

**Public Employees' Retirement System
Board of Administration
2025-2026 Legislative Session
State and Federal Update
Status as of February 26, 2025**

State Bills

AB 280 (Aguiar-Curry) Introduced: 1/21/2025

CalPERS Position: N/A

Provider Directories. Requires a health care service plan or health insurer to verify provider directory accuracy on an annual basis and ensure that the provider directory is 60% accurate by July 1, 2026, with an increasing percentage of accuracy to be met, as specified, until the directories are 95% accurate on or before July 1, 2029. Failure to meet the accuracy benchmark in a given year will subject a plan or insurer to administrative penalties. Requires a plan or insurer to provide coverage for covered health care services provided to an enrollee or insurer who reasonably relied on inaccurate, incomplete, or misleading information in a plan or policy's provider directory and to reimburse the provider the out-of-network amount for those services. Prohibits a provider from collecting an additional amount from the enrollee or insured other than the in-network cost sharing.

Action Taken: Monitoring

Location: Assembly Health Committee

AB 298 (Bonta) Introduced: 1/23/2025

CalPERS Position: N/A

Health Care Cost-Sharing Prohibition. On or after January 1, 2026, any health care service plan contract or disability insurance policy that is issued, amended, or renewed shall not impose a deductible, coinsurance, copayment, or other cost-sharing requirements for services provided to an enrollee or insured under 21 years of age.

Action Taken: Monitoring

Location: Assembly Health Committee

AB 575 (Arambula) Introduced: 2/12/2025

CalPERS Position: N/A

Obesity Prevention Treatment Parity Act. Requires an individual or group health care service plan contract or insurance policy that is issued, amended, or renewed on or after January 1, 2026, and that provides coverage for outpatient prescription drug benefits, to include coverage for at least one Food and Drug Administration (FDA) approved anti-obesity medication, including at least one GLP-1, and intensive behavioral therapy for the treatment of obesity without prior authorization.

Action Taken: Monitoring

Location: Assembly Health Committee

ACA 2 (Jackson) Introduced: 12/2/2024

CalPERS Position: N/A

Legislative Diversification Act. Repeals Section 4.5 of Article IV of the State Constitution which prohibits Members of the Legislature from accruing any pension or retirement benefits other than Social Security. Establishes a retirement system for Members elected to or serving in the Legislature on or after November 1, 2010, and requires a Member to serve at least ten years in the Legislature to be eligible for benefits under the retirement system. Also allows Members with less than ten years of legislative service to transfer the service credit earned to any other public employees' pension or retirement system in which the Member participates in.

Action Taken: Monitoring

Location: Assembly Print

SB 306 (Becker) Introduced: 2/10/2025

CalPERS Position: N/A

Prior Authorization Exemption. Prohibits a health care service plan or a health insurer who imposed prior authorization on a covered health care service and approved 90% or more of the requests for a covered service in the prior calendar year from imposing prior authorization on that service from April 1 of the current year and remaining in place for one calendar year. Requires a plan or insurer to list these exempted, covered services in a prominent location on their website by March 15 of each calendar year, as well as all plan contract documents, all relevant policy documents, and utilization management policies.

Action Taken: Monitoring

Location: Senate Health Committee

SB 351 (Cabaldon) Introduced: 2/12/2025

CalPERS Position: N/A

Private Equity in Health Facilities. Prohibits a private equity group or hedge fund that is involved in any manner with a physician or dental practice doing business in California from interfering with the physician's or dentist's professional judgement in making health care decisions or exercising control over or delegated power to perform specified administrative actions. Also prohibits these entities from entering into an agreement or arrangement with a physician or dental practice that would enable the interference with the physician's or dentist's professional judgement in making health care decisions or exercising control over or delegated power to perform specified administrative actions.

Action Taken: Monitoring

Location: Senate Rules Committee

SB 443 (Rubio) Introduced: 2/18/2025

CalPERS Position: N/A

Joint Powers Authority: Cities of La Verne and Covina. Allows the Cities of La Verne and Covina to form a joint powers authority (JPA), on or after January 1, 2026, and to provide individuals who were employed by one of the cities, prior to the formation of the JPA and not otherwise considered a "new member" under the Public Employees' Pension Reform Act of 2013 (PEPRA), the same defined benefit plan or formula those employees received when employed by one of the cities. Specifically, it allows individuals employed by one of the JPA's member agencies in a position whose function is transferred to the JPA, and who subsequently becomes employed by the JPA within 180 days of the transfer, to retain their defined benefit plan or formula.

Action Taken: Monitoring

Location: 2/18/2025-S. RLS.

SB 538 (Dahle) Introduced: 2/20/2025

CalPERS Position: N/A

Election to Retain Coverage - Substitute Teachers. On or after January 1, 2026, allows a member who is providing services as a substitute teacher to elect to retain coverage under CalPERS as specified.

Action Taken: Monitoring

Location: 2/20/2025-S. RLS.

Federal Bills

H.R. 550 Rep. Waters, Maxine [D-CA-43] Introduced: 1/16/2025

CalPERS Position: N/A

Wildfire Insurance Coverage Study Act of 2025 Requires the Government Accountability Office to conduct a study regarding insurance coverage for damages from wildfires.

Action Taken: Monitoring

Status: 1/16/2025 - Referred to the House Committee on Financial Services.

H.J.Res. 35 Rep. Pfluger, August [R-TX-11] Introduced: 2/4/2025

CalPERS Position: N/A

Congressional Review Act resolution. Rescinds the recent Environmental Protection Agency (EPA) rule, "Waste Emissions Charge for Petroleum and Natural Gas Systems: Procedures for Facilitating Compliance, Including Netting and Exemptions." The rule facilitates compliance with provisions of the Inflation Reduction Act that require the EPA to collect an annual Waste Emissions Charge on methane emissions from oil and natural gas facilities that exceed specific levels of emissions and methane intensity.

Action Taken: Submitted a comment letter in support of the rule in March 2024.

Status: 2/4/2025 - Referred to the House Committee on Energy and Commerce.

Note: S.J.Res. 12 (Hoeven R-ND) is companion legislation that was Placed on Senate Legislative Calendar under General Orders, Calendar No. 14 on 2/20/2025. Staff is monitoring this companion legislation.

H.J.Res. 39 Rep. Fitzgerald, Scott [R-WI-5] Introduced: 2/11/2025

CalPERS Position: N/A

Congressional Review Act resolution. Rescinds the recent FTC rule, "Premerger Notification; Reporting and Waiting Period Requirements." The rule requires parties to transactions that are reportable under the Hart-Scott-Rodino Antitrust Improvement Act to provide documentary material and information that are necessary and appropriate for agencies to assess whether the transaction may violate antitrust laws.

Action Taken: Monitoring

Status: 2/11/2025 - Referred to the House Committee on the Judiciary.
