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# Single-payer health care proposal heads to Assembly floor

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A bill that would bring publicly funded universal health care to California is heading to the Assembly floor, after passing through its last committee Thursday.

The Assembly Appropriations Committee approved Assembly Bill 1400, with some amendments attached. After the amendments go into print, it can be brought before the whole body.

Since it was introduced last year, the bill will die if it doesn't make it out of the Assembly by Jan. 31.

"Generally speaking, there's a lot of hurdles for the bill to overcome for it to be something Assembly members are comfortable with," said Preston Young, California Chamber of Commerce policy advocate. Chief among them is the price tag, Young said, which, under a companion bill, would be paid for with a \$163 billion annual tax increase.



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The Assembly Appropriations Committee approved Assembly Bill 1400 Thursday. It now goes to the Assembly floor.

But CalChamber contends that the actual cost of the proposal could be closer to \$400 billion.

CalChamber is leading a coalition of 122 business interest groups, including everything from the [El Dorado Hills Chamber of Commerce](#) to the California Association of Winegrape Growers, as well as some of the state's largest health insurance companies, in opposition to the bill.

"The kinds of tax increases needed to finance AB 1400 would detrimentally impact California businesses and certainly discourage companies from growing or relocating here," reads a letter the coalition sent to the Appropriations Committee Wednesday. "It would likely lead to significant layoffs or relocations as existing business and employers would be forced to cut costs to sustain the added new tax burden."

AB 1400 would create CalCare — a single-payer health care plan that would cover everyone in the state — and an independent, nine-member CalCare Board to administer it.

The bill was sponsored by the California Nurses Association.

"We nurses have been organizing to win guaranteed health care for all of the state's residents for more than 30 years because we know this is the only way that our patients can get the care they need, regardless of the size of their bank accounts," CNA President [Cathy Kennedy](#) said, in a statement. "Now, with the Covid pandemic, the urgency to establish CalCare is greater than ever, and we are glad that our grassroots movement to hold our legislators accountable to the people they represent, not corporate insurance companies, is working."

The Appropriations Committee amended AB 1400 so that, if passed, it wouldn't go into effect until it has a fiscal analysis and funding source attached.

AB 1400's companion bill, Assembly Constitutional Amendment 11, was introduced a few weeks ago and laid out a funding mechanism for the plan. That bill would impose a 2.3% excise tax on businesses making more than \$2 million in gross receipts per year, a 1.25% payroll tax on employers with 50 or more California employees, an additional 1% payroll tax on employees making more than \$49,900

per year, and a new marginal income tax on those making \$149,509 and above.

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