



**NEVADA
COUNTY**
CALIFORNIA

Health and Human Services Agency

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BEHAVIORAL HEALTH DEPARTMENT

NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: July 28, 2026

TO: Board of Supervisors

FROM: Cari Yardley, Acting Behavioral Health Director

SUBJECT: Resolution approving acceptance of Proposition 36 grant award and execution of a subrecipient agreement with Sierra Health Foundation-Center for Health Program Management on behalf of the California Department of Health Care Services (DHCS) in the maximum amount of \$334,342.14 for the contract term of March 1, 2026 through March 31, 2028 and authorizing and directing the Auditor-Controller to amend the Behavioral Health Department's Budget for Fiscal Year 2026/27 (4/5 Affirmative Vote Required).

RECOMMENDATION: Approve the attached Resolution.

FUNDING: The grant award of \$334,342.14 is funded by the California Department of Health Care Services (DHCS) and administered through Sierra Health Foundation- Center for Health Program Management to support county behavioral health entities in the implementation of Proposition 36 community-based substance use treatment expansion. A budget amendment is included and requires a 4/5 vote by the Board Members. There are no county general fund dollars required.

BACKGROUND: Proposition 36, approved by voters in November 2024, modified provisions of Proposition 47 (2014) to increase accountability for certain drug and theft crimes. A key component is the creation of a "treatment-mandated felony" process, allowing courts to mandate treatment for individuals with repeat drug convictions. Successful completion of treatment results in dismissal of charges.

Through Assembly Bill 102, the California DHCS launched a new initiative under Proposition 36 to expand access to community-based substance use treatment and recovery services. This initiative is grounded in the legislative framework of Proposition 36 and Assembly Bill 102, which together aim to reduce incarceration and improve treatment outcomes for individuals with substance use disorders.

Through this initiative, DHCS is distributing \$50 million in one-time funding to counties to support planning, capacity building, and treatment services. The Community Services Division, Prevention & Youth Branch, will oversee DHCS's portion of funding, with the Sierra Health Foundation: Center for Health Program Management acting as the administrative entity for DHCS.

Nevada County Behavioral Health applied for, and was awarded, this one-time grant funding to support with the implementation of community-based substance use treatment programs for court mandated substance use treatment services through Proposition 36 initiative. Grant funds may be used to build infrastructure and capacity to support Proposition 36 workflows; conduct substance use disorder (SUD) and mental health evaluations; provide or coordinate treatment services; collect and report required data, outcomes, and financial information; and collaborate with The Center, DHCS, and local Superior Court, Probation, and other required systems.

It is recommended that the Board approve acceptance of this Proposition 36 grant award and approve the subrecipient agreement with Sierra Health Foundation- Center for Health Program Management as it supports in the mandated implementation of Proposition 36 community-based substance use treatment expansion.

Approved by: Cari Yardley, Acting Behavioral Health Director