



Legislative Bulletin

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County of Orange Positions on Proposed Legislation

The Legislative Bulletin provides the Board of Supervisors with analyses of measures pending in Sacramento and Washington that are of interest to the County. Staff provides recommended positions that fall within the range of policies established by the Board. According to the County of Orange Legislative Affairs Program Guidelines adopted by the Board of Supervisors on January 25, 2022, staff recommendations for formal County positions on legislation will be agendaized and presented in this document for Board action at regular Board of Supervisors meetings. When the Board takes formal action on a piece of legislation, the CEO will direct the County's legislative advocates to promote the individual bills as approved by the Board. The Legislative Bulletin also provides the Board of Supervisors with informative updates on State and Federal issues.

The 2025-2026 Legislative Platform was adopted by the Board of Supervisors on November 19, 2024.

On May 19, 2026, the Board of Supervisors will consider the following actions:

RECOMMENDED ACTIONS

- 1. Receive and File Legislative Bulletin**
- 2. SUPPORT – AB 1619 (Valencia) Public employees' retirement: administration.**
- 3. SUPPORT – H.R. 8023 (Sánchez) The Child Care Supply Tax Credit Act.**

INFORMATIONAL ITEMS

- 1. County Position Matrix: CEO-LA**
- 2. Sacramento Legislative Report**
- 3. Washington DC Legislative Report**

1. SUPPORT – AB 1619 (Valencia) Public employees’ retirement: administration.

**CEO/Office of Legislative Affairs
Bill Analysis**



BILL NUMBER:	Assembly Bill (AB) 1619	INTRODUCED/AMENDED DATE:	Introduced: January 21, 2026 Amended: April 23, 2026
AUTHOR:	Assemblymember Avelino Valencia (AD – 68)		
SUBJECT:	Public employees’ retirement: administration.		
BILL SPONSOR:	Orange County Employees Retirement System (OCERS)		
STATUS:	Assembly Floor		
REQUESTING DEPARTMENT/AGENCY:	CEO Legislative Affairs		
CEO-LA RECOMMENDED POSITION:	SUPPORT		
<u>Current Law:</u>	<ol style="list-style-type: none"> 1. Current law, the County Employees Retirement Law of 1937, authorizes counties to establish retirement systems pursuant to its provisions to provide pension benefits to county, city, and district employees and their beneficiaries. Existing law sets forth the membership composition for boards of retirement and boards of investment. Existing law authorizes the board of supervisors for counties for which these provisions apply to provide that certain members of these boards shall receive compensation at a rate of not more than \$100 for a meeting or for a meeting of a committee authorized by the entire board. 2. Current law, applicable to Los Angeles County, authorizes the board of supervisors to provide compensation to certain members of the board of retirement and board of investments at a rate of not more than \$100 for a board or committee meeting, subject to certain limits. 3. Current law, the Teachers’ Retirement Law, establishes the State Teachers’ Retirement System (STRS) and creates the Defined Benefit Program of the State Teachers’ Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, credited service, and age at retirement, subject to certain variations. STRS is administered by the Teachers’ Retirement Board. Existing law also creates the Cash Balance Benefit Program, which is administered by the board, to provide a retirement plan for the benefit of participating employees 		

	<p>who provide creditable service for less than 50% of full time. Existing law requires certain board members to receive \$100 for attendance at board and committee meetings.</p> <p>4. Current law, the Public Employees' Retirement Law (PERL), creates the Public Employees' Retirement System (PERS) for the purpose of providing pension benefits to state employees and employees of contracting agencies and prescribes the rights and duties of members of the system and their beneficiaries. Existing law vests management and control of PERS in its board of administration. Existing law authorizes certain board members to receive \$100 for attendance at a meeting of the board or committee thereof.</p>
<u>Proposed Law:</u>	<p>This bill would authorize county boards of retirement and county boards of investment to receive a compensation rate increase of up to \$320 per meeting. This provision would not be operative in any county until it is publicly noticed and adopted by a majority vote of the board of supervisors.</p> <p>This bill also authorizes the compensation rate to be increased to \$320 for the Teachers' Retirement Board and the PERS Board of Administration.</p>
<u>Prior Legislative Votes:</u>	<p>Asm. Public Employment and Retirement (Y:7 N:0 A:0) Asm. Appropriations (Y:15 N:0 A:0)</p>
<u>Vote Threshold:</u>	Majority
<u>State Mandated Local Program:</u>	No
<u>Fiscal Committee:</u>	Yes
<u>Support and Opposition:</u>	<p>Support</p> <ul style="list-style-type: none"> • Orange County Employees Retirement System (OCERS) • Orange County Employees Association (OCEA) • Contra Costa County Employees Retirement Association (CCCERA) <p>Opposition</p> <ul style="list-style-type: none"> • None
<u>Background:</u>	<p>AB 1619 would authorize the Board of Supervisors to increase the compensation of designated Orange County Employees Retirement System (OCERS) board members from \$100 per meeting to a maximum of \$320 per meeting.</p> <p>This bill is nearly identical to AB 1323 (Chen, 2025), which the Board of Supervisors supported last year. AB 1323 was made into a two-year bill, which did not proceed in committee. While AB 1323 only applied to Orange County, AB 1619 is more expansive and includes all county retirement boards, the Teachers' Retirement Board and the PERS Board of Administration.</p> <p>This bill would not become operative until it is publicly noticed and adopted by a majority vote of the board of supervisors.</p>

<p><u>Department Comments, Impact on Area(s) of Responsibility:</u></p>	<p>This bill does not impact the County's Human Resource Services, and there are no operational impacts identified.</p>
<p><u>Policy Platform References:</u></p>	<p><u>GS-10 Employee Labor:</u> Support full cost recovery for salary, benefits, and administration for all employee relationships, and protect or enhance flexibility and local control over employee and labor relations issues.</p>

2. SUPPORT – H.R. 8023 (Sánchez) The Child Care Supply Tax Credit Act.

**CEO/Office of Legislative Affairs
Bill Analysis**



BILL NUMBER:	H.R. 8023	INTRODUCED/AMENDED DATE:	Introduced: March 19, 2026
AUTHOR:	Rep. Linda T. Sánchez (D-CA-38) Co-Sponsor: Rep. Carol Miller (R-WV-1)		
SUBJECT:	The Child Care Supply Tax Credit Act.		
BILL SPONSOR:	N/A		
STATUS:	Referred to the House Committee on Ways and Means		
REQUESTING DEPARTMENT/AGENCY:	Vice Chair Katrina Foley, Fifth District Supervisor		
REQUESTING DEPARTMENT/AGENCY RECOMMENDED POSITION:	SUPPORT		
CEO-LA RECOMMENDED POSITION:	SUPPORT		
<u>Current Law:</u>	<p>Under current federal law, the Child and Dependent Care Tax Credit helps working taxpayers offset the cost of caring for a child or a dependent with disabilities. Taxpayers may qualify if they paid for care for a child under age 13 whom they claim as a dependent, and if the care enabled them to work or look for work. For the 2025 tax year, the credit allows taxpayers to claim 20% to 35% of eligible expenses, up to \$3,000 for one person or \$6,000 for two or more. Beginning in 2026, H.R. 1 increases the top rate to 50%, with the same maximum expense limits.</p> <p>Additionally, some employers offer Dependent Care Flexible Spending Accounts (FSAs) through the Dependent Care Assistance Program, allowing employees to pay for child or dependent care with pre-tax dollars. The 2025 tax package increased the annual contribution limit from \$5,000 to \$7,500. Under current law, FSA contributions reduce the amount of Child and Dependent Care Tax Credit that may be claimed, meaning the two benefits cannot be used cumulatively.</p>		

	<p>For businesses, the Employer-Provided Child Care Credit (Section 45F) offers a general business credit for qualified child care facilities and related services. Eligible expenses include construction, acquisition, renovation, operating costs, employee training, scholarships, and resource and referral services. The 2025 tax bill expanded the maximum credit from \$150,000 to \$500,000 (up to \$600,000 for eligible small businesses), with annual inflation adjustments. It also increased the credit rate from 25% to 40% (up to 50% for eligible small businesses). The credit may now also be claimed for payments to third-party intermediaries contracting with qualified child care providers and for jointly owned or operated facilities. To prevent double benefits, businesses must reduce the basis of facilities and certain deductions by the amount of the credit.</p>
<p><u>Proposed Law:</u></p>	<p>H.R. 8023 would create a general business tax credit for eligible child care facilities of up to seven percent of an eligible facility's total care worker wages paid during the taxable year.</p> <p>Eligible child care facilities would have to provide services for at least six children; receive a fee, payment, or grant for their services; increase their average hourly child care wage annually; and comply with all applicable laws and regulations of the state and local government. Nonprofit facilities would also be eligible to receive the credit. The credit would only apply to wages for employees who directly provide child care and would be limited to the lesser of a fixed percentage of qualified wages (5 percent, or 7 percent for facilities in rural areas) or the amount by which current-year qualified wages exceed the prior year's qualified wages.</p> <p>The authors state that the bill will address the rising cost of child care due to the industry's workforce shortage by helping providers hire and retain qualified staff, and limiting the costs being passed on to parents.</p> <p><u>Related Legislation:</u> 2025-26: S. 3534 (Sen. Justice, R-WV, and Sen. Warner, D-VA)</p>
<p><u>Prior Legislative Votes:</u></p>	N/A
<p><u>Vote Threshold:</u></p>	Majority
<p><u>State Mandated Local Program:</u></p>	N/A
<p><u>Fiscal Committee:</u></p>	N/A
<p><u>Support and Opposition:</u></p>	<p><u>Support:</u></p> <ul style="list-style-type: none"> • First Five Years Fund <p><u>Opposition:</u> None known at this time.</p>
<p><u>Background:</u></p>	<p>Access to affordable, quality child care is a nationwide issue. The Federal Reserve estimates that 40% of working parents of younger children (under age 13) use paid child care. Child care costs can be significant for parents. Across the country, estimates of median child care costs range from \$9,600 up to \$13,000 per year. However, in Orange County, the</p>

	<p>Public Policy Institute of California estimates the median cost to be more than \$16,500 per year.</p> <p>In 2022, 567,550 California families benefitted from the Child and Dependent Care Tax Credit. Around half of all private employees are estimated to have access to dependent care flexible spending accounts. Recent changes enacted in last year’s federal tax reconciliation package invested an estimated \$16 billion in expansions of the Child and Dependent Care Tax Credit, Dependent Care Assistance Program, and Employer-Provided Childcare Credit. In California, about half a million families in and near poverty (with incomes below 150% of the poverty line or \$65,980 annually, on average, for two working-age adults and two children) with at least one young child (aged 0–5) have at least one working parent – and Orange County has the highest share of these households at 87%. The need for affordable child care is substantial among households with young children and working parents.</p> <p>According to the County’s <u>31st Annual Report on the Conditions of Children in Orange County</u>, enrollment in high-quality child care can help children learn the foundational skills for reading, math, self-control, and positive relationships. The report noted that while access to child care is improving, with more licensed spaces available for young children, the cost of care — especially for infants — is still very high and rising faster than inflation. Finally, the report specifically adds that local support for families is strong, investments in child care are helping, and early care programs benefit all children, especially children from families with low incomes and dual language learners.</p>
<p><u>Department Comments, Impact on Area(s) of Responsibility:</u></p>	<p>The Social Services Agency (SSA) reports: <i>“The Child Care Supply Credit could strengthen OC SSA’s operations by improving the stability and capacity of local child care providers without changing existing CalWORKs reimbursement systems or increasing county costs. By allowing providers to offset part of the expense of raising staff wages, the credit may reduce turnover, improve staffing consistency, and help keep more licensed child care slots available for CalWORKs families. This greater provider stability can lead to fewer service interruptions, smoother placement for parents participating in welfare-to-work activities, and overall improved reliability in meeting child care needs. Additionally, because no system changes are required at the county level, OC SSA can benefit from a more resilient child care network. SSA reimburses licensed providers based on their private pay rates or the Regional Market Rate (RMR) established by the State of California, whichever is lower. The proposed federal tax credit would not alter the reimbursement rates or structures. Orange County would continue paying providers under existing rules.”</i></p>
<p><u>Policy Platform References:</u></p>	<p><u>CS-10: Child Care</u> Support measures that enhance the overall quality, affordability, capacity, accessibility, and safety of childcare and development programs.</p>

INFORMATIONAL ITEMS

1. County Position Matrix: CEO-LA

The tables below list the bills the Board of Supervisors has taken positions on in the 2025-26 legislative session.

State Legislation

As of Thursday, May 14, 2026

Measure	Author	Topic	Date of Board Action	Board Position	Status
<u>AB 28</u>	<u>Schiavo</u>	Solid waste landfills: subsurface temperatures.	06/24/2025	Oppose	09/11/2025 - 2 Year
<u>AB 35</u>	<u>Alvarez</u>	Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria.	03/24/2026	Support	05/06/2026 - Senate Natural Resources And Water
<u>AB 262</u>	<u>Caloza</u>	California Individual Assistance Act.	06/24/2025	Support	04/27/2026 - Senate Rules
<u>AB 282</u>	<u>Pellerin</u>	Discrimination: housing: source of income.	05/06/2025	Support	09/11/2025 - 2 Year
<u>AB 283</u>	<u>Haney</u>	In-Home Supportive Services Employer-Employee Relations Act.	08/26/2025	Support if Amended	09/11/2025 - 2 Year
<u>AB 550</u>	<u>Petrie-Norris</u>	The California Endangered Species Act: take of species: renewable electrical generation facilities.	03/25/2025	Support	07/17/2025 - 2 Year
<u>AB 736</u>	<u>Wicks</u>	The Affordable Housing Bond Act of 2026.	04/28/2026	Support if Amended	05/11/2026 - Senate Appr. Suspense File
<u>AB 762</u>	<u>Irwin</u>	Disposable, battery-embedded vapor inhalation device: prohibition.	04/22/2025	Support	01/29/2026 - Senate Rules
<u>AB 1088</u>	<u>Bains</u>	Public health: kratom.	06/24/2025	Support	07/17/2025 - 2 Year
<u>AB 1567</u>	<u>Ta</u>	General plan: annual report: congregate and residential care for the elderly.	03/24/2026	Support	05/06/2026 - Assembly Appr. Suspense File
<u>AB 1602</u>	<u>Rubio, Blanca</u>	Foster youth: disaster aid assistance.	03/24/2026	Support	04/15/2026 - Assembly Appr. Suspense File
<u>AB 1638</u>	<u>Ta</u>	County veterans service officers: additional resources.	04/14/2026	Support	04/22/2026 - Assembly Appr. Suspense File

<u>AB 1830</u>	<u>Petrie-Norris</u>	Ignition interlock devices.	03/24/2026	Support	05/06/2026 - Assembly Appr. Suspense File
<u>AB 1893</u>	<u>Gallagher</u>	Wildfire prevention: local assistance grant program: eligible activities.	04/28/2026	Support	04/22/2026 - Assembly Appr. Suspense File
<u>AB 2002</u>	<u>Solache</u>	Local government assistance: Regional Early Action Planning Fund.	04/28/2026	Support	04/22/2026 - Assembly Appr. Suspense File
<u>AB 2076</u>	<u>Lowenthal</u>	The Parent's Accountability and Child Protection Act: online marketplaces: nitrous oxide.	03/24/2026	Support	04/22/2026 - Assembly Appr. Suspense File
<u>AB 2194</u>	<u>Valencia</u>	Medi-Cal: special commissions.	12/16/2025	Sponsor	05/06/2026 - Senate Health
<u>AB 2309</u>	<u>Bains</u>	CalFresh Protection Act.	04/14/2026	Support	05/06/2026 - Assembly Appr. Suspense File
<u>AB 2320</u>	<u>Ta</u>	Multifamily Housing Program: Homekey: adaptive reuse.	12/16/2025	Sponsor	05/06/2026 - Assembly Consent Calendar
<u>AB 2373</u>	<u>Dixon</u>	The California Coastal Act: local coastal program: sea level rise plan: neighborhood-scale adaptation approach.	04/14/2026	Support	05/06/2026 - Assembly Appr. Suspense File
<u>AB 2513</u>	<u>Petrie-Norris</u>	Wildfire: Regional Forest and Fire Capacity Program: local assistance grant program: regional landscape grants.	03/24/2026	Support	04/29/2026 - Assembly Appr. Suspense File
<u>AB 2562</u>	<u>Dixon</u>	Alcohol or other drug recovery and treatment programs and facilities: suicide prevention.	04/14/2026	Support	05/13/2026 - Assembly Appr. Suspense File
<u>AB 2614</u>	<u>Dixon</u>	Public health: Body Brokering and Patient Referral Integrity Act.	04/14/2026	Support	04/23/2026 - Dead
<u>SB 296</u>	<u>Archuleta</u>	Property taxation: exemption: disabled veteran homeowners.	03/25/2025	Support	07/15/2025 - Assembly Rev. & Tax Suspense File
<u>SB 329</u>	<u>Blakespear</u>	Alcohol and drug recovery or treatment facilities: investigations.	03/25/2025	Support	08/28/2025 - 2 Year
<u>SB 417</u>	<u>Cabaldon</u>	The Affordable Housing Bond Act of 2026.	04/28/2026	Support if Amended	05/13/2026 - Assembly Appr. Suspense File
<u>SB 561</u>	<u>Blakespear</u>	Hazardous waste: Emergency Distress Flare Safe Disposal Act.	04/08/2025	Support	07/17/2025 - 2 Year
<u>SB 569</u>	<u>Blakespear</u>	Department of Transportation: homeless encampments.	03/25/2025	Support	07/17/2025 - 2 Year
<u>SB 577</u>	<u>Laird</u>	State Government.	08/25/2025	Support	09/11/2025 - 2 Year

<u>SB 623</u>	<u>Archuleta</u>	Property taxation: homeowners', veterans', and disabled veterans' exemptions.	03/25/2025	Support	05/07/2026 - Assembly Military And Veterans Affairs
<u>SB 741</u>	<u>Blakespear</u>	Coastal resources: coastal development permit: exemption: Los Angeles-San Diego-San Luis Obispo Rail Corridor.	06/24/2025	Oppose	07/17/2025 - 2 Year
<u>SB 758</u>	<u>Umberg</u>	Public health: nitrous oxide.	01/13/2026	Sponsor	01/27/2026 - Assembly Desk
<u>SB 888</u>	<u>Seyarto</u>	Property taxation: disabled veterans' exemption: household income.	03/24/2026	Support	04/27/2026 - Senate Appr. Suspense File
<u>SB 893</u>	<u>Seyarto</u>	State parks: facilities pass: Gold Star Family members.	04/14/2026	Support	05/04/2026 - Senate Appr. Suspense File
<u>SB 907</u>	<u>Archuleta</u>	Driving under the influence and other driving offenses: comprehensive reform.	03/24/2026	Support	04/20/2026 - Senate Appr. Suspense File
<u>SB 936</u>	<u>Blakespear</u>	Nitrous oxide: sales.	12/16/2025	Sponsor	05/04/2026 - Senate Appr. Suspense File
<u>SB 967</u>	<u>Blakespear</u>	Planning and zoning: housing element: interim housing units: acutely low income households.	12/16/2025	Sponsor	04/27/2026 - Senate Appr. Suspense File
<u>SB 1040</u>	<u>Choi</u>	Veterans Cemetery Maintenance-Endowment Match Act.	04/14/2026	Support	04/27/2026 - Senate Appr. Suspense File
<u>SB 1167</u>	<u>Blakespear</u>	Vehicles: electric bicycles.	04/28/2026	Support	05/04/2026 - Senate Appr. Suspense File
<u>SB 1310</u>	<u>Choi</u>	Voter registration: prospective jurors.	12/16/2025	Sponsor	04/23/2026 - Dead
<u>SB 1314</u>	<u>Menjivar</u>	Smoke shops: locations, hours of operation, and sale of nitrous oxide.	03/24/2026	Support	05/11/2026 - Senate Appr. Suspense File

Federal Legislation

As of Thursday, May 14, 2026

Measure	Author	Topic	Date of Board Action	Board Position	Status
<u>H.R. 965</u>	<u>Sherman</u>	Housing Unhoused Disabled Veterans Act	05/20/2025	Support	Senate Committee on Banking, Housing, and Urban Affairs
<u>H.R. 1012</u>	<u>Levin</u>	Spent Fuel Prioritization Act of 2025	05/20/2025	Support	House Committee on Energy and Commerce

Measure	Author	Topic	Date of Board Action	Board Position	Status
<u>H.R. 2483</u>	<u>Guthrie</u>	SUPPORT for Patients and Communities Reauthorization Act of 2025	06/24/2025	Support	Became Law
<u>H.R. 5462</u>	<u>Goldman</u>	The Michelle Alyssa Go Act	03/24/2026	Support	House Committee on Energy and Commerce
<u>S. 1462</u>	<u>Curtis</u>	Fix Our Forests Act	09/23/2025	Support	Senate Committee on Agriculture, Nutrition, and Forestry
<u>S. 2212</u>	<u>Padilla</u>	Visible Identification Standards for Immigration-Based Law Enforcement (VISIBLE) Act of 2025	08/26/2025	Support	Senate Committee on the Judiciary



Highlighted sections symbolize a status change.

2. Sacramento Legislative Report

Prepared by Precision Advocacy Group LLC

As the legislature enters the most consequential phase of budget negotiations, Governor Gavin Newsom is releasing his May Revision on May 14 amid a significantly reshaped fiscal and political landscape.

Early details from the administration indicate that he will propose approximately \$1.8 billion in spending reductions, alongside new limits on large corporate tax credit usage, as part of a broader effort to balance the state budget over the next two fiscal years while preserving core state programs. At the same time, stronger-than-anticipated revenues, reportedly exceeding prior projections by roughly \$16.5 billion, have modestly improved the state's near-term fiscal outlook compared to the January budget proposal, though substantial structural pressures tied to Medi-Cal growth, federal instability, housing and homelessness programs, and long-term outyear deficits remain unresolved.

The governor has also previewed major investments in education, wildfire recovery, healthcare affordability, and housing production, while continuing to frame the budget around protecting California from anticipated federal actions tied to H.R. 1 and broader economic uncertainty.

The May Revision release will formally begin the final month of negotiations between the administration and legislative leadership ahead of the constitutional June budget deadline and is expected to heavily influence legislative budget subcommittee deliberations over the coming weeks. Recent legislative hearings have increasingly focused on balancing fiscal restraint with mounting operational and fiscal pressures facing counties and local governments, particularly in behavioral health, homelessness, climate infrastructure, public safety, and healthcare delivery systems.

Assembly Budget Framework

The Assembly Democrats' "[Road Map to a Responsible and Compassionate Budget](#)" released last week, signals that the Assembly is positioning itself as somewhat more protective of safety-net and local government programs heading into May Revision negotiations, while also emphasizing fiscal restraint and reserve-building amid growing concern over federal actions tied to H.R. 1 and broader economic uncertainty.

The Assembly prioritizes protecting Medi-Cal, CalFresh, In-Home Supportive Services (IHSS), and other core safety-net programs that counties administer and help operationalize. The Assembly's framing suggests continued legislative interest in mitigating at least some federal cost shifts and service reductions affecting counties. The framework's repeated references to federal instability and health care financing risks are particularly important for county health systems. Recent Assembly budget hearings tied to H.R. 1 highlighted concerns regarding Medi-Cal enrollment losses, Managed Care Organization tax restructuring challenges, reductions in provider financing mechanisms, and significant projected losses for county and public hospital systems statewide.

The document also emphasizes avoiding major new ongoing spending commitments while strengthening reserves and preparing for projected structural deficits. This likely means that while the legislature may be sympathetic to county impacts, competition for discretionary General Fund support will remain extremely intense.

On housing and homelessness, the Assembly roadmap signals continued support for housing production, affordable housing financing, and reducing development barriers. The Assembly also continues emphasizing oversight and accountability for major state homelessness and housing investments, which could translate into increased reporting, performance expectations, and scrutiny of locally administered programs.

From a public safety and justice perspective, the roadmap does not include new Proposition 36 implementation funding commitments, which remains a concern for counties statewide.

Politically, the roadmap provides an early indication that Assembly Democrats are attempting to balance progressive safety-net protection priorities with a more cautious fiscal posture ahead of the governor's May Revision. The coming weeks will likely determine whether stronger-than-anticipated revenues translate into meaningful restorations or whether much of the additional funding is absorbed by Proposition 98 obligations, reserve deposits, and Medi-Cal cost pressures.

Assembly Budget Subcommittee on Health: Behavioral Health Hearing

The Assembly Budget Subcommittee No. 1 on Health hearing on May 4 focused heavily on the intersection of serious mental illness, homelessness, incarceration, and the anticipated impacts of H.R. 1 on California's behavioral health system. A major theme throughout the hearing was the challenge of treating individuals experiencing anosognosia, a neurological condition that prevents a person from recognizing their own mental illness, and how gaps in the state's behavioral health continuum contribute to repeated cycles of crisis, hospitalization, homelessness, and incarceration.

For Orange County, the discussion is particularly relevant given the county's significant behavioral health service demands, homelessness response responsibilities, and ongoing investments in diversion, treatment, and supportive housing programs. The hearing repeatedly emphasized that counties serve as the primary behavioral health safety net for Californians with the most serious and complex needs, especially when private insurance and managed care systems fail to adequately serve individuals experiencing severe mental illness.

Committee Chair Assemblymember Dawn Addis (D-Morro Bay) framed the hearing around growing concern that H.R. 1 will significantly destabilize county behavioral health systems by reducing Medi-Cal enrollment and federal funding support for behavioral health services. She warned that counties are likely to face increasing demand for services at the same time federal resources decline. Witnesses repeatedly described this as cost shifting rather than savings, with individuals ultimately cycling into more expensive emergency, jail, and psychiatric systems.

The hearing [agenda](#) noted that county behavioral health systems already face structural financing constraints. Counties rely heavily on a mix of 1991 and 2011 realignment revenues, Behavioral Health Services Act funding, and federal Medi-Cal participation, all of which fluctuate with economic conditions and demand. The agenda highlighted that counties are required to provide behavioral health services "to the extent resources are available," but warned that federal Medi-Cal reductions under H.R. 1 could leave counties absorbing major fiscal pressures without replacement funding.

This concern is especially significant for Orange County because of the County's large Medi-Cal population and the substantial role county behavioral health systems play in supporting individuals experiencing homelessness, justice involvement, and untreated severe mental illness. The hearing agenda projected that approximately 89,000 additional individuals statewide could seek county behavioral health services by 2027-28 due to H.R. 1-related coverage losses, at an estimated statewide cost of \$828 million ongoing. Counties warned that these pressures would further strain already overburdened systems, particularly in regions experiencing provider shortages and growing behavioral health needs.

Witness testimony repeatedly emphasized the importance of sustained treatment, housing supports, assertive community treatment, peer support, and continuity of care. Providers argued that California's current system remains too crisis-driven and fragmented, often stabilizing individuals temporarily before discharging them without long-term supports. Several panelists noted that individuals with serious mental illness frequently "fall through the cracks" between Medi-Cal managed

care plans and county specialty behavioral health systems when their conditions fluctuate between mild/moderate and severe.

The hearing also highlighted implementation challenges associated with CalAIM and the state's "No Wrong Door" behavioral health framework. Witnesses acknowledged progress in improving coordination between managed care plans and county systems but stressed that many managed care networks still lack the expertise, provider capacity, or willingness to adequately serve individuals with severe mental illness. This concern is particularly relevant as counties continue working to improve coordination across healthcare, behavioral health, homelessness, and justice systems.

Assemblymember Catherine Stefani (D-San Francisco) delivered some of the strongest comments of the hearing, criticizing what she described as longstanding barriers to involuntary treatment reforms and arguing that California has failed families dealing with severe mental illness and anosognosia. Her remarks underscored the broader policy debate occurring statewide around conservatorship, CARE Court, assisted outpatient treatment, and involuntary medication authority.

The hearing also reinforced concerns that behavioral health reforms adopted through the Behavioral Health Services Act and CARE Court may be difficult to fully implement if federal funding reductions proceed. County representatives warned that counties are already redirecting resources toward the highest acuity populations experiencing homelessness, justice involvement, and untreated serious mental illness, and that further Medi-Cal losses could force reductions in upstream prevention and early intervention programs.

The hearing agenda characterized the discussion as the beginning of a broader statewide conversation about whether California's behavioral health system is adequately designed to serve individuals with the most severe needs and whether counties will have sufficient fiscal capacity to absorb anticipated federal funding reductions while continuing to operate as the state's behavioral health safety net.

Senate Insurance Hearing on Protecting Californians from Wildfire Risk

The Senate Insurance Committee held an informational hearing earlier this week on "Bending the Curve: Protecting Californians from Wildfire Risk," focused on the growing intersection between wildfire resiliency, climate change, and the continued instability of California's homeowners insurance market. Chaired by Senator Steve Padilla (D-San Diego), the hearing explored both the underlying drivers of the insurance crisis and emerging strategies to reduce wildfire risk at the household and community levels. Witnesses repeatedly emphasized that California's insurance challenges are fundamentally tied to increasing catastrophic wildfire exposure, expanding development in the wildland-urban interface, aging housing stock, and the need for coordinated statewide mitigation efforts. Panelists also highlighted the significant implications for housing affordability, lending, local infrastructure, and local governments responsible for emergency response and land use planning. The hearing was also attended by Senators Lara Richardson (D-Inglewood), Josh Becker (D-Menlo Park), Roger Niello (R-Rancho Cordova) and Henry Stern (D-Sherman Oaks).

From an Orange County perspective, the hearing was particularly relevant given the County's continuing exposure to wildfire risk in canyon, foothill, and interface communities, ongoing insurance affordability concerns in high fire severity zones, and increasing state focus on local mitigation and land use responsibilities. Several panelists pointed to the need for stronger coordination between state and local governments around community hardening, defensible space, retrofit standards, evacuation planning, and long-term resiliency investments. Discussion also highlighted the growing expectation that local governments will play a larger role in implementing wildfire mitigation strategies, while policymakers continue debating how to finance these efforts equitably across communities.

Impact of Climate Change Catastrophes on Californians. Amy Bach, Executive Director of United Policyholders, spoke from the consumer perspective and described the current insurance market as deeply strained but beginning to show signs of stabilization. She noted positive developments including the expansion of Firewise communities, the creation of statewide wildfire risk reduction standards for homes, and early indications that the Department of Insurance's Sustainable Insurance Strategy (SIS) may be helping restore some market participation. However, she expressed significant concern over the rapid growth of surplus line and non-admitted insurers in California's residential market, warning that many consumers are now being pushed into policies with substantially less oversight and far higher deductibles than would typically be allowed in the admitted market. Bach emphasized that while insurers are beginning to cautiously re-enter some markets, affordability remains a major concern and meaningful progress will ultimately require sustained investment in mitigation, community-wide hardening, and consumer protections. She also stressed that many homeowners still lack the financial resources necessary to implement required mitigation measures without grant support or public assistance.

Discussion between Bach and committee members also focused heavily on underinsurance following recent wildfire disasters, particularly the Los Angeles fires. Bach stated that underinsurance remains widespread and has become substantially worse due to inflation, labor shortages, and rapidly escalating rebuilding costs. She noted that many homeowners are insured at replacement cost values far below actual reconstruction costs, creating major financial exposure after disasters. Members also discussed broader concerns regarding the FAIR Plan's continued growth, though witnesses acknowledged that enrollment growth has recently begun to slow somewhat.

Bending the Risk Curve. Nancy Watkins of Milliman and Stanford's Michael Wara focused their testimony on what witnesses repeatedly referred to as "bending the risk curve" through statewide mitigation and resiliency investments. Watkins argued that California's insurance market challenges are the product of decades of accumulated policy decisions combined with worsening climate-driven wildfire behavior. She emphasized that the current insurance disruption is "a symptom, not the problem," echoing findings included in the hearing materials. Watkins stressed that wildfire is ultimately a solvable problem if California adopts a comprehensive, large-scale mitigation strategy centered on community hardening, improved data systems, and stronger coordination among insurers, utilities, local governments, and homeowners. She compared the Sustainable Insurance Strategy to a difficult but necessary course of treatment, arguing that rate increases and regulatory reforms are intended to stabilize the market long enough to restore competition and long-term sustainability.

Wara focused extensively on how structure-to-structure ignition drives catastrophic wildfire losses and highlighted research showing that relatively modest interventions, including ember-resistant vents, defensible space improvements, and neighborhood-level mitigation efforts, can significantly reduce risk. He advocated prioritizing investments in community-scale mitigation rather than relying almost exclusively on utility spending and suppression efforts. Wara also emphasized the importance of balancing insurance market reforms with affordability protections for consumers and warned against approaches that shift excessive costs onto homeowners without sufficient public investment in resiliency infrastructure.

Modeling for Fire Risk. Panelists Frank Frievalt, Director, Wildland-Urban Interface Fire Institute, California Polytechnic State University, San Luis Obispo and Michael Gollner, Ph.D., Associate Professor of Mechanical Engineering, University of California, Berkeley further reinforced the growing policy shift toward treating wildfire as primarily a structure ignition and community resiliency issue rather than solely a vegetation management problem. They discussed evolving fire behavior modeling and emphasized that relatively targeted mitigation measures, particularly ember protection and structure hardening, can meaningfully reduce catastrophic losses. Witnesses repeatedly stressed the importance of identifying the mitigation strategies that produce the greatest measurable reduction in risk and integrating those findings into insurance pricing, local planning, and building standards.

Scaling Solutions. Dan Dunmoyer, President and Chief Executive Officer, California Building Industry Association highlighted newer master planned communities, including Rancho Mission Viejo, as examples of communities designed with substantially greater wildfire resiliency. He discussed the importance of incorporating fire-resistant materials, defensible design, and community-wide planning standards into future development while also recognizing the much larger challenge posed by California's millions of existing structures. Dunmoyer advocated incremental hardening improvements over time as homes undergo renovations or roof replacements and raised the concept of creating buffers of newer, more fire-resistant development surrounding older vulnerable communities.

Insurance Commissioner Ricardo Lara concluded the hearing by defending and highlighting the early progress of the Sustainable Insurance Strategy. Lara stated that several insurers have now submitted filings committing to maintain or expand coverage in wildfire-prone areas and pointed to recent FAIR Plan enrollment trends as evidence that conditions may be beginning to stabilize. He also emphasized the need for broader statewide investments in wildfire resilience infrastructure, including a community-wide wildfire resilience standard, a modern wildfire data system, expanded home hardening programs, insurance discounts tied to mitigation activities, and continued development of a public catastrophe model. Lara repeatedly stressed that California must move toward a more coordinated, statewide resiliency strategy similar to programs adopted in other disaster-prone states.

Throughout the hearing, legislators and witnesses consistently returned to the idea that long-term stabilization of California's insurance market will require moving beyond piecemeal mitigation efforts toward coordinated, community-scale wildfire resilience planning. Several members also emphasized the increasingly important role local governments will play in land use planning, evacuation preparedness, infrastructure investments, and implementation of mitigation standards. The discussion reinforced the growing state policy focus on wildfire resiliency as both a public safety and economic stability issue, with continued implications for local planning, housing development, insurance affordability, and long-term infrastructure investment decisions.

Background Materials

- [05.12.26 Agenda](#)
- [05.12.26 Background Paper and Participants](#)
- [05.12.26 Video Recording of Hearing](#)
- [05.12.26 Audio Recording of Hearing](#)

Cap-and-Invest Hearing on Proposed Amendments

The May 6 joint informational hearing of the Senate Environmental Quality Committee and Senate Budget Subcommittee No. 2 focused on the California Air Resources Board's (CARB) proposed amendments to the state's Cap-and-Invest program and the potential impacts those changes could have on California's climate goals, affordability, and funding for major state climate investments.

The hearing was relevant for Orange County because many of the programs potentially affected by reductions to the Greenhouse Gas Reduction Fund (GGRF) support priorities that directly intersect with county interests, including transportation investments, wildfire prevention, coastal resilience, affordable housing, clean air programs, and climate adaptation infrastructure.

Legislative leadership framed the hearing around growing concern that CARB's revised proposal may not faithfully implement the intent of [AB 1207](#) and [SB 840](#), the 2025 laws that extended the Cap-and-Invest program through 2045. Committee Chairs Senator Catherine Blakespear and Senator Eloise Gómez Reyes (D-San Bernardino) questioned whether the amendments improperly prioritize additional industry incentives over investments that benefit communities and support California's long-term climate strategy.

At the center of the debate was CARB's proposed Manufacturing Decarbonization Incentive (MDI), which would dedicate up to 118 million allowances, valued at roughly \$4 billion, to industrial decarbonization projects. Eligible projects could include refinery upgrades, hydrogen investments, electrification projects, renewable energy generation, and carbon capture technologies. CARB argued the proposal is intended to backfill lost federal industrial funding, reduce emissions, preserve California manufacturing jobs, and help avoid additional energy cost increases for consumers.

However, legislators and the Legislative Analyst's Office (LAO) expressed concern that the proposal could weaken the integrity of the emissions cap while significantly reducing revenues available for the GGRF. The LAO warned that the proposal represents a major shift from existing regulations and could leave insufficient funding for many climate and infrastructure programs historically supported through GGRF revenues. During the hearing, legislators highlighted concerns that reduced GGRF revenues could jeopardize programs such as the Transit and Intercity Rail Capital Program (TIRCP) and Low Carbon Transit Operations Program (LCTOP).

The hearing further reflected broader tensions within the legislature over balancing climate ambition with affordability concerns. Moderate lawmakers emphasized worries that tightening emissions regulations too aggressively could increase gasoline and electricity prices and create additional pressure on California families and businesses. Senator Suzette Valladares (R-Santa Clarita) argued the state must account for affordability and energy reliability impacts alongside climate goals, particularly as refining capacity declines and fuel costs remain volatile.

CARB responded by emphasizing that the revised proposal increases climate-related utility bill credits from \$8 billion to \$10 billion between 2027 and 2030 and shifts additional allowances toward electric utility ratepayer relief.

The hearing also highlighted growing political divisions among California Democrats regarding the future direction of the Cap-and-Invest program. Background materials included reporting that progressive lawmakers and moderate Democrats are increasingly split over whether CARB's proposed changes appropriately balance emissions reductions with cost-of-living concerns.

Several legislators questioned whether CARB had adequately demonstrated that additional allowances and incentives for industry would actually lower costs for consumers or meaningfully prevent emissions leakage. Supplemental hearing materials specifically asked CARB to explain whether refinery compliance relief would translate into lower fuel prices and whether the agency had adequately evaluated the impacts of reducing funding for affordable housing, wildfire prevention, transit, clean air, and environmental justice programs.

The LAO presentation emphasized that the proposed amendments create significant policy tradeoffs between affordability, emissions reductions, industry support, and long-term climate investments. The office noted that lower-than-expected GGRF revenues could force the legislature to reconsider funding priorities established only months earlier through SB 840.

Overall, the hearing underscored that California's climate policy debate is increasingly focused not only on emissions reductions, but also on how climate programs interact with affordability, economic competitiveness, infrastructure funding, and local government priorities. For Orange County, the outcome of CARB's proposed amendments could have meaningful implications for future transportation, resilience, housing, and environmental funding streams as the state moves toward its 2030 and 2045 climate targets.

Background Materials

- [Hearing Agenda](#)
- [Hearing Background](#)

- [CARB Presentation](#)
- [LAO Handout](#)
- [05/06/2026 Chairs' Letter to CARB](#)
- [05/06/2026 Chair's Letter to CARB Supplement](#)

Upcoming Hearings

Agendas are typically posted on the committee websites in the [Assembly](#) and [Senate](#) a few days prior to the hearings. To view hearings after they take place, you may access them in the [Assembly](#) or [Senate](#) media archives where they are generally available within a few hours of committee adjournment.

**Monday, May 18, 2026, Upon adjournment of Session
Assembly Budget Subcommittee No. 2 on Human Services**

1021 O Street, Room 1100
May Revision - All Departments

**Monday, May 18, 2026, 2:30 p.m.
Assembly Budget Subcommittee No. 6 on Public Safety**

State Capitol, Room 447
May Revision - All Departments

**Monday, May 18, 2026, 3 p.m. or Upon adjournment of Session
Assembly Budget Subcommittee No. 1 on Health**

1021 O Street, Room 126
May Revision - All Departments

**Tuesday, May 19, 2026, 9:00 a.m.
Assembly Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation**

State Capitol, Room 437
May Revision - All Departments
3900 California Air Resources Board - Cap and Invest
Proposed Regulations

**Tuesday, May 19, 2026, 1:30 p.m.
Assembly Budget Subcommittee No. 5 on State Administration and General Government**

State Capitol, Room 447
May Revision – All Departments

**Tuesday, May 19, 2026, 2 p.m.
Assembly Budget Subcommittee No. 1 on Health**

1021 O Street, Room 126
May Revision - All Departments

**Wednesday, May 20, 2026, 9:00 a.m.
Senate Budget and Fiscal Review Subcommittee No. 3 on Health and Human Services**

1021 O Street, Room 1200
May Revision
All Departments - Open Issues

**Wednesday, May 20, 2026, 1:30 P.M.
Assembly Budget Subcommittee No. 5 on State Administration**

State Capitol, Room 447
May Revision - All Departments

Wednesday, May 20, 2026, 1:30 p.m.

Senate Budget and Fiscal Review Subcommittee No. 4 on State Administration and General Government

State Capitol, Room 113

May Revision

All Departments - Open Issues

Wednesday, May 20, 2026, 1:30 p.m.

Senate Budget and Fiscal Review Subcommittee No. 5 on Corrections, Public Safety, Judiciary, Labor, and Transportation

State Capitol, Room 112

May Revision

All Departments - Open Issues

Thursday, May 21, 2026, 9 a.m.

Senate Budget and Fiscal Review Subcommittee No. 2 on Resources, Environmental Protection, and Energy

1021 O Street, Room 2200

May Revision

All Departments - Open Issues

Thursday, May 21, 2026, 9:30 a.m.

Senate Budget and Fiscal Review Subcommittee No. 3 on Health and Human Services

1021 O Street, Room 1200

May Revision

All Departments - Open Issues

Thursday, May 21, 2026, 9:30 a.m.

Senate Budget and Fiscal Review Subcommittee No. 4 on State Administration and General Government

State Capitol, Room 113

May Revision

All Departments - Open Issues

Grant Opportunities

Below is a list of the latest grant opportunities released by the state. All opportunities for local jurisdictions may be found [here](#).

Application deadline: 7/8/26 23:59

Title: [FY 2025-26 Wildfire Prevention Grants Proposition 4](#)

State Agency / Department: [Department of Forestry and Fire Protection](#)

Match Funding? No

Estimated Total Funding: \$2,000,000

Funding Method: Reimbursement(s)

Expected award announcement: 7/8/26 23:59

Title: [California National Archery in the Schools Program 2026 \(CalNASP\) Equipment Grant](#)

State Agency / Department: [Department of Forestry and Fire Protection](#)

Match Funding? No

Estimated Total Funding: \$3,800

Funding Method: Grant is for purchasing equipment kits. CDFW will purchase the kits and send them to the awarded schools.

Application deadline: 6/23/26 23:59

Title: [Beverage Container Redemption Innovation Grant](#)

State Agency / Department: [Department of Resources Recycling and Recovery](#)

Match Funding? No

Estimated Total Funding: \$20,000,000

Funding Method: Advances & Reimbursement(s)

Expected award announcement: 6/12/26 17:00

Title: [California Workplace Outreach Project \(CWOP\) Supplemental Request for Applications \(RFA\) Program Year \(PY\) 2026-2027](#)

State Agency / Department: [Department of Industrial Relations](#)

Match Funding? No

Estimated Total Funding: \$9,600,000

Funding Method: Advances & Reimbursement(s)

Governor's Press Releases

Below is a list of the governor's press releases beginning May 6.

May 13: [New FBI data: crime drops across California as retail theft enforcement recovers \\$75 million in stolen goods](#)

May 13: [Governor Newsom delivers \\$760 million in HHAP funding to support communities' efforts in reducing homelessness](#)

May 13: [Governor Newsom announces California's new \\$1 billion rebate program for electric trucks, as Trump cedes global clean vehicle market to China](#)

May 13: [Governor Newsom announces \\$30 million for regional wildfire prevention and landscape projects ahead of wildfire season](#)

May 12: [Governor Newsom appoints former federal regulator Rohit Chopra to head new Business and Consumer Services Agency amid Trump-era rollbacks](#)

May 12: [More than 1,000 LA firestorm survivors have accessed CalAssist Mortgage Relief](#)

May 12: [Governor Newsom delivers \\$111 million in voter-approved Prop 1 funding to communities to get people off the streets and connected to mental health care](#)

May 12: [California remains the nation's top travel destination, tourism spending climbs to a record high \\$158.9 billion](#)

May 11: [Governor Gavin Newsom's Steve Jobs innovation coin goes into circulation tomorrow](#)

May 11: [Governor Gavin Newsom welcomes new members to the Governor's Council of Economic Advisors](#)

May 8: [Governor Newsom announces appointments 5.8.2026](#)

May 8: [As Mother's Day approaches, Governor Newsom highlights a first-of-its-kind in the nation paid family leave program](#)

May 8: [Governor Newsom announces major hiring milestone with over 1,000 young adults entering the wildland firefighting force](#)

May 8: [Governor requests extension of FEMA disaster funding to help survivors of LA wildfires](#)

May 8: [Governor Newsom launches first-in-the-nation program providing free diapers for all new parents](#)

May 7: [Governor Newsom proclaims National Teacher Appreciation Week](#)

May 7: [California is more prepared for our water future than ever before](#)

May 7: [Governor Newsom proclaims Day of Prayer 2026](#)

May 7: [During Wildfire Preparedness Week, Governor Newsom announces \\$70 million available for wildfire prevention and resilience projects statewide](#)

May 7: [Film industry and labor leaders celebrate Governor Newsom's expanded California Film & Television Tax Credit Program as filming grows in the Golden State](#)

May 7: [Governor Newsom launches Engaged California statewide for the first time to give all Californians a stronger voice in AI policy](#)

3. Washington D.C. Legislative Report

Prepared by Townsend Public Affairs

LEGISLATIVE BRANCH ACTIVITY

House Appropriators Continue to Make Progress, First of Twelve Bills Reaches the Floor

The Fiscal Year 2027 (FY27) appropriations process continues as appropriators work through [scheduled](#) markups of the 12 appropriations bills. This week the committee [held](#) their full committee markup of the Commerce, Justice, Science and Related Agencies (CJS) [draft bill](#) and multiple subcommittee hearings on the [President's Budget Request](#) for the Department of Defense. The CJS markup also considered the [report](#) containing Community Project Funding (CPF) requests, also known as earmarks, under funding accounts for the Department of Justice (DOJ), National Institute of Standards and Technology (NIST), and National Oceanic and Atmospheric Administration (NOAA).

Markups are scheduled to continue through June 24, with the Transportation, Housing and Urban Development markup scheduled for May 21. After each markup, the committee will release their draft bill and a list of CPF/earmark projects with initial funding levels. The funding levels are subject to change as the bills progress and negotiations begin with the Senate. As appropriations bills are subject to filibuster in the Senate, and therefore require 60 votes to pass, funding levels for local government and social spending programs generally increase from the more partisan House drafts. On May 12, House Leaders [sent](#) the first of the 12 appropriations bills, [HR 8469](#), the Military Construction, Veterans Affairs, and Related Agencies bill to the floor for a vote.

As markups continue, appropriators have expressed hesitation regarding portions of the Presidential Budget Request, which asked Congress to cut non-defense discretionary spending by 10% across the board and eliminate a number of programs important to local governments, including Community Development Block Grants (CDBG) under the Department of Housing and Urban Development (HUD). During a [budget hearing](#) on May 12 with HUD Secretary Scott Turner, House Appropriations Committee Chairman Tom Cole [stated](#) the unlikelihood that appropriators enact the requested cuts to HUD.

Energy and Commerce Committee Holds Hearing on Permitting Reforms

On May 13, the House Committee on Energy and Commerce's Subcommittee on Energy held a [hearing](#) titled, Wires, Rates, and States: Permitting Transmission for Reliable and Affordable Power, that sought to address potential permitting reform draft bills for energy generation projects.

Witnesses included Randy Howard, the General Manager at the Northern California Power Agency (NCPA), a Joint Powers Authority which plans, builds, and operates power generation resources [supplying](#) power from the Sierra Nevadas to the Bay Area. According to his [testimony](#), permitting reform is needed to bring additional generation resources online to meet rapidly growing demand, though many of the useful reforms fall outside of the Committee's jurisdiction, which is limited to the Federal Power Act (FPA).

Witnesses emphasized local control and cooperative federalism in place of federal preemption and project selection, continued joint ownership and operation, and grid-enhancing technology to help current infrastructure meet the growing need. Base demand for power has been [increasing faster](#) than generation and transmission capacity, in part due to the rise of artificial intelligence (AI) data centers, which require substantial power to process consumer requests.

Members across the aisle also discussed the changes made to renewable energy tax credits, including the Investment Tax Credit (ITC) and Production Tax Credit (PTC) made in [HR 1](#), the One Big Beautiful Bill Act, which phased out the subsidies multiple years ahead of schedule and stranded some projects.

Congress has considered a number of permitting reform bills, including [HR 4776](#), the SPEED Act, which among other things would create equivalency between National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA) reviews. Congressional leaders have discussed grouping permitting reform bills together with Surface Transportation Reauthorization Act negotiations, which have been increasingly delayed this year.

EXECUTIVE BRANCH ACTIVITY

FAA Announces \$16.5 Billion In Funding to Equip FAA Vehicles with Air Traffic Control Transponders

On May 13, the Federal Aviation Administration (FAA) [announced](#) it will begin equipping its 1,900 vehicles at 44 airports with Airport Surface Detection Equipment (ASDE-X) and ADS-B Airport Surface Surveillance Capability or [Surface Awareness Initiative](#) systems with new Vehicle Movement Area Transmitters (VMATs), allowing air traffic controllers (ATC) to see the ground vehicles on their radar monitoring screens.

The FAA stated this will improve ATC awareness of vehicle position while runways are active, especially during weather events adversely affecting visibility. The system will allow ATC to see the vehicle type and call sign, and move automatically across their system. According to the FAA, the funding for this initiative came from [HR 1](#), the One Big Beautiful Bill Act. Implementation for this initiative was accelerated following the crash at Laganardia airport in New York between a plane and an Aircraft Rescue and Firefighting vehicle.

HHS Defers \$1.3 Billion in Medicaid Reimbursement and Suspends Enrollment of New Hospice Providers for Medicare, Medicaid, and Children's Health Insurance Program

On May 13, the Department of Health and Human Services (HHS) Centers for Medicare & Medicaid Services (CMS) [imposed](#) a six-month moratorium on the enrollment of new hospice care providers seeking to provide services to Medicare, Medicaid (Medi-Cal), and Children's Health Insurance Program (CHIP) recipients.

The moratorium will prohibit new providers from signing up to receive reimbursements from CMS for services provided via Home Health and Hospice care, according to HHS's [press release](#) the moratorium is connected to the Anti-Fraud Task Force led by Vice President JD Vance and established in March 2026 by Executive Order (EO) [14395](#).

The Administration has broadly sought to conduct investigations in California, Minnesota, and Maine among other states, alleging significant fraud has been functionally allowed by state governments. The moratorium could prevent expansions in care or lead to coverage denials for government sponsored health care recipients, including seniors, who would need to ensure they access care at currently enrolled facilities.

In a press conference announcing the moratorium, Vice President Vance [stated](#) HHS was going to [withhold](#) \$1.3 billion in Medicaid/Medi-Cal reimbursement funding for California, which could create financial instability for the state and counties, who often provide initial payments to providers. In Fiscal Year 2024, California [received](#) over \$92 billion in reimbursements, this deferral represents the largest in CMS's history.

[FEMA Review Council Releases Final Report, Recommends Shifting Disaster Response to States](#)

On May 7, the Federal Emergency Management Agency (FEMA) Review Council, established in January, 2025 by Executive Order (EO) [14180](#), held its [final meeting](#) and [released](#) its final report, making recommendations to the President and Congress on reforming the agency responsible for federal disaster response.

The [report](#) recommends significant reforms to FEMA with the goal of repositioning the agency as more of a technical assistance provider supporting disaster response than an active participant, and calls for the consolidation of a number of grant programs into a direct payment system to both individuals and local governments, reducing administrative requirements. It also proposes changing the criteria used to determine the need for federal intervention to reduce the amount of resources expended by FEMA responding to disasters within state and local capacity.

A significant portion of the Council's recommended actions would require Congress to enact legislation. Last year, the House Committee on Transportation and Infrastructure advanced [HR 4669](#), the FEMA Act, on a bipartisan basis. The bill encompasses some of the Council's recommendations, though would make FEMA an independent, cabinet level agency. Other recommendations made by the Council, including changes to the threshold for federal support following a disaster, could likely be made via the agency rulemaking process. The White House has not formally adopted the report as its policy.

[HUD Publishes Additional Guidance for Housing Authorities on Immigration Status Checks](#)

On May 6, the Department of Housing and Urban Development (HUD) [notified](#) Public Housing Agencies (PHAs) of updates to the Enterprise Income Verification (EIV) and Systematic Alien Verification for Entitlements (SAVE) system (EIV-SAVE), which produces tenant matching reports needed to provide a tenant publicly subsidized housing. HUD will require PHAs to certify they have reviewed the updated reporting and re-verified their tenant's eligibility for public or subsidized housing. HUD also provided an FAQ [document](#) on EIV-SAVE reports and how to use them.

According to the letter, within two weeks HUD will issue instructions on verification, after which PHA's will have 60-days to attest they are in compliance with the instructions and have removed any ineligible residents from their units. This follows changes to [24 CFR part 5 subpart E](#) in January, and other efforts HUD has made to limit non-citizen access to public housing resources, even if the non-citizen is only an ancillary recipient of the benefits, such as living with a qualifying citizen in a subsidized unit. Additionally, HUD has sought to [impose](#) new work requirements and time limits on public housing recipients, hoping the requirements will bring more tenants towards self-sufficiency.

[Orange County Delegation Press Releases](#)

- Sen. Alex Padilla – May 12, 2026: [Padilla Joins Kelly, Durbin, and Immigration Advocates to Speak on Why Threats to DACA, Dreamers Make Case for Legislative Fix - Senator Alex Padilla](#)
- Sen. Alex Padilla – May 6, 2026: [Padilla, Schiff Join Bennet and Colleagues Demanding Trump Administration Resume Russian Oil Sanctions - Senator Alex Padilla](#)
- Sen. Alex Padilla – May 5, 2026: [Padilla, Colleagues Introduce Bill to Crack Down on Oil Market Manipulation and Protect Consumers As Gas Prices Climb - Senator Alex Padilla](#)
- Sen. Adam Schiff – May 11, 2026: [PHOTOS: Sen. Schiff Tours Ventura County Farm, Highlights Farm Bill Priorities](#)
- Sen. Adam Schiff – May 8, 2026: [PHOTOS: Sen. Schiff Attends Grand Opening of Metro D Line in L.A., Emphasizes Efforts to Push for Safe and Efficient Transportation](#)

- Sen. Adam Schiff – May 8, 2026: [NEWS: Sen. Schiff, Rep. Lieu Secure \\$1.1 Million in Federal Funds for Mitigating Landslides in Palos Verdes Peninsula](#)
- Sen. Adam Schiff – May 8, 2026: [WATCH: Trump’s Weakness is “Breathtaking”; Sen. Schiff Breaks Down Trump’s Ineffective Negotiations to End Illegal Iran War](#)
- Sen. Adam Schiff – May 8, 2026: [NEWS: Sen. Schiff, Rep. Carbajal, Local Leaders Call Out Trump Administration’s Attempts to Restart Offshore Oil Operations on Central Coast](#)
- Sen. Adam Schiff – May 7, 2026: [NEWS: Sen. Schiff Outlines Farm Bill Priorities for California](#)
- Sen. Adam Schiff – May 7, 2026: [PHOTOS: Sen. Schiff Tours Catalina Island Conservancy, Highlights Continued Efforts to Preserve and Sustain California’s Natural Ecosystems](#)
- Rep. Young Kim – May 13, 2026: [Reps. Kim, Bera DOMINANCE Act Passes House Foreign Affairs Committee - Congresswoman Young Kim](#)
- Rep. Young Kim – May 7, 2026: [Rep. Young Kim Leads Bill to Deter CCP Aggression Against Taiwan - Congresswoman Young Kim](#)
- Rep. Linda Sanchez – May 8, 2026: [Sánchez on trade court’s tariffs ruling: Trump never gets tired of losing | Congresswoman Linda Sanchez](#)
- Rep. Dave Min – May 11, 2026: [Representative Dave Min Introduces Safe Transit for All Act to Combat Harassment on Public Transportation | Representative Dave Min](#)
- Rep. Dave Min – May 7, 2026: [Rep. Dave Min Hosts Sixth Annual AANHPI Empowerment Summit | Representative Dave Min](#)
- Rep. Dave Min – May 7, 2026: [Representative Dave Min and Senator Peter Welch Launch Oversight Investigation Into Trump Pardons Amid Corruption Concerns | Representative Dave Min](#)
- Rep. Derek Tran – May 12, 2026: [Representative Tran Votes to Protect Local Business from Organized Retail Crime | Representative Derek Tran](#)
- Rep. Derek Tran – May 7, 2026: [Representative Tran Joins Fellow Veterans in Congress to Block Taxpayer Dollars for Iran War | Representative Derek Tran](#)
- Rep. Mike Levin – May 6, 2026: [ICE Reveals Over 16,000 Removals in San Diego Region Since January 2025 | U.S. Congressman Mike Levin](#)

Legislation Introduced by the Orange County Delegation

Bill Number	Bill Title	Introduction Date	Sponsor	Bill Description	Latest Major Action
H.R. 8693	Deter PRC Aggression Against Taiwan Act.	5/7/2026	Rep. Young Kim	To develop economic tools to deter aggression by the People's Republic of China against Taiwan.	Referred to the House Committee on Foreign Affairs. Action Date: 5/7/2026
H.R. 8699	Safe Transit for All Act of 2026.	5/7/2026	Rep. Dave Min	To amend title 49, United States Code, to require certain recipients of Federal assistance for public transit systems to establish a program to collect data on passenger harassment on public transit systems, and for other purposes.	Referred to the House Committee on Transportation and Infrastructure. Action Date: 5/7/2026

If you or your staff have any questions or require additional information on any of the items in this bulletin, please contact Peter DeMarco at 714-834-5777.