



Established in 1991, UCC serves as the representative voice for state legislative advocacy for high-population counties in California. Initially composed of seven counties, the association has grown to 14 today. Just over 80 percent of the state's population reside in UCC counties. Consequently, urban counties carry out critical programs and services to the state's most vulnerable populations. For more information, including details on our Board of Directors, please visit [our website](#).

September 8, 2023

One Week Left in 2023 Session: Much in Flux

Today is the last day that bills may be amended – barring rule waivers – prior to the adjournment of the 2023 legislative session. As a result, we are anticipating a flood of amendments to be made available over the weekend. The 72-hour in print rule means that the Legislature may only take up a measure once it's been in print and available for public review for at least 72 hours. With the last day of session being Thursday, the practical deadline for amendments is Monday end of day. (After today, rule waivers will be required for any new amendments.) We anticipate that in all likelihood the Legislature will work into the evenings this week, and the final day of session will continue into the wee hours of Friday morning.

Conversations on several high-profile and high-impact bills continue at the time of this writing. Below we provide brief summaries of the latest developments related to three measures of consequence. More amendments are forthcoming on each of these measures, so please stay tuned for more information as final language emerges.

SB 525 (Durazo) – Health Care Worker Minimum Wage

SB 525, Senator Maria Elena Durazo's measure aiming to create a \$25 per hour health care minimum wage, remains in flux. Opponents have been meeting regularly with the sponsors, but none of the parties has announced an agreement as of the writing of this document.

SB 326 (Eggman)/AB 531 (Irwin) – Behavioral Health Services Act and Infrastructure/Housing Bond

Additional amendments are expected in the coming days on both (1) **SB 326** (Eggman), the Administration’s proposal to reform the Mental Health Services Act and make other policy changes to the behavioral health system as well as (2) **AB 531** (Irwin), the measure that contains provisions to authorize the associated housing and behavioral health infrastructure bond. Of note, the September 5 amendments indicate that as-yet-unspecified sections of SB 326 and Section 4 of AB 531 will be placed together in one measure on the March 2024 ballot.

AB 505 (Ting) – Revisions to DJJ Realignment Structure

AB 505, by Assembly Member Phil Ting, would revise several key provisions negotiated in SB 823, the 2020 realignment of responsibility to counties of the population of justice-involved youth and young people previously eligible for placement in the Division of Juvenile Justice. In addition to impeding counties’ ability to implement the recently realigned responsibility, counties are concerned that the various provisions in the measure could result in delays or withholding of counties’ annual allocations. See the county coalition **letter** in opposition to the bill in print; additional amendments are reportedly forthcoming.

MCO Tax Ballot Measure Filed

Earlier this week, the Coalition to Protect Access to Care – which includes the California Medical Association, the California Hospital Association, Service Employees International Union, Planned Parenthood, the Local Health Plans of California, the California Primary Care Association, among others – filed a **ballot initiative** for the November 2024 ballot that would make permanent the Managed Care Organization (MCO) tax. It would also largely memorialize the agreement for the distribution of MCO funds agreed upon earlier this year in the state budget.

The MCO tax revenues in the ballot measure would be disbursed as follows:

- 22% in the Primary Care Account.
- 22% in the Specialty Care Account.
- 2.5% in the Emergency Department Physicians Account.
- 0.75% in the Community Health Workers Account.
- 5.75% in the Outpatient and Clinic Access Account.
- 5.5% in the Family Planning Account.
- 1.25% in the Reproductive Health Account.
- 3% in the Emergency Medical Transportation Account.

- 8.75% in the Emergency Department and Hospital Services Account.
- 3.5% in the Designated Public Hospital Account. This account is capped at \$150 million and any growth to that account will be deposited into the Emergency Department and Hospital Services Account.
- 0.5% in the Affordable Prescription Drugs Account. Note: this account is not in the 2023-24 state budget agreement.
- 7% in the Improving Mental Health Account. This account is capped at \$300 million and any growth to that account will be deposited into the Emergency Department and Hospital Services Account.
- 10.5% in the Healthcare Workers Account.
- 3.5% in the Clinic Quality Account.
- 3.5% in the Improved Dental Services Account. Note: this account is not in the 2023-24 state budget agreement.