



May 2024 Legislative Advocate Report

By Jennifer Baker, CalRTA Legislative Advocate

Sobering May Revision Released

The Governor released the May Revision of his budget proposal which includes actual tax receipts from the April 15th tax deadline. The January budget proposal included a \$37.9 billion shortfall projected in January, followed by \$17.3 billion being addressed in early budget action in April. The May Revision reflects a proposed \$288.1 billion budget with a total of \$201.0 billion General fund, followed by an additional \$7 billion shortfall bringing the existing funding shortfall to \$27.6 billion. The 2025-26 fiscal year is estimated to have a shortfall of \$28.4 billion. The May Revision proposes to address this funding gap over two years with a proposal to address these shortfalls while ultimately creating operating reserve surpluses.

Details of the May Revision can be found in a [summary](#) on the CalRTA website.

Legislative Analyst's Office Comments on the May Revision

Today, the Legislative Analyst's Office (LAO) released: [The 2024-25 Budget: Initial Comments on the Governor's May Revision](#), which indicates their belief that the Governor addressed a \$55 billion shortfall, higher than his reported \$27 billion, based on more accurate calculations reflecting current law.

The primary ways the budget gap is being addressed is through spending reductions, including \$22 billion related to school and community college funding changes by funding Proposition 98 at the minimum required, as well as a softening of the use of the reserves. The LAO recommends the Legislature consider how to address prior-year funding for both school and community colleges, as well as ongoing spending reductions, what proposed solutions may actually raise larger concerns, as well as utilizing the LAO's revenue forecasting, as opposed to the Administration's. The May Revision reduces the amount recommended from the Budget Stabilization Account (Proposition 2) to approximately \$3 billion, which is reduced from the \$12 billion that was proposed in January.

Overall, school funding is proposed to be reduced by \$3.7 billion between fiscal years 2022-23 through 2024-25. To mitigate this decline, the May Revision proposes to withdraw the remaining balance from the Public School System Stabilization Account (\$5.7 billion) to utilize cost shifts, and to repurpose unspent or unused funds.

Legislation Passes Major Hurdles

May is a busy month for bills in the Legislature. In order to continue moving forward, a bill must pass the infamous Appropriations Committee Suspense File. Not all bills that go to the Suspense File will move forward. This year, the Assembly had approximately 530 bills listed while the Senate had about 250. Both houses have been working to limit the number of bills, particularly with high costs, as a result of the budget shortfall. Typically, around 20-25 percent of bills are held. This year, 32 percent of the 1,009 bills in the Suspense File were held.

Once a bill is fortunate enough to pass out of the Suspense File, it must be quickly passed off the Floor of its house of origin to continue forward. The deadline for bills to pass out of their house was May 24th.

CA Budget & Policy Center: Older Adult Homelessness Rising

The California Budget & Policy Center issued a new report: [The Rise of Homelessness Among California's Older Adults](#), this month noting that homelessness among adults age 50 and over is rising. Comprised of nearly 40 percent of the homeless population, older adults represent the fastest-growing population experiencing homelessness as well as the largest share experiencing homelessness for the first time.

CalRTA Bill Positions

Health Care/Healthy Aging: Support

AB 1968 (Jackson): CalFresh: Enrollment for Senior Citizens – Would set a timeline for the Department of Social Services and the Franchise Tax Board to share information regarding seniors 60 years of age and older who would financially qualify for CalFresh. Eligible seniors would be automatically enrolled annually. This bill did not pass off the Assembly Appropriations Committee and has failed.

AB 1975 (Bonta): Medi-Cal: Medically Supportive Food and Nutrition Interventions – Would add medically supportive food and nutrition to be included in interventions that would be a covered benefit under Medi-Cal beginning in 2026 and specifies the timelines for interventions as well as offerings. It would first require federal approval and guidance. This bill passed out of the Assembly and has moved to the Senate.

AB 2075 (Alvarez): Resident-Designated Support Persons Act – Would provide a resident of a long-term care facility with the right to in-person, onsite access to a designated support person or a health care and social services provider during a public health emergency in which visitation rights of residents are curtailed by a state or local order. This bill passed out of the Assembly and has moved to the Senate.

AB 2169 (Bauer-Kahan): Prescription Drug Coverage: Dose adjustments – Enables adequate treatment for chronic conditions by allowing for standard dose increases of effective treatments without prior authorization. A change in dosage is not a different treatment, but insurance policies treat them equivalently. This bill passed out of the Assembly and has moved to the Senate.

AB 2180 (Weber): Health Care Coverage: Cost Sharing – Expands the types of payments and reductions that health care and pharmacy benefits must count toward patient's out-of-pocket expenses that would apply toward their maximum deductible or co-payment. This bill did not pass off the Assembly Appropriations Committee and has failed.

AB 2207 (Reyes): State Boards and Commissions: Representatives of Older Adults – Would ensure that there is increased representation from older adults on a number of key California Boards and Commissions. This bill passed out of the Assembly and has moved to the Senate.

AB 2258 (Zbur): Health Care Coverage: Cost Sharing – Would prevent non-grandfathered health care plans or policies created, amended, or renewed after 2025 from charging cost-sharing requirements for items or services that are needed for preventive care services and screenings, including sexually

transmitted diseases and particular cancer screenings. This bill passed out of the Assembly and has moved to the Senate.

AB 2270 (Maienschein): Healing Arts: Continuing Education: Menopausal Mental and Physical Health – Would expand what continuing education and professional development doctors and therapists can take to include menopausal mental and physical health. This bill has moved to the Senate Business, Professions and Economic Development Committee.

AB 2297 (Friedman): Hospital and Emergency Physician Fair Pricing Policies – Would allow emergency doctors to find discounts for patients with incomes under 400 percent of the federal poverty level to reduce patient costs. Would also prohibit a hospital from considering the monetary assets of a patient to determine eligibility for charity care and discount payment policies while prohibiting them from imposing time limits for eligibility. Further, it prohibits a hospital or emergency doctor from using liens on property to collect unpaid hospital or emergency physician bills, and collection agencies as well. This bill passed out of the Assembly and has moved to the Senate.

AB 2356 (Wallis): Medi-Cal: Monthly Maintenance Amount: Personal and Incidental Needs – Would increase the monthly amount an individual can receive for Medi-Cal incidental needs from \$35 to \$50. This bill did not pass off the Assembly Appropriations Committee and has failed.

AB 2620 (Bains): California Commission on Aging – Reduces the number of members on the Commission on Aging to 18 members and requires them to have experience in the field of aging, including health, behavioral health, and housing. This bill passed out of the Assembly and has moved to the Senate.

AB 2701 (Villapudua): Medi-Cal: Dental Cleanings and Examinations – Restructures what is included under dental cleanings annually under the Medi-Cal program to include two cleanings and two examinations annually, regardless of age. This bill passed out of the Assembly and has moved to the Senate.

AB 3207 (J. Patterson): The Secure Seniors Online Protection Act – Creates the Secure Seniors Online Protection Act, requiring the Department of Social Services to create and administer a 24-hour-a-day toll-free hotline to help Californians dealing with online scams, with a focus on individuals 60 years of age and older. This bill did not pass off the Assembly Appropriations Committee and has failed.

AB 3260 (Pellerin): Health Care Coverage: Reviews and Grievances – Requires a health care service plan to make a grievance determination within 72 hours if it is urgent, or a 30-day timeline for those that are nonurgent and would entitle an enrollee to proceed with a grievance which would be expedited. Enrollees and their representatives would be entitled to correspondence and documents. This bill passed out of the Assembly and has moved to the Senate.

SB 1213 (Atkins): Health Care Programs: Cancer – Would allow individuals to receive free treatment for cancer screening, including breast cancer and cervical cancer, if they are low-income at or below 300 percent of the federal poverty level. This bill passed out of the Senate and has moved to the Assembly.

SB 1352 (Wahab): Continuing Care Retirement Communities – Adds nondiscrimination provisions to residents in continuing care retirement communities, including sex, race, color, religion, ancestry, national origin, disability, medical condition, except as permitted by licensure requirements, marital

status or domestic partner status, sexual characteristics, sexual orientation, or gender identity and expression. This bill passed out of the Senate and has moved to the Assembly.

SB 1354 (Wahab): Health Facilities: Payment Source – Requires long-term health care providers under Medi-Cal to provide services to Medi-Cal members with the same care and scope provided to others, regardless of the payment source. This bill passed out of the Senate and has moved to the Assembly.

SB 1406 (Allen): Residential Care Facilities for the Elderly: Resident Services – Adds the right for a resident in a residential care facility for the elderly to request, refuse, or discontinue a service. Eliminates the exemption from rent control for their facilities and prohibits annual fee increases for residents from exceeding less than 10 percent or the annual Consumer Price Index for the previous year, except for rate increases due to a change in the level of care. This bill passed out of the Senate and has moved to the Assembly.

Public Education: Support

AB 247 (Muratsuchi): Education Finance: School Facilities: TK Through Community College Public Education Facilities Bond Act of 2024 – Would place a TK-community bond act on the November ballot to build and/or modernize much-needed school facilities. This bill is in the Senate Appropriations Committee Suspense File.

AB 2226 (Muratsuchi): Mandatory Kindergarten – Would mandate kindergarten prior to entering the 1st grade by 2026-27. This bill passed out of the Assembly and has moved to the Senate.

SB 956 (Cortese): School facilities: Design-Build Contracts – Reauthorizes K-12 districts to use the design-build delivery method when constructing and designing school facilities. This bill passed out of the Senate and has moved to the Assembly.

SB 1056 (Rubio): Mandatory Kindergarten - Would mandate kindergarten prior to entering the 1st grade by 2026-27. This bill failed to pass out of the Senate Appropriations Committee and has failed.

Oppose

SCA 9 (Grove): Educational Expenses: Education Flex Accounts and Special Education Flex Accounts – Would allow the state to provide all eligible children with a flex account for tuition and education-related expenses associated with attending a K-12 private school, including religious schools. This constitutional amendment remains in the Senate Rules Committee.

CalSTRS Retirement

Support

AB 1997 (McKinnor): Teachers' Retirement Law: Creditable Compensation - Would create an updated process for school and community colleges to report creditable compensation and service earned to the California State Teachers' Retirement System (CalSTRS). Would create a much more simplified definition of creditable service and would enhance transparency requirements regarding both pay rates and salary. This bill passed out of the Assembly and has moved to the Senate.

AB 2134 (Muratsuchi): School Employees: Transfer of Leave of Absence for Illness or Injury - Would ensure that teachers and classified employees who change school districts are entitled to keep their earned sick time by explicitly stating that there is no time frame during which unused sick leave must be transferred between school employers, requiring unused sick leave to be transferred between school employers in days and requiring charter schools to accept transfer of unused sick leave. This bill passed out of the Assembly and has moved to the Senate.

AB 2901 (Aguiar-Curry): School and Community College Employees: Paid Disability and Parental Leave – Would increase paid leave for school employees due to pregnancy, miscarriage, childbirth, termination of pregnancy, or the recovery of these conditions. It would also prohibit a leave of absence for these conditions from being deducted from other leaves of absence available to her. This bill passed out of the Assembly and has moved to the Senate.