each month or part thereof for which a service user subscribes with a service supplier, based on the Office of Emergency Services' estimate of 988 costs which would be calculated in the same fashion as the office's estimate of 911 charges. This bill would make applicable relevant provisions of the Emergency Telephone Users Surcharge Act to the 988 surcharge, as provided. The bill would provide for specified costs to be paid by the fees prior to distribution to the Office of Emergency Services. The bill would make conforming changes in regard to the 988 surcharge.

This bill would create the 988 State Mental Health and Crisis Services Special Fund, a new continuously appropriated fund, and would require the fees to be deposited along with other specified moneys into the 988

Fund. The bill would provide that the funds be used for specified purposes, including funding county 988 crisis hotline centers. By creating a new continuously appropriated fund and establishing a fee as a new source of revenue for the continuously appropriated fund, the bill would make an appropriation.

Existing law requires the Public Utilities Commission to publish specified information on its internet website, including contract and audit information.

This bill would require the Public Utilities Commission to publish specified information on its internet website relevant to these provisions.

By imposing new requirements on counties and by expanding the scope of crimes imposed by the Emergency Telephone Users Surcharge Act, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) The nation is facing a mental health crisis.
- 4 (1) Between 2017 and 2018, the number of adults in the United
- 5 States experiencing mental illness increased by 1.5 million people,
- 6 meaning nearly one in five adults is living with a mental illness.
- 7 (2) The national suicide rate increased by 30 percent over the
- 8 last two decades. In 2018, there were an estimated 1.4 million
- 9 suicide attempts and more than 48,000 deaths by suicide, making
- 10 it the 10th leading cause of death among adults and the second
- 11 leading cause of death among young people.

1 (3) During the COVID-19 pandemic, this crisis has only
2 continued to worsen with increasing rates of anxiety, depression,
3 self-harm, and suicidal ideation.

4 (4) As this crisis worsens, one in six Californians continue to
5 experience mental illness, and only one-third report receiving any
6 treatment.

7 (b) Over the last 50 years, well-intentioned but piecemeal
8 approaches have resulted in an inadequate continuum of services,
9 leaving many without the help they need. Too often those
10 experiencing a mental health crisis do not receive the services they
11 need and instead are met with a punitive response that fails to treat
12 their illness and often results in harmful and unnecessary
13 incarceration.

14 (1) For those unable to access care, the criminal justice system
15 has become the default mental health system in California when,
16 in times of crisis, individuals and their families feel they have no
17 option but to call the police for help. While law enforcement is
18 often the most-relied upon institution during a mental health crisis,
19 providing mental health services or care is not and should not be
20 their role.

21 (2) One-third of homeless individuals in the United States have
22 a serious mental illness; these individuals are more likely to be
23 arrested with a lifetime risk of arrest ranging from 63 percent to
24 90 percent. People in jail are 8 to 11 times more likely to have
25 experienced recent homelessness.

26 (A) Currently, 10 percent of all law enforcement agencies’
27 budgets and 20 percent of staff time, are spent responding to
28 individuals with mental illness.

29 (B) As a direct consequence of this overreliance on law
30 enforcement responses to a public health crisis, approximately 25
31 percent of all fatal police-involved shootings since 2015 involved
32 a mental illness, with Black men dying disproportionately.

33 (c) With nonexistent or inadequate crisis care, costs escalate
34 due to restrictive, longer-term hospital stays, hospital readmission,
35 overuse of law enforcement and human tragedies that result from
36 a lack of access to care. Comprehensive crisis systems prevent
37 these tragedies, save municipalities money and resources, and
38 increase access to comprehensive care.

39 (1) One crisis continuum program in Eugene, Oregon,
40 CAHOOTS, is estimated to save the city an estimated \$8,500,000

1 in public safety spending annually. In 2019, Eugene’s CAHOOTS
 2 team answered 17 percent of the police department’s overall call
 3 volume. Out of 24,000 calls, police backup was requested only
 4 150 times.

5 (2) Another crisis continuum program model implemented in
 6 Phoenix, Arizona, Crisis Now, is estimated to have reduced
 7 inpatient spending by \$260,000,000, preventing \$37,000,000 in
 8 costs to hospital emergency departments in 2016. Phoenix saved
 9 the equivalent of 37 full-time police officers and further reduced
 10 city fire department costs.

11 (3) According to the Substance Abuse and Mental Health
 12 Services Administration National Guidelines for Behavioral Health
 13 Crisis Care, the core elements of a comprehensive crisis system
 14 include all of the following:

15 (A) Regional or statewide crisis hotline centers coordinating in
 16 real time.

17 (B) Centrally deployed, 24-hour, seven day per week mobile
 18 crisis support teams.

19 (C) 23-hour crisis receiving and stabilization programs.

20 (D) Essential crisis care principles and practices.

21 (d) In 2020, the federal government enacted the National Suicide
 22 Hotline Designation Act, establishing the “988” suicide prevention
 23 and mental health crisis hotline, which must be fully implemented
 24 nationally by July, 16, 2022.

25 (1) A “988” crisis line will do all of the following:

26 (A) Connect a person in a mental health crisis to a trained
 27 counselor to address their immediate needs.

28 (B) Deploy mobile crisis support teams, as an alternative to law
 29 enforcement response, to provide crisis intervention services when
 30 necessary.

31 (C) Ensure individuals are referred to ongoing mental health
 32 care when necessary.

33 (2) Switching to an easy-to-remember “988” for suicide
 34 prevention and mental health crisis services will connect more
 35 people with the appropriate and lifesaving care they need, just as
 36 “911” does for other types of emergencies.

37 (e) It is the intent of the Legislature to implement the National
 38 Suicide Hotline Designation Act of 2020, in compliance with the
 39 Federal Communication Commission’s rules adopted by July 16,
 40 2022 designating “988” as a three-digit number for the National

1 Suicide Prevention Hotline to assure all persons residing in and
2 visiting the State of California have access to the “988” suicide
3 prevention and behavioral health crisis hotline and care 24 hours
4 a day, seven days a week.

5 SEC. 2. Article 6.1 (commencing with Section 53123) is added
6 to Chapter 1 of Part 1 of Division 2 of Title 5 of the Government
7 Code, to read:

8

9

Article 6.1. Miles Hall Lifeline Act

10

11 53123. This article is known and may be cited as the “Miles
12 Hall Lifeline Act”.

13 53123.1. (a) “988” means the three-digit phone number
14 designated by the Federal Communications Commission for the
15 purpose of connecting individuals experiencing a mental health
16 crisis with suicide prevention and mental health crisis counselors,
17 mobile crisis support teams, and crisis receiving and stabilization
18 services and other mental health crisis services through the National
19 Suicide Prevention Lifeline Network.

20 (b) “988 Crisis Hotline Center” means a county or contractor
21 operated center participating in the National Suicide Prevention
22 Lifeline Network to respond to statewide or regional 988 calls.

23 (c) “Mental health crisis services” means the continuum of
24 services to address crisis intervention, crisis stabilization, and crisis
25 residential treatment needs that are wellness, resiliency, and
26 recovery oriented. Mental health crisis services include, but are
27 not limited to:

28 (1) Crisis intervention, including counseling provided by 988
29 crisis hotline centers.

30 (2) Jurisdiction-based mental health teams, known as mobile
31 crisis support teams, that include licensed mental health
32 professionals and peer support specialists, as defined in subdivision
33 (g) of Section 14045.12 of the Welfare and Institution Code, and
34 may include medical and health professionals. Mobile crisis support
35 teams provide onsite interventions including deescalation,
36 stabilization, and referrals to mental health and other social services
37 to individuals who are experiencing a mental health crisis.

38 (A) “Mental health professional” means any of the following:

- 1 (i) A licensed clinical social worker, pursuant to Chapter 14
- 2 (commencing with Section 4991) of Division 2 of the Business
- 3 and Professions Code.
- 4 (ii) A licensed professional clinical counselor, pursuant to
- 5 Chapter 16 (commencing with Section 4999.10) of Division 2 of
- 6 the Business and Professions Code.
- 7 (iii) A licensed marriage and family therapist, pursuant to
- 8 Chapter 13 (commencing with Section 4980) of Division 2 of the
- 9 Business and Professions Code.
- 10 (iv) A licensed psychologist, pursuant to Chapter 6.6
- 11 (commencing with Section 2900) of Division 2 of the Business
- 12 and Professions Code.
- 13 (v) A licensed physician under Chapter 5 (commencing with
- 14 Section 2000) of Division 2 of the Business and Professions Code
- 15 who is either a board certified psychiatrist or has completed a
- 16 residency in psychiatry.
- 17 (B) (i) Mobile crisis support teams may include mental health
- 18 teams embedded in Emergency Medical Services.
- 19 (ii) Mobile crisis support teams may include specialized teams
- 20 that can provide coordinated care for individuals experiencing
- 21 chronic homelessness.
- 22 (3) Crisis receiving and stabilization services that are facilities
- 23 with capacity for diagnosis, initial management, observation, crisis
- 24 stabilization, and follow up referral services and include, but are
- 25 not limited to:
- 26 (i) Short-term residential facilities that provide care under 24
- 27 hours.
- 28 (ii) Crisis residential treatment.
- 29 (iii) Peer respite services.
- 30 (iv) Services related to involuntary commitments under the
- 31 Lanterman-Petris-Short Act, Part 1 (commencing with Section
- 32 5000) of Division 5 the Welfare and Institution Code.
- 33 (d) “National Suicide Prevention Lifeline” means the national
- 34 network of local crisis hotline centers that provide free and
- 35 confidential emergency support to people in suicidal crisis or
- 36 emotional distress 24 hours a day, 7 days a week via a toll-free
- 37 hotline number, which receives calls made through the 988 system.
- 38 The toll-free number is maintained by the Assistant Secretary for
- 39 Mental Health and Substance Use under Section 520E-3 of the

1 Public Health Service Act, Section 290bb-36c of Title 42 of the
2 Unites States Code (42 U.S.C. 290bb-36c).

3 (e) “Office” means the Office of Emergency Services.

4 (f) “Substance Abuse and Mental Health Services
5 Administration” means that agency of the United States Department
6 of Health and Human Services.

7 (g) “Veterans Crisis Line” means the hotline which provides
8 crisis intervention to veterans and that is maintained by the
9 Secretary of Veterans Affairs under Section 1720F(h) of Title 38
10 of the United States Code (38 U.S.C. 1720F(h)).

11 53123.2. (a) The office shall implement, oversee, and enforce
12 the provisions of this article.

13 (b) (1) The office shall appoint a 988 crisis hotline system
14 director to provide direction and oversight of the implementation
15 and administration of the 988 crisis hotline and the mental health
16 crisis services that work in conjunction with the crisis hotline
17 centers.

18 (2) The director shall have experience in all of the following:

19 (A) Emergency crisis response and emergency crisis lines.

20 (B) Suicide prevention and mental health crisis services.

21 (C) Implementation of mental health crisis services, including
22 coordination of county and state mental health administrative
23 service organizations for the provision of mental health and
24 substance use disorder services.

25 (c) The office shall do all of the following:

26 (1) Designate a 988 crisis hotline center or centers to provide
27 crisis intervention services and crisis care coordination to
28 individuals accessing the 988. The office shall designate at least
29 one 988 crisis hotline center prior to July 16, 2022.

30 (2) Ensure coordination between the 988 crisis hotline centers,
31 911, mental health crisis services, and, when appropriate, other
32 speciality mental health warm lines and hotlines.

33 (3) Establish training guidelines for employees involved in the
34 implementation of 988 including 988 crisis hotline center staff,
35 911 operators, emergency medical services, law enforcement, and
36 firefighters. Training guidelines shall be written consistent with
37 Section 53123.5.

38 (4) Establish standards for mental health crisis services
39 accessible through the 988 system.

1 (5) Seek to maximize all available federal funding sources,
 2 including federal medicaid reimbursement, for the purposes of 988
 3 implementation, including the funding of mental health crisis
 4 services, in consultation with the State Department of Health Care
 5 Services.

6 (d) (1) To meet its obligations under subdivision (c), the office
 7 shall adopt regulations by January 1, 2023, which shall be regularly
 8 reviewed and updated.

9 (2) The office shall hold quarterly stakeholder convenings to
 10 provide input and guidance during, and following, the adoption of
 11 regulations. The convenings shall include representatives from all
 12 of the following:

13 (A) Mental health consumers who are receiving or have received
 14 mental health services.

15 (B) Parents, spouses, siblings, or adult children of mental health
 16 consumers.

17 (C) Disability rights advocates.

18 (D) County behavioral health departments.

19 (E) California Indian tribes, as defined in subdivision (c) of
 20 Section 8012 of the Health and Safety Code.

21 (F) Mental health and suicide hotline centers.

22 (G) Hospitals.

23 (H) Law enforcement.

24 (I) Emergency responders.

25 (J) Suicide prevention lines.

26 (K) State Department of Health Care Services.

27 (L) Department of Insurance.

28 (M) Department of Managed Health Care.

29 (N) State Department of Social Services.

30 (O) Mental Health Services Oversight and Accountability
 31 Commission.

32 (P) Office of Suicide Prevention, if established.

33 (3) Beginning on January 1, 2023, and no later than January 1,
 34 2024, 988 crisis hotline centers, counties, and other relevant entities
 35 shall become fully compliant with the regulations adopted under
 36 this section, unless otherwise provided by the office.

37 (4) The office may adopt emergency regulations implementing
 38 this act by July 16, 2022. The office may readopt any emergency
 39 regulation authorized by this section that is the same as or

1 substantially equivalent to an emergency regulation previously
2 adopted under this section.

3 (e) The office shall maintain and evaluate data on the usage of,
4 services provided for, and outcomes from the 988 system.

5 (f) The office shall work with the National Suicide Prevention
6 Lifeline, Veterans Crisis Line, and the Substance Abuse and Mental
7 Health Services Administration for the purposes of implementing
8 988 and ensuring consistency of public messaging about 988
9 services. The office shall also seek to maximize efficiency and
10 access to crisis hotlines beyond those previously provided.

11 (g) Beginning January 1, 2025, and annually thereafter, the
12 office shall prepare a report and deliver it to the Legislature, the
13 Substance Abuse and Mental Health Services Administration, and
14 the Federal Communications Commission, including information
15 on the all of the following:

16 (1) Data gathered pursuant to subdivision (e).

17 (2) Revenue generated by the 988 surcharge as reported by the
18 California Department of Tax and Fee Administration pursuant to
19 Section 41135 of the Revenue and Taxation Code.

20 (3) Deposits made to and expenditures from the Mental Health
21 and Crisis Services Special Fund as reported by the State Treasurer
22 per subdivision (e) of the Section 53123.6.

23 (4) State of county mental health crisis services, how funds from
24 the Mental Health and Crisis Services Special Fund are being used
25 to support these services, and how additional funds would be used
26 to improve, create, or expand access to mental health crisis services
27 pursuant to paragraph (1) of subdivision (d) of Section 53123.6.

28 (h) The report to be submitted to the Legislature pursuant to
29 subdivision (f) shall be submitted in compliance with Section 9795.

30 53123.3. (a) 988 crisis hotline centers shall be designated by
31 the office as provided in paragraph (1) of subdivision (b) of Section
32 53123.2 to operate within California.

33 (b) Each 988 crisis hotline center shall do all of the following:

34 (1) Maintain an active agreement with the administrator of the
35 National Suicide Prevention Lifeline for participation within the
36 network.

37 (2) Meet federal Substance Abuse and Mental Health Services
38 Administration requirements and national best practice guidelines
39 for operational and clinical standards, including training
40 requirements and policies for transferring callers to an appropriate

1 specialized center or subnetworks within or external to the National
2 Suicide Prevention Lifeline network.

3 (3) Utilize technology that is interoperable between and across
4 crisis and emergency response systems used throughout the state
5 including to 911, emergency services, and other nonmental health
6 crisis services. Technology shall include the capability for all the
7 following:

8 (A) Interoperability of phone calls, texts, chats, and other similar
9 capabilities consistent with the county's implementation of Next
10 Generation 911 pursuant to Section 53121.

11 (B) Assigning and tracking local response to mental health crisis
12 calls, including the capacity to rapidly deploy mobile crisis support
13 teams through global positioning technology.

14 (C) Tracking and providing real-time bed availability to crisis
15 responders and individuals in crisis for all mental health bed types,
16 such as crisis stabilization, psychiatric inpatient, substance use
17 disorder inpatient treatment, withdrawal management, and peer
18 crisis respite, including voluntary and involuntary beds.

19 (4) Maintain information sharing agreements with entities that
20 operate 911 call centers for the purpose of real-time care
21 coordination including deployment of mobile crisis support teams
22 and other mental health crisis services.

23 (5) Deploy mental health crisis services, including mobile crisis
24 support teams, and coordinate access to crisis receiving and
25 stabilization services.

26 (A) Any call made to 911 pertaining to a mental health crisis
27 shall be transferred to a 988 crisis hotline center. If a law
28 enforcement, medical, or fire response is also needed, 988 and 911
29 operators shall coordinate the simultaneous deployment of those
30 services with mobile crisis support teams.

31 (B) Law enforcement shall not be contacted or deployed in
32 partnership with a mobile crisis support team unless there is an
33 explicit threat to public safety and the situation cannot be
34 reasonably managed without law enforcement assistance.

35 (6) Provide follow-up services to individuals accessing 988
36 consistent with guidance and policies established by the National
37 Suicide Prevention Lifeline and within the timeframes established
38 by all plan letters pursuant to Section 1374.73 of the Health and
39 Safety Code.

1 (7) Employ or contract to provide a sufficient number of
2 qualified bilingual persons or interpreters to ensure provision of
3 information and services in the language of the
4 non-English-speaking person.

5 (8) Provide data, and reports, and participate in evaluations and
6 related quality improvement activities as required by the office.

7 (c) To the extent the National Suicide Prevention Lifeline admits
8 new crisis centers to the network, counties and independent crisis
9 hotline centers shall seek to certify, license, and accredit any
10 existing county operated, county contracted, or independently
11 operated mental health access or suicide prevention lines by July
12 16, 2022.

13 (d) Crisis hotline centers shall, beginning January 1, 2023, and
14 no later than January 1, 2024, unless otherwise provided by the
15 office, become fully compliant with any regulations issued by the
16 office under subparagraphs (1) and (3) of subdivision (d) of Section
17 53123.2.

18 (e) All crisis hotline centers shall provide care consistent with
19 Section 53123.6.

20 53123.4. (a) Counties shall seek to offer a full continuum of
21 mental health crisis services, to the extent resources are available.
22 This continuum shall include services funded by Section 5848.5
23 of the Welfare and Institutions Code and additional grants,
24 including grants awarded by the Mental Health Services Oversight
25 and Accountability Commission, for the purpose of establishing
26 a mental health crisis response system.

27 (1) Counties shall seek to maximize existing funding sources
28 to maintain mental health crisis services.

29 (2) Counties may form a joint powers authority, pursuant to
30 Chapter 5 (commencing with Section 6500) of Division 7 of Title
31 1, for the purposes of expanding access to mental health crisis
32 services and reducing associated costs.

33 (b) Counties shall bill the appropriate health care service plan
34 or disability insurer for all medically necessary treatment of a
35 mental health or substance use disorder provided to
36 privately-insured individuals through the 988 system. “Medically
37 necessary treatment of a mental health or substance use disorder”
38 shall have the same meaning as Section 10144.5 of the Insurance
39 Code. Health care service plans and disability insurers shall
40 reimburse for such medically necessary treatment within 30

1 calendar days. Counties shall report to the Department of Managed
 2 Health Care and the Department of Insurance any health care
 3 services plans or disability insurers that fail to reimburse services
 4 provided through the 988 system for possible enforcement actions.

5 (c) County operated mental health crisis services, including
 6 mobile crisis support teams and crisis receiving and stabilization
 7 services, shall be made available to 988 callers and counties shall
 8 coordinate with 988 crisis hotline centers on the deployment of,
 9 and access to, these services.

10 (1) Counties shall consult with California Indian tribes, as
 11 defined in subdivision (c) of Section 8012 of the Health and Safety
 12 Code, to ensure mental health crisis services support the unique
 13 needs of, and are accessible to, the tribes. This may include regional
 14 coordination with tribal governments and capacity building efforts.

15 (d) County operated mental health crisis services shall provide
 16 care consistent with Section 53123.5.

17 53123.5. (a) All elements of the 988 system shall be designed
 18 to meet the unique needs of California’s diverse communities.

19 (b) In compliance with Section 1810.410 of Title 9 of the
 20 California Code of Regulations and in accordance with the National
 21 Culturally and Linguistically Appropriate Services Standards
 22 established by the United States Department of Health and Human
 23 Services, crisis hotline centers and mental health crisis services
 24 shall do all of the following:

25 (1) Ensure equitable access to services regardless of an
 26 individual’s race, ethnicity, gender, socioeconomic status, sexual
 27 orientation, gender identity or expression, or geographic location.

28 (2) Meet the unique needs of specific populations, including all
 29 of the following:

30 (A) Populations at greater risk of suicide as identified by the
 31 Substance Abuse and Mental Health Services Administration.

32 (B) Individuals experiencing homelessness, housing instability,
 33 or who are at risk of experiencing homelessness in the future.

34 (C) Children and youth.

35 (D) Older adults.

36 (E) Individuals with disabilities.

37 (F) Black, African American, Hispanic, Latino, Asian, Pacific
 38 Islander, Native American, Native Hawaiian, Alaska Native, and
 39 other underserved communities, and the diverse communities and
 40 backgrounds within these categories.

- 1 (G) Lesbian, gay, bisexual, transgender, nonbinary, queer, and
2 questioning individuals.
- 3 (H) Immigrants and refugees.
- 4 (I) Non-English speakers.
- 5 (J) Low-income persons.
- 6 (K) Religious communities.
- 7 (c) The Office of Health Equity within the State Department of
8 Public Health shall provide technical assistance to the office,
9 counties, contracted crisis hotline centers, and other contracted
10 entities seeking to obtain funds for initiatives in multicultural
11 health, including identification of funding sources and assistance
12 with writing grants in compliance with paragraph (9) of subdivision
13 (a) of Section 152 of the Health and Safety Code.
- 14 53123.6. (a) The 988 State Mental Health and Crisis Services
15 Special Fund is hereby established in the State Treasury.
- 16 (b) The fund shall consist of all of the following:
- 17 (1) Revenue generated by the 988 surcharge assessed on users
18 under Section 41020 of the Revenue and Taxation Code.
- 19 (2) Appropriations made by the Legislature.
- 20 (3) Grants and gifts intended for deposit in the fund.
- 21 (4) Interest, premiums, gains, or other earnings on the fund.
- 22 (5) Money from any other source that is deposited in or
23 transferred to the fund.
- 24 (c) Notwithstanding Section 11754 of the Health and Safety
25 Code, federal funds payable directly to the state by the Substance
26 Abuse and Mental Health Services Administration to implement
27 988 may be made directly to the fund.
- 28 (d) Money in the fund is subject to all of the following:
- 29 (1) Money shall not revert at the end of any fiscal year and shall
30 remain available for the purposes of the fund in subsequent state
31 fiscal years.
- 32 (2) Money shall not be subject to transfer to any other fund or
33 to transfer, assignment, or reassignment for any other use or
34 purpose outside of those specified in this article.
- 35 (3) Money shall be continuously appropriated for the purposes
36 of the fund.
- 37 (e) (1) Counties shall use any funds remitted to them to fund
38 their 988 crisis hotline centers. Any surplus may be used to fund
39 mental health crisis services including, but not limited to, mobile
40 crisis support teams and crisis receiving and stabilization services.

1 (2) The office may adopt regulations regarding the process for
 2 counties to receive funds.

3 (3) Beginning on December 31, 2022 and annually thereafter,
 4 counties shall report to the office on the state of their mental health
 5 crisis services, how they are funding these services, and how any
 6 additional remittance from the 988 State Mental Health and Crisis
 7 Services Special Fund will be used to improve, create, and expand
 8 access to mental health crisis services.

9 (f) The State Treasurer shall report annually to the office on
 10 fund deposits and expenditures.

11 SEC. 3. Section 324.9 is added to the Public Utilities Code, to
 12 read:

13 324.9. The California Public Utilities Commission shall publish
 14 on its internet website relevant information regarding the Miles
 15 Hall Lifeline Act, Article 6.1 (commencing with Section 53123)
 16 of Part 1 of Division 2 of Title 5 of the Government Code and
 17 Federal Communications Commission and North American
 18 Numbering Plan Administrator guidelines regarding 988
 19 implementation, including customer education and network
 20 modification.

21 SEC. 4. Section 41007.2 of the Revenue and Taxation Code
 22 is amended to read:

23 41007.2. (a) “Wireline communications service” shall mean
 24 a local exchange service provided at a physical location in this
 25 state that allows the user to make an outbound communication to
 26 the 911 emergency communications system.

27 (b) For the purposes of the surcharge imposed by Chapter 2
 28 (commencing with Section 41020):

29 (1) A wireline communications service access line does not
 30 include a direct inward dialing number, extension, or other similar
 31 feature that routes an inbound call and cannot provide access to
 32 the 911 emergency communications system ~~or 988 crisis hotline.~~

33 (2) The number of surcharges imposed shall not exceed the total
 34 number of concurrent outbound calls that can be placed to the
 35 emergency communications system at a single point of time.

36 (c) This definition shall apply only to this part.

37 (d) *Commencing January 1, 2022, the definition shall include*
 38 *a local exchange service provided at a physical location in this*
 39 *state that allows the user to make an outbound communication to*
 40 *the 988 crisis hotline as defined in Miles Hall Lifeline Act, Article*

1 *6.1 (commencing with Section 53123) of Part 1 of Division 2 of*
2 *Title 5 of the Government Code.*

3 SEC. 5. Section 41007.3 of the Revenue and Taxation Code
4 is amended to read:

5 41007.3. (a) “Wireless communications service line” shall
6 mean a telecommunications service provided to an end user with
7 a place of primary use in this state that allows the end user to make
8 an outbound communication to the 911 emergency communications
9 system. A wireless communications service line shall not include
10 prepaid mobile telephony service.

11 (b) For the purposes of the surcharge imposed by Chapter 2
12 (commencing with Section 41020), not more than one surcharge
13 may be imposed per wireless communications service line number
14 assigned to an end user of mobile telecommunications service.

15 (c) This definition shall apply only to this part.

16 (d) *Commencing January 1, 2022, the definition shall include*
17 *a telecommunications service provided to an end user with a place*
18 *of primary use in this state that allows the end user to make an*
19 *outbound communication to the 988 crisis hotline as defined in*
20 *Miles Hall Lifeline Act, Article 6.1 (commencing with Section*
21 *53123) of Part 1 of Division 2 of Title 5 of the Government Code.*
22 *A wireless communications service line shall not include prepaid*
23 *mobile telephony service.*

24 SEC. 6. Section 41013 of the Revenue and Taxation Code is
25 amended to read:

26 41013. “Surcharge” means a tax *or taxes* levied by this state.
27 “*Surcharge,*” or “*surcharges*” as used in this part, refers to two
28 separate charges, one related to 911 service and one related to
29 988 service.

30 SEC. 7. The heading of Chapter 2 (commencing with Section
31 41020) of Part 20 of Division 2 of the Revenue and Taxation Code
32 is amended to read:

33

34 **Chapter 2. The-Surcharge Surcharges**

35

36 SEC. 8. The heading of Article 1 (commencing with Section
37 41020) of Chapter 2 of Part 20 of Division 2 of the Revenue and
38 Taxation Code is amended to read:

39

40 **Article 1. Imposition of the-Surcharge Surcharges**

1 SEC. 9. Section 41020 of the Revenue and Taxation Code is
2 amended to read:

3 41020. (a) (1) (A) On and after January 1, 2020, a *911*
4 surcharge is hereby imposed on each access line for each month
5 or part thereof for which a service user subscribes with a service
6 supplier, at an amount determined under Article 2 (commencing
7 with Section 41030). *Beginning January 1, 2022, a separate 988*
8 *surcharge is hereby imposed on each access line for each month*
9 *or part thereof for which a service user subscribes with a service*
10 *supplier, at an amount determined under Article 2 (commencing*
11 *with Section 41030).*

12 (B) ~~The surcharge~~ *surcharges* shall be paid by the service user
13 as hereinafter provided.

14 (2) On and after January 1, 2020, the purchase of prepaid mobile
15 telephony services in this state shall be subject to ~~a surcharge~~ *the*
16 *surcharges* set forth under Article 2 (commencing with Section
17 41030). ~~The surcharge~~ *surcharges* shall be paid by the prepaid
18 consumer in accordance with Section 41028 and remitted and
19 administered in accordance with this part.

20 (b) ~~The surcharge~~ *surcharges* imposed shall not apply to either
21 of the following:

22 (1) In accordance with the Mobile Telecommunications Sourcing
23 Act (Public Law 106-252), which is incorporated herein by
24 reference, to any charges for mobile telecommunications services
25 billed to a customer where those services are provided, or deemed
26 provided, to a customer whose place of primary use is outside this
27 state. Mobile telecommunications services shall be deemed
28 provided by a customer's home service provider to the customer
29 if those services are provided in a taxing jurisdiction to the
30 customer, and the charges for those services are billed by or for
31 the customer's home service provider.

32 (2) To any charges for VoIP service billed to a customer where
33 those services are provided to a customer whose place of primary
34 use of VoIP service is outside this state.

35 (c) For purposes of this section:

36 (1) "Access line in this state" means a telephone line as defined
37 in Section 233 of the Public Utilities Code associated with a billing
38 address located in California.

39 (2) "Charges for mobile telecommunications services" means
40 any charge for, or associated with, the provision of commercial

1 mobile radio service, as defined in Section 20.3 of Title 47 of the
2 Code of Federal Regulations, as in effect on June 1, 1999, or any
3 charge for, or associated with, a service provided as an adjunct to
4 a commercial mobile radio service, that is billed to the customer
5 by or for the customer’s home service provider, regardless of
6 whether individual transmissions originate or terminate within the
7 licensed service area of the home service provider.

8 (3) “Customer” means (A) the person or entity that contracts
9 with the home service provider for mobile telecommunications
10 services, or with a VoIP service provider for VoIP service, or (B)
11 if the end user of mobile telecommunications services or VoIP
12 service is not the contracting party, the end user of the mobile
13 telecommunications service or VoIP service. This paragraph applies
14 only for the purpose of determining the place of primary use. The
15 term “customer” does not include (A) a reseller of mobile
16 telecommunications service or VoIP communication service, or
17 (B) a serving carrier under an arrangement to serve the mobile
18 customer outside the home service provider’s licensed service
19 area.

20 (4) “Home service provider” means the facilities-based carrier
21 or reseller with which the customer contracts for the provision of
22 mobile telecommunications services.

23 (5) “Licensed service area” means the geographic area in which
24 the home service provider is authorized by law or contract to
25 provide commercial mobile radio service to the customer.

26 (6) “Mobile telecommunications service” means commercial
27 mobile radio service, as defined in Section 20.3 of Title 47 of the
28 Code of Federal Regulations, as in effect on June 1, 1999.

29 (7) “Place of primary use” means the street address
30 representative of where the customer’s use of the mobile
31 telecommunications service or VoIP service primarily occurs, that
32 must be:

33 (A) The residential street address or the primary business street
34 address of the customer.

35 (B) With respect to mobile telecommunications service, within
36 the licensed service area of the home service provider.

37 (8) (A) “Reseller” means a provider who purchases
38 telecommunications services or VoIP service from another
39 telecommunications service provider or VoIP service and then
40 resells the services, or uses the services as a component part of,

1 or integrates the purchased services into, a mobile
2 telecommunications service or VoIP service.

3 (B) “Reseller” does not include a serving carrier with which a
4 home service provider arranges for the services to its customers
5 outside the home service provider’s licensed service area.

6 (9) “Serving carrier” means a facilities-based carrier providing
7 mobile telecommunications service to a customer outside a home
8 service provider’s or reseller’s licensed area.

9 (10) “Taxing jurisdiction” means any of the several states, the
10 District of Columbia, or any territory or possession of the United
11 States, any municipality, city, county, township, parish,
12 transportation district, or assessment jurisdiction, or any other
13 political subdivision within the territorial limits of the United States
14 with the authority to impose a tax, charge, or fee.

15 (11) “VoIP service provider” means that provider of VoIP
16 service with whom the end user customer contracts for the
17 provision of VoIP services for the customer’s own use and not for
18 resale.

19 SEC. 10. Section 41021 of the Revenue and Taxation Code is
20 amended to read:

21 41021. (a) A service supplier shall collect the ~~surcharge~~
22 *surcharges* from each service user at the time it collects its billings
23 from the service user, provided that the duty to collect the surcharge
24 from a service user shall commence with the beginning of the first
25 regular billing period applicable to that person which starts on or
26 after the operative date of the surcharge imposed by this part. If
27 the stations or lines of more than one service supplier are utilized
28 in furnishing the telephone communication services to the service
29 user, the service supplier that bills the customer shall collect the
30 surcharge from the customer.

31 (b) Only one payment under this part shall be required with
32 respect to the ~~surcharge~~ *surcharges* on a service, notwithstanding
33 that the lines or stations of one or more service suppliers are used
34 in furnishing that service.

35 SEC. 11. Section 41022 of the Revenue and Taxation Code is
36 amended to read:

37 41022. The ~~surcharge~~ *surcharges* required to be collected by
38 the service supplier shall be added to and stated separately in its
39 billings to the service user.

1 SEC. 12. Section 41023 of the Revenue and Taxation Code is
2 amended to read:

3 41023. The ~~surcharge~~ *surcharges* required to be collected by
4 the service supplier, and any amount unreturned to the service user
5 which is not a surcharge but was collected from the service user
6 as representing a surcharge, constitute debts owed by the service
7 supplier to this state.

8 A service supplier that has collected any amount of ~~surcharge~~
9 *surcharges* in excess of the amount of ~~surcharge~~ *surcharges*
10 imposed by this part and actually due from a service user, may
11 refund such amount to the service user, even though such surcharge
12 amount has already been paid over to the board and no
13 corresponding credit or refund has yet been secured. Any service
14 supplier making a refund of any charge to a service user upon
15 which surcharge is collected under this part from the service user
16 may repay therewith the amount of the surcharge paid. The service
17 supplier may claim credit for such overpayment against the amount
18 of ~~surcharge~~ *surcharges* imposed by this part which is due upon
19 any other quarterly return, providing such credit is claimed in a
20 return dated no later than three years from the date of overpayment.

21 SEC. 13. Section 41024 of the Revenue and Taxation Code is
22 amended to read:

23 41024. Every service user in this state is liable for the ~~surcharge~~
24 *surcharges* until ~~it has~~ *they have* been paid to this state, except that
25 payment to a service supplier registered under this part is sufficient
26 to relieve the user from further liability for the tax.

27 Any surcharge collected from a service user which has not been
28 remitted to the board shall be deemed a debt owed to the State of
29 California by the person required to collect and remit such
30 surcharge. Nothing in this part shall impose any obligation upon
31 a service supplier to take any legal action to enforce the collection
32 of the utility users surcharge imposed by this part. The service
33 supplier shall provide the board with amounts uncollected which
34 total three dollars (\$3) or more on a cumulative basis with respect
35 to a single service user along with the names, addresses and reasons
36 of the service users refusing to pay the ~~surcharge~~ *surcharges*
37 imposed by this part.

38 SEC. 14. Section 41026 of the Revenue and Taxation Code is
39 amended to read:

1 41026. In the payment of the ~~surcharge~~ *surcharges* imposed
 2 by this part, a fractional part of a cent shall be disregarded unless
 3 it amounts to one-half or more, in which case it shall be increased
 4 to one cent.

5 SEC. 15. Section 41028 of the Revenue and Taxation Code is
 6 amended to read:

7 41028. (a) (1) On and after January 1, 2020, the surcharge
 8 ~~amount~~ *amounts* imposed by Section 41020 on the purchase of
 9 prepaid mobile telephony services in this state shall be collected
 10 by a seller from each prepaid consumer at the time of each retail
 11 transaction in this state.

12 (2) The amount of the ~~surcharge~~ *surcharge* shall be separately
 13 stated on an invoice, receipt, or other similar document that is
 14 provided to the prepaid consumer of mobile telephony services by
 15 the seller, or otherwise disclosed electronically to the prepaid
 16 consumer, at the time of the retail transaction.

17 (b) (1) The ~~surcharge that is~~ *surcharges that are* required to be
 18 collected by a seller and any amount unreturned to the prepaid
 19 consumer of mobile telephony services that is not owed as part of
 20 the surcharge, but was collected from the prepaid consumer under
 21 the representation by the seller that it was owed as part of the
 22 surcharge, constitutes debts owed by the seller to this state.

23 (2) A seller that has collected any amount of surcharge in excess
 24 of the amount of the surcharge imposed by this part and actually
 25 due from a prepaid consumer may refund that amount to the
 26 prepaid consumer, even though the surcharge amount has already
 27 been paid over to the department and no corresponding credit or
 28 refund has yet been secured. Any seller making a refund of any
 29 charge to a prepaid consumer may repay therewith the amount of
 30 the surcharge paid. The seller may claim credit for such
 31 overpayment against the amount of surcharge imposed by this part
 32 which is due upon any other quarterly return, providing such credit
 33 is claimed in a return dated no later than three years from the date
 34 of overpayment.

35 (c) (1) Every prepaid consumer of prepaid mobile telephony
 36 services in this state is liable for the ~~surcharge~~ *surcharges* until it
 37 has been paid to this state, except that payment to a seller registered
 38 under this part relieves the prepaid consumer from further liability
 39 for the ~~surcharge~~ *surcharges*. Any surcharge collected from a
 40 prepaid consumer that has not been remitted to the department

1 shall be a debt owed to the state by the person required to collect
2 and remit the surcharge. Nothing in this part shall impose any
3 obligation upon a seller to take any legal action to enforce the
4 collection of the surcharge imposed by this section.

5 (2) A credit shall be allowed against, but shall not exceed, the
6 surcharge ~~amount~~ *amounts* imposed on any prepaid consumer of
7 mobile telephony services by this part to the extent that the prepaid
8 consumer has paid emergency telephone users charges on the
9 purchase to any other state, political subdivision thereof, or the
10 District of Columbia. The credit shall be apportioned to the charges
11 against which it is allowed in proportion to the amounts of those
12 charges.

13 (d) A seller is relieved from liability to collect the prepaid MTS
14 surcharge imposed by this part that became due and payable,
15 insofar as the base upon which the surcharge is imposed is
16 represented by accounts that have been found to be worthless and
17 charged off for income tax purposes by the seller or, if the seller
18 is not required to file income tax returns, charged off in accordance
19 with generally accepted accounting principles. A seller that has
20 previously paid the surcharge may, under rules and regulations
21 prescribed by the board, take as a deduction on its return the
22 amount found worthless and charged off by the seller. If any such
23 accounts are thereafter in whole or in part collected by the seller,
24 the amount so collected shall be included in the first return filed
25 after such collection and the surcharge shall be paid with the return.

26 (e) For purposes of this part, all of the following definitions
27 shall apply:

28 (1) "Prepaid consumer" means a person who purchases prepaid
29 mobile telephony services in a retail transaction.

30 (2) "Retail transaction" means the purchase of prepaid mobile
31 telephony services, either alone or in combination with mobile
32 data or other services, from a seller for any purpose other than
33 resale in the regular course of business. For these purposes, a
34 "purchase" means any transfer of title or possession, exchange, or
35 barter, conditional or otherwise.

36 (3) "Seller" means a person that sells prepaid mobile telephony
37 service to a person in a retail transaction.

38 (f) For purposes of this section, a retail transaction occurs in
39 the state under any of the following circumstances:

1 (1) The prepaid consumer makes the retail transaction in person
2 at a business location in the state (point-of-sale transaction).

3 (2) If paragraph (1) is not applicable, the prepaid consumer's
4 address is in the state (known-address transaction). A
5 known-address transaction occurs in the state under any of the
6 following circumstances:

7 (A) The retail sale involves shipping of an item to be delivered
8 to, or picked up by, the prepaid consumer at a location in the state.

9 (B) If the prepaid consumer's address is known by the seller to
10 be in the state, including if the seller's records maintained in the
11 ordinary course of business indicate that the prepaid consumer's
12 address is in the state and the records are not made or kept in bad
13 faith.

14 (C) The prepaid consumer provides an address during
15 consummation of the retail transaction that is in the state, including
16 an address provided with respect to the payment instrument if no
17 other address is available and the address is not given in bad faith.

18 (3) If an address is not available to the seller to determine
19 whether any of the circumstances in paragraph (2) exist, the
20 transaction will be deemed to be a known-address transaction
21 occurring in this state if the mobile telephone number is associated
22 with a location in this state.

23 (g) The surcharge amounts imposed under this section shall be
24 remitted by every seller, except a service supplier, as prescribed
25 under Part 1 (commencing with Section 6001), along with a return
26 filed using electronic media. The department shall administer such
27 remittance and returns as prescribed under Part 1 (commencing
28 with Section 6001).

29 (h) The purchase in a retail transaction in this state of prepaid
30 mobile telephony services, either alone or in combination with
31 mobile data or other services, by a prepaid consumer is exempt
32 from the ~~surcharge~~ *surcharges* if all of the following apply:

33 (1) The prepaid consumer is certified as eligible for the state
34 lifeline program or federal lifeline program.

35 (2) The seller is authorized to provide lifeline service under the
36 state lifeline program or federal lifeline program.

37 (3) The exemption is applied only to the amount paid for the
38 portion of the prepaid mobile telephony service that the lifeline
39 program specifies is exempt from the surcharges and fees.

1 SEC. 16. The heading of Article 2 (commencing with Section
2 41030) of Chapter 2 of Part 20 of Division 2 of the Revenue and
3 Taxation Code is amended to read:

4

5 Article 2. Adjustment of Surcharge ~~Amount~~ *Amounts*

6

7 SEC. 17. Section 41030 of the Revenue and Taxation Code is
8 amended to read:

9 41030. (a) The Office of Emergency Services shall determine
10 annually, on or before October 1, to be effective on January 1 of
11 the following year, a surcharge amount pursuant to subdivision
12 (b) that it estimates will produce sufficient revenue to fund the
13 current fiscal year's ~~911-9-8-8 costs. and 988 costs.~~

14 (b) For determinations made that are applicable to the calendar
15 year beginning on January 1, 2020, and each calendar year
16 thereafter, the surcharge amount shall be determined annually by
17 dividing the costs, including incremental costs, the Office of
18 Emergency Services estimates for the current fiscal year of ~~911~~
19 *both of the following:*

20 (1) *911 costs approved pursuant to Article 6 (commencing with*
21 *Section 53100) of Chapter 1 of Part 1 of Division 2 of Title 5 of*
22 *the Government Code, less the available balance in the State*
23 *Emergency Telephone Number Account in the General Fund, by*
24 *its estimate of the number of access lines to which the surcharge*
25 *will apply per month for the period of January 1 to December 31,*
26 *inclusive, of the next succeeding calendar year, but in no event*
27 *shall the surcharge amount in any month be greater than eighty*
28 *cents (\$0.80) per access line per month.*

29 (2) *For the year beginning January 1, 2023, and each calendar*
30 *year thereafter, 988 costs approved pursuant to Article 6.1*
31 *(commencing with Section 53123) of Chapter 1 of Part 1 of*
32 *Division 2 of Title 5 of the Government Code, less the available*
33 *balance in the State Mental Health and Crisis Services Special*
34 *Fund by its estimate of the number of access lines to which the*
35 *surcharge will apply per month for the period of January 1 to*
36 *December 31, inclusive, of the next succeeding calendar year.*

37 (c) When determining the surcharge amount pursuant to this
38 section, the office shall include the costs it expects to incur to plan,
39 test, implement, and operate Next Generation 911 technology and
40 services, including text to 911 service, and alerts and warnings,

1 consistent with the plan and timeline required by Section 53121
2 of the Government Code.

3 (d) (1) Service suppliers shall report the total number of access
4 lines to the Office of Emergency Services, on or before August 1,
5 for the previous period of January 1 to December 31, inclusive.

6 (2) The total number of access lines required to be reported in
7 paragraph (1) shall include all lines from the categories of wireline
8 communication service line, wireless communication service line,
9 prepaid mobile telephony service line, and VoIP service line. The
10 number of access line figures shall be reported individually for
11 these categories.

12 (e) The office shall perform a validation of the number of access
13 lines using subscription data or other comparable data collected
14 by appropriate federal or state agencies. This subscription data or
15 other comparable data shall be used to validate the access line data
16 required to be reported by service suppliers in subdivision (d).

17 (f) (1) The office shall notify the department of the surcharge
18 amount imposed under this part, determined pursuant to this section
19 on or before October 1 of each year.

20 (2) The surcharge imposed on the purchase of prepaid mobile
21 telephony services shall be equal to the amount set forth in
22 subdivision (b) for each retail transaction in this state.

23 (g) (1) At least 30 days prior to determining the surcharge
24 pursuant to subdivision (a), the Office of Emergency Services shall
25 prepare a summary of the calculation of the proposed surcharge
26 and make it available to the public, the Legislature, the 911
27 ~~Advisory Board~~, *Board, the Mental Health Services Oversight and*
28 *Accountability Commission, the State Department of Public Health,*
29 and on its internet website.

30 (2) For determinations made on or before October 1, 2019, the
31 summary shall contain all of the following:

32 (A) The prior year revenues to fund 911 costs, including, but
33 not limited to, revenues from prepaid service.

34 (B) Projected expenses and revenues from all sources, including,
35 but not limited to, prepaid service to fund 911 costs.

36 (C) The rationale for adjustment to the surcharge determined
37 pursuant to subdivision (b), including, but not limited to, all
38 impacts from the surcharge collected pursuant to Part 21
39 (commencing with Section 42001).

1 (h) For purposes of this section, for the determination made by
2 the office on or before October 1, 2019, that is applicable for the
3 calendar year beginning on January 1, 2020, and ending on
4 December 31, 2020, the following definitions shall apply:

5 (1) “Service supplier” shall mean a person supplying an access
6 line to a service user in this state.

7 (2) “Service user” means any person that subscribes for the right
8 to utilize an access line in this state who is required to pay a
9 surcharge under the provisions of this part.

10 (i) *It is the intent of the Legislature that the 988 surcharge may*
11 *be adjusted for low-income households, including all households*
12 *eligible for the California Lifeline Program.*

13 SEC. 18. Section 41031 of the Revenue and Taxation Code is
14 amended to read:

15 41031. The Office of Emergency Services shall make its
16 determination of the surcharge ~~amount~~ *amounts* each year no later
17 than October 1 and shall notify the department of the new ~~amount~~,
18 *amounts*, which shall be fixed by the department to be effective
19 with respect to access lines on or after January 1 of the next
20 succeeding calendar year.

21 SEC. 19. Section 41032 of the Revenue and Taxation Code is
22 amended to read:

23 41032. Immediately upon notification by the Office of
24 Emergency Services and fixing the surcharge ~~amount~~, *amounts*,
25 the department shall each year no later than November 15 publish
26 in its minutes the new amount, and it shall notify every service
27 supplier registered with it of the new amount by a means, or means
28 determined by the department, that may include, but is not limited
29 to, mail, electronic mail, or internet website postings.

30 SEC. 20. Section 41050 of the Revenue and Taxation Code is
31 amended to read:

32 41050. The ~~surcharge~~ *surcharges* imposed by Section 41020
33 ~~attaches~~ *attach* at the time charges for the intrastate telephone
34 communication services and VoIP service are billed by the service
35 supplier to the service user and shall be paid by the service user
36 when paying for such services.

37 SEC. 21. Section 41098 of the Revenue and Taxation Code is
38 amended to read:

39 41098. (a) If the board finds that a person’s failure to make a
40 timely return or payment is due to the person’s reasonable reliance

1 on written advice from the board, the person may be relieved of
2 the ~~surcharge~~ *surcharges* imposed by this part and any penalty or
3 interest added thereto.

4 (b) For purposes of this section, a person's failure to make a
5 timely return or payment shall be considered to be due to
6 reasonable reliance on written advice from the board, only if the
7 board finds that all of the following conditions are satisfied:

8 (1) The person requested in writing that the board advise ~~him~~
9 ~~or her~~ *them* whether a particular activity or transaction is subject
10 to the surcharge under this part. The specific facts and
11 circumstances of the activity or transaction shall be fully described
12 in the request.

13 (2) The board responded in writing to the person regarding the
14 written request for advice, stating whether or not the described
15 activity or transaction is subject to the ~~surcharge~~, *surcharges*, or
16 stating the conditions under which the activity or transaction is
17 subject to the ~~surcharge~~. *surcharge*.

18 (3) The liability for surcharges applied to a particular activity
19 or transaction which occurred before either of the following:

20 (A) Before the board rescinded or modified the advice so given,
21 by sending written notice to the person of rescinded or modified
22 advice.

23 (B) Before a change in statutory or constitutional law, a change
24 in the board's regulations, or a final decision of a court, which
25 renders the board's earlier written advice no longer valid.

26 (c) Any person seeking relief under this section shall file with
27 the board all of the following:

28 (1) A copy of the person's written request to the board and a
29 copy of the board's written advice.

30 (2) A statement under penalty of perjury setting forth the facts
31 on which the claim for relief is based.

32 (3) Any other information which the board may require.

33 (d) Only the person making the written request shall be entitled
34 to rely on the board's written advice to that person.

35 SEC. 22. Section 41100 of the Revenue and Taxation Code is
36 amended to read:

37 41100. If the department determines that any amount, penalty,
38 or interest has been paid more than once or has been erroneously
39 or illegally collected or computed, the department shall set forth
40 that fact in the records of the department, certify the amount

1 collected in excess of the amount legally due and the person from
2 whom it was collected or by whom paid, and credit the excess
3 amount collected or paid on any amounts then due and payable
4 from the person from whom the excess amount was collected or
5 by whom it was paid under this part, and the balance shall be
6 refunded to the person, or their successors, administrators, or
7 executors. Any proposed determination by the department pursuant
8 to this section with respect to an amount in excess of fifty thousand
9 dollars (\$50,000) shall be available as a public record for at least
10 10 days prior to the effective date of that determination.

11 Any overpayment of ~~the~~ a surcharge by a service user to a service
12 supplier or seller who is required to collect the surcharge shall be
13 credited or refunded by the state to the service user. However, if
14 the service supplier or seller has paid the amount to the department
15 and establishes to the satisfaction of the department that it has not
16 collected the amount from the service user or has refunded the
17 amount to the service user, the overpayment may be credited or
18 refunded by the state to the service supplier.

19 SEC. 23. Section 41128 of the Revenue and Taxation Code is
20 amended to read:

21 41128. The board shall enforce the provisions of this part and
22 may prescribe, adopt, and enforce rules and regulations relating
23 to the administration and enforcement of this part. The board shall
24 not prescribe, adopt or enforce any rule or regulation which has
25 the effect, directly or indirectly, of altering the terms and conditions
26 of service of a service supplier serving the general public, other
27 than the imposition of the ~~surcharge.~~ *surcharges.*

28 SEC. 24. Section 41135 of the Revenue and Taxation Code is
29 amended to read:

30 41135. (a) All amounts required to be paid to the state under
31 this part shall be paid to the department in the form of remittances
32 payable to the California Department of Tax and Fee
33 Administration. The department shall transmit the payments to the
34 State Treasurer to be deposited in the State Treasury to the credit
35 of *either* the State Emergency Telephone Number Account in the
36 ~~General Fund, which is hereby created.~~ *Fund, or the State Mental*
37 *Health and Crisis Services Special Fund depending on the*
38 *apportionment of the surcharge to arising from the 911 emergency*
39 *communication system or the 988 crisis hotline.*

1 (b) The department in consultation with the Office of Emergency
 2 Services, may adopt regulations to implement the apportionment
 3 of the surcharge.

4 (c) The department shall submit an annual report to the Office
 5 of Emergency Services on revenue generated by the 988 surcharge.

6 SEC. 25. Section 41136 of the Revenue and Taxation Code is
 7 amended to read:

8 41136. (a) From the funds in the State Emergency Telephone
 9 Number Account, all amounts of the 911 surcharge collected shall,
 10 when appropriated by the Legislature, be spent solely for the
 11 following purposes:

- 12 ~~(a)~~
- 13 (1) To pay refunds authorized by this part.
- 14 ~~(b)~~
- 15 (2) To pay the department for the cost of the administration of
 16 this part.
- 17 ~~(c)~~
- 18 (3) To pay the Office of Emergency Services for its costs in
 19 administration of the “911” emergency telephone number system.
- 20 ~~(d)~~
- 21 (4) To pay bills submitted to the Office of Emergency Services
 22 by service suppliers or communications equipment companies for
 23 the installation of, and ongoing expenses for, the following
 24 communications services supplied to local agencies in connection
 25 with the “911” emergency phone number system:
- 26 ~~(1)~~
- 27 (A) A basic system, defined as 911 systems, including, but not
 28 limited to, Next Generation 911, and the subsequent technologies,
 29 and interfaces needed to deliver 911 voice and data information
 30 from the 911 caller to the emergency responder and the subsequent
 31 technologies, and interfaces needed to send information, including,
 32 but not limited to, alerts and warnings, to potential 911 callers.
- 33 ~~(2)~~
- 34 (B) A basic system with telephone central office identification.
- 35 ~~(3)~~
- 36 (C) A system employing automatic call routing.
- 37 ~~(4)~~
- 38 (D) Approved incremental costs.
- 39 ~~(e)~~

1 (5) To pay claims of local agencies for approved incremental
2 costs, not previously compensated for by another governmental
3 agency.

4 ~~(f)~~

5 (6) To pay claims of local agencies for incremental costs and
6 amounts, not previously compensated for by another governmental
7 agency, incurred prior to the effective date of this part, for the
8 installation and ongoing expenses for the following communication
9 services supplied in connection with the “911” emergency
10 telephone number system:

11 ~~(1)~~

12 (A) A basic system, defined as 911 systems, including, but not
13 limited to, Next Generation 911, and the subsequent technologies,
14 and interfaces needed to deliver 911 voice and data information
15 from the 911 caller to the emergency responder and the subsequent
16 technologies, and interfaces needed to send information, including,
17 but not limited to, alerts and warnings, to potential 911 callers.

18 ~~(2)~~

19 (B) A basic system with telephone central office identification.

20 ~~(3)~~

21 (C) A system employing automatic call routing.

22 ~~(4)~~

23 (D) Approved incremental costs. Incremental costs shall not be
24 allowed unless the costs are concurred in by the Office of
25 Emergency Services.

26 (b) (1) *From the funds in the State Mental Health and Crisis*
27 *Services Special Fund, all amounts of the 988 surcharge collected*
28 *are continuously appropriated and shall be spent for purposes*
29 *identified in Section 53123.6 of the Government Code. However,*
30 *before funds are disbursed as provide in Section 53123.6 of the*
31 *Government Code, funds shall be used for all of the following:*

32 (A) *To pay refunds authorized by this part.*

33 (B) *To pay the department for the cost of the administration of*
34 *this part.*

35 (C) *To pay the Office of Emergency Services for its costs in*
36 *administration of the 988 crisis hotline.*

37 (2) *The remainder of the revenue shall be disbursed to the Office*
38 *of Emergency Services for the purposes identified in Section*
39 *53123.6.*

1 SEC. 26. Section 41150 of the Revenue and Taxation Code is
2 amended to read:

3 41150. (a) The Legislature hereby declares and finds that to
4 enable public agencies to implement “911” emergency phone
5 systems required by the provisions of Chapter 1005 of the 1972
6 Regular Session (Article 6 (commencing with Section 53100) of
7 Chapter 1 of Part 1 of Division 2 of Title 5 of the Government
8 Code) it is necessary that a surcharge be imposed upon access lines
9 purchased by every person in the state for access to the 911
10 emergency communication system. This act will provide funding
11 for basic 911, as defined in Section 41136, and the technology and
12 interfaces needed to deliver 911 voice and data information from
13 the 911 caller to the emergency responder and the subsequent
14 technologies, and interfaces needed to send information, including,
15 but not limited to, alerts and warnings, to potential 911 callers. In
16 addition, this part will provide funding for incremental costs.

17 (b) *The Legislature hereby finds and declares that to enable*
18 *public agencies to implement the “988” hotline required by the*
19 *provisions of the Miles Hall Lifeline Act (Article 6.1 (commencing*
20 *with Section 53123) of Chapter 1 of Part 1 of Division 2 of Title*
21 *5 of the Government Code) it is necessary that a surcharge be*
22 *imposed upon access lines purchased by every person in the state*
23 *for access to the 988 crisis hotline. This act, as amended by the*
24 *act adding this subdivision will provide funding, in part, for 988*
25 *crisis hotline centers operated by counties and mobile crisis*
26 *support teams and crisis receiving and stabilization services.*

27 SEC. 27. Notwithstanding Section 13340 of the Government
28 Code, the State Mental Health and Crisis Services Special Fund
29 is hereby continuously appropriated to the Office of Emergency
30 Services for allocation as set forth in this act without regard to
31 fiscal year for the purposes of this act.

32 SEC. 28. No reimbursement is required by this act pursuant to
33 Section 6 of Article XIII B of the California Constitution for certain
34 costs that may be incurred by a local agency or school district
35 because, in that regard, this act creates a new crime or infraction,
36 eliminates a crime or infraction, or changes the penalty for a crime
37 or infraction, within the meaning of Section 17556 of the
38 Government Code, or changes the definition of a crime within the
39 meaning of Section 6 of Article XIII B of the California
40 Constitution.

1 However, if the Commission on State Mandates determines that
2 this act contains other costs mandated by the state, reimbursement
3 to local agencies and school districts for those costs shall be made
4 pursuant to Part 7 (commencing with Section 17500) of Division
5 4 of Title 2 of the Government Code.

6 SEC. 29. This act is an urgency statute necessary for the
7 immediate preservation of the public peace, health, or safety within
8 the meaning of Article IV of the California Constitution and shall
9 go into immediate effect. The facts constituting the necessity are:

10 The national 988 system will be fully operationalized on July
11 16, 2022, by which point California must establish the means to
12 answer and respond to calls. Given the Office of Emergency
13 Services, counties, and 988 crisis hotline centers must implement
14 this act within less than one year of its passage, it is necessary for
15 this act to take immediate effect.

O