

LEGISLATIVE UPDATE



Week of August 12, 2024

State Issues

Legislative Update

Today is the deadline for bills to pass out of their final fiscal Committee for this legislative session. Any bill that got “held” by the Committee, misses the deadline and is done for the year.

Yesterday, the Senate Appropriations Committee had 515 Assembly Bills to vote on and the Assembly Appropriations Committee had 315 measures - a total of 830 measures. At the end of the hearings after the hours of votes, the Assembly held 32% of the bills and the Senate held 34% of the measures. This reflects a higher-than-average rate of bills killed in Appropriations – with the State budget struggles impacting many of them.

More than 500 bills will now head to their respective floors to be voted on over the next two weeks. The Legislative Session is set to end on Saturday, August 31, 2024.

With many Democratic legislators planning to make the trip at some point next week to the Democratic National Convention, legislative leadership will have to schedule key votes when members are back in the Chambers.

Here is a snapshot of some of the priority bills we’re working on that saw action yesterday. Many of these are to be amended, and amendments will come into print in the next few days.

- **SB 966 (Weiner): Pharmacy Benefit Managers.** Provides greater oversight of pharmacy benefit manager entities, including a licensure requirement, and prohibits certain business practices. **Advocates are waiting to see the bill as amended in print to be able to accurately assess. Passed out of Committee onto the Assembly Floor, as amended.**
- **SB 1119 (Newman): Hospital Seismic.** Would add certain Providence hospitals to current law that adjusts the requirements for compliance with seismic regulations. **Passed out of Committee onto the Assembly Floor, as amended.**
- **SB 1382 (Glazer): Rural Clinic Building Standards.** Would ensure parity for building standards for community and rural clinics. **Passed out of Committee onto the Assembly Floor.**
- **SB 1423 (Dahle): Critical Access Hospitals.** Create a technical working group to explore the financial status of certain small, rural hospitals. **Passed out of Committee onto the Assembly Floor.**

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Legislative Update
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- **SB 1432 (Caballero): Hospital Seismic.** Provides for more time for hospitals to reach the 2030 seismic standards. **Advocates continue to negotiate with the Administration on a few outstanding details. Passed out of Committee onto the Assembly Floor, with amendments.**
- **SB 1447 (Durazo): Seismic CHLA.** Would provide more time for Children’s Hospital of Los Angeles to achieve the 2030 seismic standards. **The bill is likely to be amended to reflect the final language in SB 1432. Passed out of Committee onto the Assembly Floor.**
- **AB 869 (Wood): Rural Seismic.** Provides more time for certain rural hospitals to achieve the 2030 seismic standards. **This bill will be amended to include hospitals that received a distressed hospital loan, and the timelines are likely to be amended to reflect those negotiated in SB 1432. Passed out of Committee onto the Senate Floor, as amended.**
- **AB 977 (Rodriguez): ED Violence.** Would enhance penalties for violence against health care workers in Emergency Departments. **Passed out of Committee onto the Senate Floor.**
- **AB 1160 (Pacheco): Education Collections.** Creates barriers to higher education institutions from collecting student debts. **Held in Committee.**
- **AB 1331 (Wood): Data Exchange.** Sets penalties for health care providers who did not sign onto the State’s Data Exchange and share patients’ confidential health information. **Held in Committee.**
- **AB 1895 (Weber): Labor and Delivery.** Creates notice requirements for hospitals that are at risk of closing their perinatal services and require HCAI to conduct a community assessment. **The author has at this point rejected the amendments proposed by the Administration, making the bill open to being vetoed if it makes it to the Governor’s desk. Passed out of Committee onto the Senate Floor.**
- **AB 2169 (Bauer-Kahan): Prescription Drug Coverage.** Allows providers to adjust the dose or frequency of a drug to meet the specific needs of patients without prior authorization if specified conditions are met. **Held in Committee.**
- **AB 2180 (Weber): Health Care Coverage: Cost Sharing.** Requires a health plan to apply amounts paid through various savings programs to the patient’s cost-sharing requirement under the health plan. **Held in Committee.**
- **AB 2297 (Friedman): Hospital Collections.** Sets new rules for hospital collection practices and allows ED physicians to set eligibility criteria for hospital discount payment programs. **Passed out of Committee onto the Senate Floor.**
- **AB 2319 (Wilson, Weber): Implicit Bias.** Expands which perinatal providers must receive implicit bias training and creates new reporting requirements to the Attorney General. **Passed out of Committee onto the Senate Floor, as amended.**

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Legislative Update (continued)	<ul style="list-style-type: none">▪ AB 2490 (Petrie Norris): Reproductive Health. Establish the Reproductive Health Emergency Preparedness Program (RHEPP) that hospitals could opt in to, which would provide grants for Emergency Departments wishing to participate. <i>Passed out of Committee onto the Senate Floor, as amended.</i>▪ AB 2975 (Gipson): Hospital Security. Requires hospitals to place metal detectors at certain entrances, requires security personnel to confiscate weapons being brought into the facility, and other security measures. Additional amendments are being negotiated regarding the qualifications of the person doing the screening. The Department of Justice has indicated some concerns with the bill. <i>Passed out of Committee onto the Senate Floor, as amended.</i>▪ AB 3129 (Wood): Consolidation. Increases the AG authority over health care transactions that include private equity/hedge funds. The bill was hostilely amended by the Committee, and the bill will exclude all hospitals from the provisions of the bill. Given the hostile amendments, it is unclear whether Dr. Wood will move the bill or try to negotiate amendments that he agrees with. <i>Passed out of Committee onto the Senate Floor, as amended.</i>▪ AB 3275 (Soria): Prompt Payment. Sets new timeframes for health plans to pay health care providers. Health Plans continue to oppose and seek additional amendments. Health plans continue to seek amendments. <i>Passed out of Committee onto the Senate Floor.</i>
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