



April 4, 2023

The Honorable Anthony Portantino
Chairman, Senate Appropriations Committee
1021 O Street, Suite 7630
Sacramento, CA 95814

Re: SB 45 (Roth) California Acute Care Psychiatric Hospital Loan Fund – Support

Dear Chairman Portantino,

On behalf of the California State Association of Psychiatrists (CSAP), I write to you in support of SB 45, which would establish the California Acute Care Psychiatric Hospital Loan Fund to provide zero-interest loans to qualifying county applicants for the purpose of constructing or renovating acute care psychiatric hospitals or psychiatric health facilities, or renovating or expanding general acute care hospitals in order to add or expand an inpatient psychiatric unit.

California is home to over 1 million adults who are afflicted with serious mental disorders, such as schizophrenia and/or bipolar disorder, with over 477,000 people going untreated. Psychiatric beds are essential infrastructure for meeting the needs of individuals with severe mental health conditions. As it stands right now, the lack of acute care psychiatric hospital beds has increased the strain on the complex and interconnected mental health delivery system for inpatient care.

In order to address the chronic need for additional acute care psychiatric beds, we must address the most significant impediment: funding. SB 45 provides necessary bridge funding that would prioritize regions in California where there are significant impediments to inpatient psychiatric care. The funding, in the form of a revolving loan, is a proven financing method that has assisted in the investment and development of many types of public infrastructure. The funding mechanism is a zero-interest loan with a non-local match component. The loan will be repayable over 30 years.

More funding for facilities is critically needed in California. So is a daily rate patch so that public and private operators can at least break even when they build or expand bed capacity. CSAP looks forward to working further with the Legislature in these regards.

For these reasons, CSAP is pleased to support SB 45.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Yoder', is placed below the word 'Sincerely,'.

Paul Yoder
Legislative Advocate

CC: Members, Senate Appropriations Committee
Senator Richard Roth