

**Adopted  
AMENDMENT NO 1 PROPOSED TO**

**Senate Bill No. 3162**

**BY: Senator(s) Hopson**

1           **AMEND by deleting Section 2 in its entirety and inserting the**  
2 **following in lieu thereof:**

3           **SECTION 2.** As a condition of expending the funds  
4 appropriated under Section 1 of this act, the Department of Mental  
5 Health shall enter into a memorandum of agreement with Canopy  
6 Children's Solutions governing the operation of the CARES Center  
7 that requires Canopy Children's Solutions to:

8                   (a) Give first preference to individuals who are under  
9 the care of the Department of Mental Health and Child Protection  
10 Services;

11                   (b) Designate a minimum of thirty-three (33) of the  
12 facilities' beds for patients of the Department of Mental Health  
13 and Child Protection Services;



14 (c) Agree to provide and maintain such beds in a  
15 condition satisfactory to the Department of Mental Health by a  
16 date to be determined by the Department of Mental Health;

17 (d) Execute a promissory note and a deed of trust  
18 between Canopy Children's Solutions and the Department of Mental  
19 Health evidencing a security interest in the CARES Center for a  
20 sum equal to the amount of state funds expended to construct or  
21 renovate the CARES Center;

22 (e) Reimburse a sum equal to the amount of state funds  
23 expended to construct or renovate the CARES Center to the  
24 Department of Mental Health upon the substantial breach of the  
25 memorandum of agreement required by this section;

26 (f) Authorize the Department of Mental Health to assert  
27 or maintain a claim in any proceeding to recoup a sum equal to the  
28 amount of state funds expended to construct and renovate the CARES  
29 Center upon the substantial breach of the memorandum of agreement  
30 required by this section; and

31 (g) Release the Department of Mental Health, the state,  
32 and any of its political subdivisions from any obligation to  
33 maintain the CARES Center or any designated state beds.

34 For purposes of this section, a substantial breach of the  
35 memorandum of agreement shall include, but not be limited to, the  
36 failure to maintain in a satisfactory condition the designated  
37 state beds required by this section for a period of three (3)  
38 consecutive months, the dissolution of Canopy Children's



39 Solutions, a filing for bankruptcy by Canopy Children's Solutions,  
40 or the permanent cessation of operation of the CARE Center.

