

LEGISLATIVE UPDATE



Week of May 26, 2025

State Issues	
Legislative Deadline: House of Origin	<p>Next Friday (June 6) marks the legislative deadline for bills to pass out of their house of origin. As of earlier this week, 933 bills were waiting action on the floors of the California Senate and Assembly – with 501 in the Assembly and 432 in the Senate. The members held only half-day sessions on Thursday with various guest presentations, a ceremony acknowledging the retirement of the UC President Michael Drake, and several adjournments in memory, including one for Pope Francis – barely making a dent in the bills before next Friday’s deadline. Two bills, of note, that were heard and passed off the floor this week:</p> <p>SB 41 (Wiener): Pharmacy Benefits. Ensures more accountability for California’s pharmacy benefit managers, passed off the Senate Floor with a strong 37-0 vote.</p> <p>SB 530 (Richardson): Medi-Cal. Holds Medi-Cal Managed Care plans and regulators more accountable to ensure network adequacy requirements are met, also passed but on a mostly partisan split.</p>
Budget Update	<p>This week, both the Senate and Assembly cancelled all of their Budget Subcommittee hearings. While both houses said they were planning to hold “close out” hearings on Thursday – where the Subcommittees would vote on the budget items before their respective committees – those hearings were called off. The Senate has rescheduled all budget subcommittees to hear the budget items next Wednesday and Thursday. No Assembly hearings have been rescheduled.</p> <p>The only thing we know for certain is that Legislative Leadership has told staff and Members that they should expect to work through the June 13-15 weekend, including Father’s Day which also is the last day for Legislators to pass a budget without getting their pay docked. We also expect that whatever is passed in the next few weeks will have to be amended once we see what cuts – particularly to Medi-Cal – that will have to be managed from the Federal government. Those changes could come in a special session in October, or in January when the Legislature comes back into session.</p>
Artificial Intelligence in Healthcare Explored	<p>This week, the Assembly Health and Assembly Privacy and Consumer Protection Committees held a joint hearing on Generative Artificial Intelligence in Health Care. Chairs Mia Bonta and Rebecca Bauer-Kahan covered the opportunities, challenges and policy implications of the use of AI in the health care system. You can access the agenda and background paper here and the biographies of all of the speakers here.</p> <p>The first panel included representatives from Cedars Sinai, Kaiser, Google’s Strategic Health Solutions Group and the CEO of Penguin AI. They presented an overview of how AI is currently being used in health care and what they believe the near future holds.</p>

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<p>Artificial Intelligence in Healthcare Explored (continued)</p>	<p>The next panel discussed the policy issues and challenges for the Legislature when working on AI policy. It included representatives from the California Health Care Foundation, a law professor from Stanford University, and the Blue Cross of California Distinguished Associate Professor at the University of California, Berkeley, School of Public Health.</p> <p>The final panel included a myriad of stakeholders offering their thoughts and concerns about the use of AI in health care, including the California Nurses Association and the California Medical Association and several other organizations (slides here and here) focused on health care AI. The CMA representative spoke about the current use of AI and value to physicians in current practice throughout California, as well as referencing the risks to AI regulation currently included in proposed legislation at the federal level. The CNA presenter had the most concerns about AI: expressing concerns that AI can cause more administrative work for nurses, can replace current nursing jobs, and that AI will not help address the nursing shortage – because there actually is not a nursing shortage in California.</p> <p>A good overview of some of the current AI bills moving through the California Legislature and the impact of proposed efforts by the Trump administration can be found here.</p>
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