

LEGISLATIVE UPDATE



Week of September 8, 2025

State Issues

Legislative Update

Today, Friday, September 12th was supposed to be the last day of the 2025 session. We've been counting down for weeks. However, the Legislature has changed their calendar and will extend the session until tomorrow. They will come in tomorrow morning to vote on some key bills that were delayed in getting their final amendments. Noteworthy, this also means the Governor will have an extra day to sign or veto bills that end up on his desk until October 13th.

We were expecting more fireworks this week, as things always heat up as the time gets short. However, not many folks had a revolt against Senate Pro Tem Mike McGuire on their bingo card. Rumbblings started early in the week, as legislators saw some of the budget bills and trailer bills with surprising allocations – particularly on environmental and energy funding and policy. This was coupled with the Pro Tem keeping several big bills in those spaces from being set for hearing. During the Senate Budget hearing on AB 105 and others, several Democrats joined the Republican Vice Chair Roger Neilo in vocally expressing dissatisfaction with the budget process and being excluded from much of the discussion leading up to the release of these last budget and trailer bills.

Shortly thereafter, we know a sign on letter was being circulated amongst Senators that would relieve Senator McGuire from his Pro Tem position immediately. To avoid that, he negotiated a deal that would announce Pro Tem-elect Monique Limon's taking over the position on November 17th. They also immediately set some of these bills for late night hearing and paused some of the trailer bills that included allocations not agreed to by the other members of the Senate democratic caucus.

We know that when Pro Tem Elect Limon takes over that new Committee chairs will be named. She may still do that after the new session begins in January, but we'll be watching for those potential changes.

I will share an overview of how the key health care bills fared next week when the dust settles.

Budget Update

On Monday night, several Budget Trailer Bills and Budget Bill Jrs. were released. The [Health Trailer Bill](#) and [Budget Bill Jr](#) will be eligible to be voted on the Floor today.

The Budget bill includes language authorizing the Office of Health Care Access and Information (HCAI) to apply for the federal Rural Health Transformation Funds and allocates \$1 million to the Department to cover costs to apply for the funds and \$1 million to implement the funds should California receive any.

In the Trailer bill, there is a great deal of statute being amended to accommodate California's move to sever or lessen our reliance on the federal Advisory Committee on Immunization Practices (ACIP) to set vaccination policy and have replaced it with authority at the California Department of Public Health. The language directs CDPH to look to, in addition to the ACIP, the American Academy of Pediatrics, the American College of Obstetricians and Gynecologists, and the American Academy of Family Physicians for guidance.

(more)

<p>Budget Update (continued)</p>	<p>The liability protections that providers have been advocating for to protect them from that change is included in the Trailer bill.</p> <p>Also included in the Health Trailer Bill is language related to:</p> <ul style="list-style-type: none"> ▪ Gender affirming care: subsidies for coverage ▪ Abortion Access Fund: allows HCAI and DMHC to direct health plans to allocate funds to the Fund. You can find more information from an HCAI report here ▪ Genetic counselors: rate setting ▪ Children and Youth Behavioral Health Initiative: requires stakeholder working group meeting regarding the rate structure ▪ Asset Test for Medi-Cal: Sets requirements for seeking waivers from the federal government and eliminates some flexibilities to self-certify asset limits ▪ Medi-Cal premiums: exempts certain children from premium requirements and sets the date of premiums to begin no sooner than July 1, 2027 ▪ AIDS Drug Assistance Program: Appropriates some of the funds from the program to state operations
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