

# LEGISLATIVE UPDATE



Week of March 18, 2024

| State Issues                               |  |
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| Legislative Recess                         | <p>Yesterday, the Legislature began their Spring Recess, and will reconvene on April 1. The last day for fiscal bills to be heard in policy committees is April 26, and non-fiscal bills have until May 3 to be heard. The legislative calendar will be very busy in April.</p>  |
| New Assembly Select Committee on Hospitals | <p>This week, Assembly Speaker Robert Rivas announced several new Select Committees, including one on Distressed Hospitals. Chaired by Esmerelda Soria (D-Madera), the Select Committee members include: Assemblymembers Cecilia Aguiar-Curry, Juan Alanis, Jasmeet Bains, Vince Fong, Eduardo Garcia, Mike Gipson, Blanca Pacheco, and Jim Wood.</p> <p>Soria notes that the Committee will examine issues impacting distressed hospitals and their ability to remain open to provide essential health care services to the community, with a focus on hospitals that serve a disproportionate share of the Medi-Cal and Medicaid patients.</p> <p>The hearing schedule for the select committee is in the early stages of discussion. This is an exciting development for those that have been working to highlight the challenges safety net hospitals face and to shine a light on the under-resourced communities and vulnerable patients they serve.</p>   |
| Budget Update                              | <p>This week the focus on the state budget centered on the “early action items” proposed last week by the Senate and immediately supported by Governor Newsom – while the silence from the Assembly Speaker was deafening. Senate Pro Tem Mike McGuire and the Governor are trying to make some tough decisions on many key budget items now, including some that would impact the current budget year – to lessen the tough budget discussions as we move closer to the deadline. The Senate’s <a href="#">Shrink the Shortfall</a> plan, if adopted, would make millions in cuts, delays and revenue solutions – like the MCO Tax revenue – and would leave “just” a \$9-\$24 billion shortfall to address before June 15.</p> <p>So far, however, the Assembly has not agreed to the plan. They’ve agreed to some sort of plan in the near future, but they are not yet on board with this latter plan. Assembly Speaker Rivas released the following statement: “The Assembly is committed to a deliberative, transparent budget process that protects hard-working Californians. I appreciate our partnership with Governor Newsom and Pro Tem McGuire to finalize this preliminary and initial budget package in early April, which is an important first step. But the Assembly’s budget work continues, including more than two dozen budget and oversight hearings scheduled next month. There are tough choices on the horizon, which is why our process is so critical. I extend considerable gratitude to Budget Chair Jesse Gabriel and our subcommittee chairs — and the entire Caucus — for their dedication, collaboration, and accountability.” When the Legislature comes back from Spring Recess, the Senate, Assembly and Governor will reconvene their budget talks to come up with an early action plan.</p> <p style="text-align: right;"><i>(more)</i></p> |

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| Prop 1 Passes | <p>Since the March 5<sup>th</sup> primary statewide election on March 7, the outcome of the Governor’s proposed Proposition 1 regarding mental health treatment has been unclear. Even with no funded opposition and the Governor’s vocal support, the measure was too close to call for these last few weeks. Even after the opposition conceded, as the votes were coming in, they recanted their concession and began working with elections officials to ensure all ballots were properly counted.</p> <p>This week, it became clear that Proposition 1 had passed, by a very slim margin. It passed with just 50.2% of the vote.</p> <p>Prop. 1 allows the state to borrow \$6.4 billion to build 4,350 housing units, half of which will be reserved for veterans, and add 6,800 mental health and addiction treatment beds, and build housing units and treatment beds for those with mental health issues. Other adjustments to the Mental Health Services Act (MHSA) were also authorized. This includes mandating counties spend about two-thirds of the MHSA funding on housing and programs for homeless people with serious mental illnesses or substance abuse problems.</p> <p>The Governor issued a statement saying, “This is the biggest reform of the California mental health system in decades and will finally equip partners to deliver the results all Californians need and deserve. Treatment centers will prioritize mental health and substance use support in the community like never before. Now, it’s time to roll up our sleeves and begin implementing this critical reform – working closely with city and county leaders to ensure we see results.”</p> |
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