

February 19, 2026

**Budget and Fiscal Advisory Committee Meeting
Committee Member Roll Call**

4 Committee Members Needed to Establish Quorum

	Name	Present In Person	Present Virtual	Absent
1.	Commissioner Bunch	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2.	Commissioner Carnevale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Commissioner Gordon	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Committee Harabedian (Designee Rosielyn Pulmano)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.	Commissioner Wilkes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6.	Commissioner Contreras	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7.	Commissioner Rowlett	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:		3	3	1

Motions Summary

February 19, 2026, Budget and Fiscal Advisory Committee Meeting

Motion #: 1 (Agenda Item 4 – Meeting Minutes)

Proposed Motion: The Budget and Fiscal Advisory Committee approves December 16, 2025, meeting minutes.

Committee Member making motion: Pulmano

Committee Member seconding motion: Wilkes

Motion carried **X** yes, ___ no, and ___ abstain, per roll call vote as follows:

	Name	Yes	No	Abstain	Absent	On Leave
1.	Commissioner Bunch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.	Commissioner Carnevale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Commissioner Gordon	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Commissioner Harabedian (Designee Rosielyn Pulmano)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Commissioner Wilkes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Commissioner Contreras	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Commissioner Rowlett	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:		6	0	0	1	0



Budget and Fiscal Advisory Committee Meeting Summary

Date: February 19, 2026 | Time: 12:30 p.m. – 2:30 p.m.

BHSOAC

1812 9th Street

Sacramento, California 95811

Advisory Committee Members:

Commission Staff:

Commissioner Alfred Rowlett, Chair Commissioner Chris Contreras, Vice Chair* Commissioner Steve Carnevale Commissioner Dave Gordon Commissioner Assemblymember John Harabedian (Designee Rosielyn Pulmano)* Commissioner Jevon Wilkes*	Brenda Grealish Sandra Gallardo Lauren Quintero Cody Scott
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*Participated remotely.

Advisory Committee Member absent: Commissioner Keyondria Bunch.

Agenda Item 1: Call to Order and Roll Call – Information

Commissioner Alfred Rowlett, Commission Chair and Advisory Committee Chair, called the California Behavioral Health Commission (CBH or Commission) Budget and Fiscal Advisory Committee (BFA Committee) meeting to order at approximately 12:30 p.m., welcomed everyone, and reviewed the meeting agenda.

Sandra Gallardo, Chief Counsel, called the roll and confirmed the presence of a quorum. Attending in Person: Chair Rowlett and Commissioners Carnevale and Gordon. Attending Remotely: Vice Chair Contreras, Designee Pulmano for Harabedian, and Commissioner Wilkes.

Agenda Item 2: Announcements and Updates – Information

Chair Rowlett gave the announcements as follows:

- The Advisory Committee will abide by Bagley-Keene Open Meeting Act requirements; additionally, as part of the Commission’s commitment to deeper public involvement and open governance, all Advisory Committee meetings include an enhanced public comment segment designed to promote genuine dialogue between the Committee and the community.

Contracts and Amendments

- In line with the new transparency efforts, the Commission will continue to provide brief updates on recent contracts and amendments approved under the Executive Director's authority. These updates are shared during all Committee announcements for informational purposes only. Please note that all contracts and amendments are negotiated between the Commission and the contractor and must be mutually agreed upon.

There are six agreements to report this month to translate the new Behavioral Health Services Act (BHSA) Community Planning Process Toolkit into multiple languages:

- An agreement in the amount of \$4,539 with American Language Services to translate the BHSA Toolkit into Korean and Khmer.
- An agreement in the amount of \$2,450 with Refugee Enrichment and Development Association – Thaher to translate the BHSA Toolkit into Arabic.
- An agreement in the amount of \$1,680 with Refugee Enrichment and Development Association – Alimyar to translate the BHSA Toolkit into Farsi.
- An agreement in the amount of \$953.10 with GiGi Perry to translate the BHSA Toolkit into Spanish.
- An agreement in the amount of \$8,240 with Equity Languages and Employment Services to translate the BHSA Toolkit into Cantonese, Mandarin, and Tagalog.
- An agreement in the amount of \$4,200 with Boat People SOS to translate the BHSA Toolkit into Vietnamese.

CBH February 2026 Committee Highlights

As part of the Commission's ongoing commitment to transparency and collaboration, information needs to flow seamlessly across all CBH Committees. To support this effort, the Chair of each Committee will review key updates from the other Committees to keep everyone aligned, streamline communication, and foster a more connected approach to the work.

- The Program Advisory Committee (PAC Committee) will hear a presentation from the Department of Health Care Services (DHCS) on performance measures for the Behavioral Health Services Act (BHSA) and a presentation by staff on the Commission's data framework, thus highlighting efforts to align and improve data-driven decision-making.
- The Budget and Fiscal Advisory Committee (BFA Committee) will receive a presentation on the 2025-26 mid-year budget update, as well as a presentation on 2025-26 spending allocations, giving an overview of financial priorities and planning for the upcoming year.
- The Legislative and External Affairs Advisory Committee (LEX Committee) will consider bills that the Commission may choose to support or oppose in the 2026 legislative season. They will also hear an update on the Early Psychosis

Intervention (EPI) video project, which focuses on promoting coordinated specialty care for EPI.

- The Client, Family, and Community Inclusion, Lived Experience, and Diversity Advisory Committee (CFC Committee) will have a discussion about the future structure of the Committee and explore ways to strengthen inclusion and representation moving forward. They will also have a discussion on the effects of the BHSa implementation on peer-run organizations and peer services.

Grants and Contracts Expenditure List

- The Grants and Contracts Expenditure list has been updated as of February 8, 2026, and can be found in today's meeting materials packet, on the Commission's website, and a hyperlink is included on the slides posted online. Please note that the Commission has terminated agreement number 22MHSOAC022 with the University of the Pacific (UOP), originally in the amount of \$5 million. As a result, this agreement no longer appears on the Grants and Contracts Expenditure list. All remaining funds associated with this agreement will revert to the Behavioral Health Services Fund.

Upcoming Meetings

- The next full Commission meeting will be a two-day meeting to be held in Sacramento on March 26-27, 2026.
- The next BFA Committee meeting date will soon be announced.

For more information on any of these items, please visit the website or sign up for the email distribution list.

Agenda Item 3: General Public Comment – Information

Laurel Benhamida, Ph.D. (attended remotely via Zoom) stated: Good morning. I'm Laurel Benhamida with MAS – Social Services Foundation and REMHDCO, the Racial and Ethnic Mental Health Disparities Coalition. I just want to say thank you and commend you for the translations that you have commissioned of the toolkit. I also like to see small businesses used who have vetted translators and it looks like you did that. And so, that is a big step forward. Thank you.

Agenda Item 4: Meeting Minutes – Action

Chair Rowlett stated the December 16, 2025, BFA Committee Meeting Minutes will be reviewed for approval.

There were no questions from Committee Members and no public comment.

Action: Chair Rowlett asked for a motion to approve the minutes. Assembly Designee Pulmano made a motion, seconded by Commissioner Wilkes, that:

- *The Budget and Fiscal Advisory Committee approves the December 16, 2025, Meeting Minutes as presented.*

Motion passed 6 yes, 0 no, and 0 abstain, per roll call vote as follows:

The following BFA Committee Members voted “Yes”: Commissioners Carnevale, Gordon, Assembly Designee Pulmano, and Wilkes, Vice Chair Contreras, and Chair Rowlett.

Agenda Item 5: Commission’s Mid-Year Budget Update for Fiscal Year 2025-26 – Information

Chair Rowlett stated the Committee will hear an overview of the Commission’s financial position at the midpoint of the Fiscal Year 2025-26 budget cycle. He asked staff to present this agenda item.

Lauren Quintero, Acting Deputy Director of Administration and Performance Management, provided an overview, with a slide presentation, of the budget process timeline, budget update, state operation fund, category of expenditure, and local assistance and other funds. She stated contracts will continue to either be listed in the Announcements and Updates agenda item at each Committee meeting or presented for official expenditure authorization to the Commission.

Committee Discussion

Commissioner Carnevale asked for additional detail on the annual reserves that the Commission keeps for possible encumbrances.

Acting Deputy Director Quintero stated the Commission has one year to spend or encumber funds before they revert. Staff keeps track of the amount in reserve, which typically balances out over time.

Executive Director Grealish stated one piece is the contracts that spend down. The total funding is encumbered and allocations are staggered to ensure that contractors have enough time to do their work. The second piece is retaining funding to cover extra bills that may come up at the end of the fiscal year.

Assembly Designee Pulmano referred to Slide 12, Fiscal Year 2025-26 Budget Update, and asked about the difference between the Allocation for Employee Benefits, Allocation for Other Post-Employment Benefits (OPEB), and Allocation for Staff Benefits Line Items.

Acting Deputy Director Quintero stated these separate Line Items are delineated in the Governor’s Budget and are related to coding.

Assembly Designee Pulmano asked which of these contain the health benefits.

Acting Deputy Director Quintero stated health benefits are contained in the Allocation for Employee Benefits Line Item.

Assembly Designee Pulmano referred to the Grants and Contracts Expenditure List on pages 8 through 15 in the meeting materials, pointed out the low progress percentages in each category, and asked what has slowed their progress and if there should be concern over these low progress percentages.

Chair Rowlett asked staff to present a comprehensive update at the next BFA Committee meeting on the progress and reason for the lack of progress associated with these expenditures.

Acting Deputy Director Quintero stated some of the reasons for low progress percentages are varying timelines or start dates.

Acting Deputy Director Quintero noted that the Mental Health Wellness Act funds have a longer pay schedule. She stated grantees have two years to encumber and then an additional two years to spend the funding. The program team works closely with counties on any challenges encountered during the grant process.

Chair Rowlett referred to Slide 13, State Operation Fund Overview, and stated his assumption that the projected variance for the Personnel Line Item is salary savings due to unfilled staff positions.

Acting Deputy Director Quintero agreed and stated it is also due to new staff who are new to state service where the default is to start at the bottom of the salary range.

Chair Rowlett asked staff to add to their presentation at the next BFA Committee meeting, answering Assembly Designee Pulmano's questions, a discussion on the unique circumstance that allows investing positive variance funds into things such as the BHSA Community Planning Process Toolkit language translation agreements outlined in Agenda Item 2, above.

Public Comment and Open Dialogue

There was no public comment.

Agenda Item 6: Sustainable Funding Concepts – Information

Chair Rowlett stated he and Commissioner Carnevale will lead a discussion on sustainable funding concepts that may inform future proposals to support behavioral health transformation, and will present a concept that could be submitted for consideration at future PAC and CFC Committee meetings.

Chair Rowlett provided an overview, with a slide presentation, of the Committee process, proposed problem of unstable county behavioral health funding, and proposed solution to establish an Institute of Sustainable Finance (ISF). He stated the ISF would be done in two phases: a planning phase and an implementation phase. He stated core functions of the ISF are to map and quantify funding volatility; model return on investment for individuals served by the public behavioral health system, including the BHSA priority populations; evaluate alternative financing mechanisms; and design pilot public-private partnership structures.

Chair Rowlett stated, if done well, establishing an ISF could mean more crisis stabilization sites, outpatient clinics, and consistent treatment access; expanded mobile crisis response; and better workforce capacity and outcomes for people with serious mental illness, substance use disorders (SUD), and co-occurring conditions. This investment strengthens accountability and fiscal discipline, reduces execution risk before large-scale capital deployment, positions the Commission to responsibly mobilize

future capital, and transforms innovation funding from grantmaking into a structured capital strategy.

Commissioner Carnevale stated the entire mental health system is not structured correctly financially, and no one is getting enough money to serve their needs. This is a global problem that everyone is looking to California to solve. The Commission is in a position to consider catalytic transformative ideas that can look at this problem at a system level that the state of California is not pursuing.

Chair Rowlett asked a series of questions to facilitate the discussion. Committee Members and members of the public provided feedback and suggestions, as follows:

1. Are the purpose and opportunity of the ISF concept clear?

What, if any, questions or observations would help further clarify the ISF concept and strengthen a shared understanding among Commissioners and stakeholders?

Assembly Designee Pulmano stated her assumption that this is a big report with two phases. Phase 1 would look at the landscape of behavioral health financing and delivery of services, and Phase 2 is about options to improve the Phase 1 landscape report to improve the financing of behavioral health.

Chair Rowlett stated today is about discussing a concept. A proposal would first need to be developed that would include Phases 1 and 2. A landscape analysis would be part of that proposal.

Commissioner Carnevale stated the landscape analysis will include issues around data, measurement, and standards and will extend to thinking about new and innovative structures that could be deployed in order to radically expand the amount of money available. The concept discussed today would be to determine the feasibility of a proposal where Phase 1 would scope all of that out.

Commissioner Carnevale stated Phase 2 should move toward implementation, not just create a report. It is about creating a process that leads to engagement with the state and other stakeholders to create new sustainable finance strategies and mechanisms that expand the money.

Commissioner Wilkes asked about resources needed to go beyond being a concept.

Assembly Designee Pulmano agreed with Commissioner Wilkes's concerns about the resources needed to go beyond the concept to see what is expected.

Chair Rowlett stated it is unclear at this point. This is a concept with no funding ideas associated with it. Potential funding would be part of the proposal.

Commissioner Wilkes asked if this concept could be part of a county innovation funding proposal.

Chair Rowlett stated this concept could potentially become an innovation that would go through a competitive procurement process and be funded by other sources. It would be vetted and voted on by the BFA, PAC, and CFC Committees and full Commission.

Commissioner Wilkes asked if the concept will be used to determine how to maximize and generate funding for the Commission.

Commissioner Carnevale stated the concept will not raise money for the Commission itself. The Commission is trying to change the whole system by learning how to bring in additional funding and how to create mechanisms that can grow the pot of money used to deliver the services that people need.

Chair Rowlett stated the establishment of an Institute of Sustainable Finance will create a mechanism to monitor returns on investment to ensure that strategies are designed to gather data and measure outcomes and keep successful programs sustainable rather than disappearing after their one-time grant funding sunsets.

Commissioner Carnevale stated money can be spent on expenses or it can be spent on things that will save money downstream. Distinguishing between these two happens all the time in the health care system, just not in mental health. There are entire programs to encourage people to monitor and control their blood glucose so they do not have diabetes or so that their diabetes does not grow worse. That is an example of prevention and early intervention. There are few such examples in mental health. This concept is a way to get to that kind of a system.

2. Is the ISF concept a good idea (i.e., would it add value to the Commission's mission and long-term strategic goals)?

If yes, what components, principles, or focus areas should be included in an ISF proposal to ensure it is effective, credible, and aligned with the Commission's and community's values?

Assembly Designee Pulmano stated her understanding that it is more like a master plan on behavioral health financing. She stated the concept is good, but some level of analysis is needed, especially on where things are in today's landscape. It is a novel approach to addressing a big problem that is in healthcare overall, not just in behavioral health.

Commissioner Carnevale stated the size of the problem is not even known. People have gotten so used to not having enough money, they just wait to find out what else is going to be cut. People in the mental health system have gotten used to that. This is not the standard accepted in other health care practices, but it is in mental health. This is a global problem, not just in California. There are various financial mechanisms and strategies that are deployed in other fields that can be taken advantage of. The fact that they are not is part of the issue. Things will not be invented that have never happened before; they just have never happened in mental health.

Commissioner Gordon stated stigma, not trusting the mental health system, and access are barriers to services. People favor one-time funding to try to correct these issues, but the money runs out without a way to continue programs with good outcomes. He suggested doing research as part of the landscape analysis to learn why more is not being done in the 0 to 5 years and what circumstances produce behavioral health issues for young people. Data has not been collected; there is not a systemic way of knowing what could be saved by starting to intervene earlier. There is no basis to know when or how to intervene, but common sense dictates that intervention should be done

much earlier. Children are starting school at age four. Transitional kindergarten is available and is already funded.

3. Any other questions/considerations?

Commissioner Gordon stated the state has invested billions of one-time dollars in the Community Schools Partnership Program. Thousands of schools around the state have been given grants to try out different things to add to their repertoire in the interest of engaging the community. Although the funding will run out, this provides a good opportunity to learn what is effective and to gather data.

Chair Rowlett stated Proposition 63, which is now Proposition 1, was once a concept. He stated this agenda item presented a concept for discussion and feedback from Commissioners and members of the public with the hope that the Commission can one day establish an Institute of Sustainable Finance to benefit individuals with behavioral health needs across the state of California through a comprehensive array of services.

Public Comment and Open Dialogue

Sarahi Soto-Talavera (attended in person) stated: Hi. My name is Sarahi. She/her pronouns. I'm an MSW intern with Safe Passages and a second year MSW student at UC Berkeley. Thank you, Commissioners Carnevale and Rowlett, for the presentation and y'all's work on it.

My first point is relating to just the process in which the concept was presented. From my understanding per the Committee charters, shouldn't this type of convo or just like concept be initiated first in the Program Advisory Committee? I'm just curious as to why it was started here first.

And then, secondly, as was mentioned, we all know that public funding is always in flux. Perhaps it's just an effect of a system that was designed that way, but that's a comment for another day. But, that being said, I think we all know that we need funding to be able to do the work that we want to do, but I worry about the process for working with private firms, particularly because a lot of times they're very much like profit-driven in our work that's so community-centered and people-powered. I just worry that that could impact the integrity of our work and the Commission. So, I just hope that there's some kind of guardrails or something in the future to prevent any type of agency or AI – whatever management system to come in whose intentions aren't as pure as they should be.

Thank you.

Ash Wilhelm (attended in person) stated: Hi. My name is Ash. They/them pronouns. And I'm also with Safe Passages as a second year MSW intern. Thank you so much for the presentation. It was very thorough. I want to echo just a little bit about the steps and the fact that it's been repeatedly mistaken as a proposal because it does resemble a proposal quite heavily. But I appreciate the reframing around it being a concept because there are more things to figure out.

Since it's an early concept discussion, I just want to take a moment to raise guardrails before anything becomes structured because, when public entities move into capital strategy and blended finance models, decision-making dynamics can shift towards centering financial structuring priorities. So, we simply ask that the Commission clearly articulate how public interest protections will be preserved as the evolution occurs.

And, if this concept moves forward into a proposal phase, we respectfully ask that the Commission build in from the outset the following:

- Clear procurement safeguards for any external expertise.
- Competitive bidding and public scopes of work.
- Strong disclosure and recusal standards for financing related decisions.
- Plain language reporting so community stakeholders can meaningfully understand and engage with the framework before it becomes embedded.

So, we're rooting for the exploration of sustainable funding strategies and we're also asking for transparency and accessibility and that that's foundational from the beginning. Thank you.

Chair Rowlett asked everyone to email comments and recommendations to staff. He asked Chief Counsel Gallardo to address the question of raising this concept at the BFA Committee.

Chief Counsel Gallardo stated proposals must go through the formal Committee process. A concept exploration can be initiated in any Advisory Committee. If the BFA Committee agrees that this concept is a good idea to develop into a proposal, information of what should be included in the proposal will be gathered as it moves through the Commission's established Committee vetting process.

Joel Baum (attended remotely via Zoom) stated: Great. Thank you so much. And, again, appreciations to all of you for the work that you're doing. You know, growing up, I was taught that if it walks like a duck, and it talks like a duck, and it looks like a duck, it's probably a duck. And you will recall that the notions of this scheme were really introduced at last month's meeting of the full Commission. And, to many, it appeared to be a poorly developed plan that lacked any clarity in specifics. The individual who presented it was not even in attendance.

Following a lengthy discussion in which a majority of the Commissioners and many of the community members who spoke raised serious concerns, the item was rejected for funding for this year. I recall stating at the time that, were this to have been a proposal brought before this body for funding, it would have easily been rejected. Yet, here we are again, right? I'm left wondering why it is that there is so much passion around this particular topic.

With respect and a desire for full transparency, I want to ensure that members of the Committee are aware that the individual who has pushed this scheme is a founding partner of an early-stage venture firm that "seeks to support brain health innovations." I'll also point out that the strategic advisor for this for-profit entity is the former executive director of this body, who recently resigned under some pretty cloudy circumstances.

I submit to you that this "concept" represents a significant and potentially damaging conflict of interest to the entire Commission. I would assert that Committee members should be skeptical of this dubious and still vague "concept." I would like to be able to assume positive intent, but folks, I see a duck. Thank you.

Laurel Benhamida, Ph.D. (attended remotely via Zoom) stated: Good afternoon. Laurel Benhamida with MAS – Social Services Foundation and REMHDCO, the Racial and Ethnic Mental Health Disparities Coalition. This came rather late in my mailbox yesterday and I've been trying to wrap my head around it. I think the first thing that got me was the use of the word "institute." I really don't understand what you mean by institute. So, of course, I looked it up and, sure enough, it means an organization founded for a particular purpose.

Well, are you planning to set up an institute with a 10-year life, a 5-year life? Are you going to bring in health financing economists and specialists to staff this institute? It sounds expensive to me and maybe will add to the confusion that we have because we separate mental health and behavioral health from physical health.

So, I don't want to dampen your enthusiasm, but I think you've made some steps forward in the sense of this presentation is, after the word institute, it's more understandable, although it has a lot of jargon from an area that we're not used to in mental health. So, it is that financing world that Commissioner Carnevale talked about.

Maybe setting up a subcommittee – that doesn't cost anything – bringing in some health economists from other state agencies – that wouldn't cost anything except time, of course, to explore this until we have a new Governor and we see how Prop 1 rolls out and what it looks like in the first year.

Those are just some off-the-cuff remarks with not many hours to take a look at this. I do know I went to the Steinberg conference a couple of weeks ago and it was full of information. It was great for information, but, at the end of it, when I was reflecting on the state of our system, I was so frustrated. And so, I just asked ChatGPT, you know, take a state like California with its diversity and so on and so forth, what would the ideal mental health care system be? Any of you can do that and you'll probably get the same answer. Mine started with Finland and followed with Great Britain.

So maybe that's a way to go and that didn't cost much. Anyway, I'm glad that you understand that we don't want part of the \$20 million devoted to this and, perhaps, just a subcommittee to explore with no cost might – might – be useful. Thank you.

And we're supposed to have a conversation, by the way, which we didn't have at the Program Committee. So, if anyone wants to answer me, I'd love to have a conversation. That was what the promise was.

Eba Laye (attended remotely via Zoom) stated: I'm the president of Whole Systems Learning. We are part of the African-American hub for CRDP and we are also concerned about this proposal. And I guess the first concern is whether it is going to be funded by innovation dollars. And I may have missed the part where that was discussed, but I certainly think that it would be a misuse of public funds to spend money on what would turn out to be a private venture or a for-profit.

But I think we also need to be really clear if this is going to involve the private sector as to who are going to be the ultimate beneficiaries of this. Is it going to be the people or is it going to be the financial interests that are going to be making the money off of this, because I think that we have to be very careful to be sure that the intended beneficiaries are the actual beneficiaries.

The other thing, I think that it would be a mistake to do anything in the private sector without the full participation of community-based organizations, and there are many of us, myself included, that are financially sophisticated enough to be able to participate in these kinds of discussions. So, I think that there can be a lot of crossovers between the financial worlds that are contemplated here and the community-based world in terms of working together, should it come to that. Thank you.

Alex Filippelli (attended remotely via Zoom) stated: Hi. Thank you for the opportunity to provide a public comment on this topic. My name is Alex. I use they and he pronouns and I'm also with the California Reducing Disparities Project. I work with the LGBTQ grantees in our project. And some of the aspects of what are being presented sound interesting. I understand the idea of setting aside money and investing that to have more money or a more sustainable source of money in the future. That makes sense to me.

A lot of the other information that is being presented is just not really clear. It sounds vague and confusing. I think that it's also concerning that there's been this reorganization of funds from Prop 63 to Prop 1, and there's a lot less money for prevention in particular. And that's another form of investment, right, is, you know, preventing problems or addressing systemic inequalities that are existing that are resulting in mental health impacts and taking \$20 million out of this fund and taking it away from communities of color and LGBTQ communities who are under attack by the federal government and who need access to care and resources right now. It's just a pretty significant amount of money that could be going out to supporting communities right away.

And so, I can appreciate the idea to invest in the future and have sustainable funding, but I also think that that could come from a different source. It would be great if more people in this country believed in income redistribution and taxing the rich, frankly. I'd like to see that and that the money that you have all been allocated to go out to serving communities and actually going to the community members that need that right away. Thank you.

Committee Discussion, continued

Chair Rowlett acknowledged the importance of collaboration with the community and hearing community input. He reiterated that this was a concept discussion and noted that there is no proposed encumbrance or funding allocated from any fund that the Commission currently has oversight.

Chair Rowlett stated members of the public have provided ideas and issues to consider such as guardrails, return on investment, implications of utilizing public funds, and conflicts of interest.

Commissioner Carnevale stated he agrees with the vast majority of comments made. He clarified that this concept is not meant to create a for-profit entity or an entity that anyone makes money on. He stated the mental health system is like a house. The concept is about replumbing the house in a way that the water flows through it more efficiently without leaking. He stated the hope and expectation that everyone will be at

the table, including the recommendations of bringing in national and even international people to the table.

Assembly Designee Pulmano stated she sees data on physical health care but not a lot of analyses on the landscape for behavioral health. She noted that 50 percent of health care coverage is through commercial plans. The landscape of behavioral health in California should not only focus on county behavioral health and Medi-Cal, but also on commercial plans. She stated she is comfortable with this concept turning into a specific proposal. The California Health Care Foundation website includes insurance coverage data on landscape, coverage gaps, affordability challenges, and access barriers. Turning this concept into a specific proposal will show if this can be done for behavioral health.

Agenda Item 7: Adjournment

Chair Rowlett stated the next BFA Committee meeting will be scheduled in April of 2026. He thanked everyone for their participation and adjourned the meeting at approximately 2:30 p.m.