Service Planning Area 8 Update June 2025

Gun Violence Awareness Month

June is recognized as Gun Violence Awareness Month, a time dedicated to raising awareness about the devastating toll of gun violence, advocating for policies that prevent and reduce gun violence, and supporting those directly impacted. Gun violence is a public health crisis that affects individuals, families, and entire communities. Each day in the United States, an average of 125 people are killed by guns, and more than 200 are shot and wounded. Firearms are now the leading cause of death for children and teens in the U.S.

While firearm deaths among Los Angeles County residents have declined over the past two years, the impact remains staggering. In 2023, there were:

- 819 firearm-related deaths
- 2,299 emergency room visits and inpatient hospitalizations for firearm injuries
- An estimated $9 billion in economic costs from firearm homicides and hospitalized assaults, including both direct (medical care, law enforcement) and indirect (loss of life, productivity) costs

The County Board of Supervisors has highlighted the vital importance of gun safety and its role in keeping our communities safer. This month, the Board unanimously proclaimed:

- June 2025, as Gun Violence Awareness Month
- June 6, 2025, as Gun Violence Awareness Day
- June 6 – 8, 2025, as Wear Orange Weekend

This proclamation underscores the County's commitment to supporting survivors and advocating for sensible gun policy at the local, state, and federal levels.

The Los Angeles County Office of Violence Prevention (OVP) released the 40-point Gun Violence Prevention Platform in June 2022, following horrific mass shootings in Buffalo, New York, and Uvalde, Texas, and significant increases in firearm injuries and deaths in Los Angeles County including a mass shooting in Monterey Park on January 21, 2023. The plan was developed by a diverse group of mental health professionals, emergency room physicians, community and faith leaders, educators, survivors, and public health practitioners with the mission to ensure that communities in Los Angeles County are safe and free from death, injury, and trauma caused by gun violence. The Platform, accessible on the OVP website, provides community organizations, local governments, faith-based groups, parent associations, business leaders, and others with a blueprint for building safer communities. Key components of OVP's current efforts include:

1. Secure firearm storage plays a critical role in preventing firearm injuries and deaths. In 2025, OVP is committed to distributing more than 60,000 free cable gun locks, no questions asked. Nearly 30,000-gun locks have already been distributed countywide to reduce accidental shootings, suicide risk, and firearm theft.
2. OVP has partnered with the Department of Mental Health's Military and Veterans Affairs division to establish a new firearm safety lock distribution point specifically for veterans. Data shows that veterans are particularly vulnerable to gun violence. Veterans in California have the highest rates of gun ownership among the state's residents. Gun-owning veterans had the least gun-safe environment, with 13.9% having a firearm at home loaded and unlocked. The figure is double that for gun-owning non-veteran adults in California. In 2022, 570 veterans in California died by suicide, with 65% involving a firearm.
3. OVP provides education on Gun Violence Restraining Orders (GVROs), one of several legal tools that temporarily remove firearms from individuals at risk of harming themselves or others. GVROs are an essential prevention strategy and have been the focus of OVP trainings and outreach at community events across the County.

Gun violence is preventable, and we all have a role to play. Here's how you can help:

- Practice and promote safe gun storage: Ask your friends and family, 'Are there unlocked guns in the home?' Keep guns safely stored and keep ammunition locked in a separate location. Know the facts about firearm safety and become a community voice against gun violence.
- Normalize mental health conversations. Encourage friends and family to seek help when they are in crisis and provide resources to support their emotional well-being.

Resources to Know and Share

- **988 Suicide Crisis Lifeline –** Call or text 988 for 24/7 mental health support
- **Be Smart for Kids** https://besmartforkids.org/
  Promotes responsible gun ownership to reduce child gun deaths.
- **BulletPoints Project** https://www.bulletpointsproject.org/
  Provides clinicians with the knowledge and tools to reduce firearms injuries and deaths among their patients.
- **Everytown for Gun Safety** https://www.everytown.org/
  Everytown for Gun Safety is an American nonprofit organization that advocates for gun control and against gun violence.
- **Giffords Law Center** https://giffords.org/people/coalition-to-stop-gun-violence/
  Advocates seek systemic change to reduce gun violence.
- **Hope and Heal Fund** https://hopeandhealfund.org/
  Supports and amplifies community-driven, public health solutions that have been proven to prevent gun violence.

- **Moms Demand Action** https://momsdemandaction.org/
  A grassroots movement that fights for public safety measures to protect people from gun violence.

- **Project Child Safe** https://projectchildsafe.org/
  A program of the National Shooting Sports Foundation to promote firearms safety and education.

- **State Office of Gun Violence Prevention** https://oag.ca.gov/ogvp/resource-gun-prevention
  An agency that supports the efforts of the State Department of Justice to prevent gun violence and injury.

- **Striving for Safety** https://strivingforsafety.org/
  Limiting a person's access to means by which they may cause themselves harm is called lethal means safety, and here you'll find information about a range of strategies to promote safety in times of crisis or anticipation of crisis.

Vaccines for Travelers

Whether you're planning a trip abroad or exploring destinations within the United States, staying healthy while traveling starts with preparation. International travel can increase your chances of getting vaccine-preventable diseases that are less common in the United States. Protect yourself and your family while traveling domestically or internationally by getting all routine and recommended vaccinations as well as other critical travel-related preventative care (e.g., malaria prophylaxis, guidance on preventing traveler's diarrhea).
http://publichealth.lacounty.gov/ip/travelers/index.htm

Vaccinations should be completed at least one month before travel to allow time for your body to develop immunity. Some vaccines require multiple doses over several weeks to be effective. Additionally, certain travel-specific vaccines are only available at specialized travel clinics and may not be fully covered by insurance, so planning is essential.

Depending on your travel plans, your doctor may recommend additional vaccines, including:

- Typhoid Fever
- Yellow Fever
- Japanese B Encephalitis
- Meningitis
- Rabies
- Chikungunya
- Cholera
- Tick-borne Encephalitis (TBE)

LA County Public Health Department

6/13/25 Update for South Bay Cities Council of Governments (SBCCOG)

Update on President's Proposed FY26 Budget

The President's Proposed Budget, released on May 30, 2025, includes sweeping cuts to the U.S. Department of Health and Human Services and Centers for Disease Control and Prevention (CDC)—reducing CDC funding by more than $5 billion (approximately 55% of total budget) and eliminating or consolidating numerous public health programs. These changes would significantly weaken LA County's ability to prevent disease, respond to emergencies, and support vulnerable communities. These cuts would also substantially reduce funding to the network of hundreds of community-based organizations who support public health efforts that keep LA County residents healthy.

For more information, please see the attached preliminary analysis of the budget's impacts to public health.

Update on Federal Budget Reconciliation

With slim majority control of the Senate and the House of Representatives, the Republican Party and the Trump Administration are pushing forward a massive legislative package, titled the "Big, Beautiful Bill", that would extend the expiring 2017 federal tax cuts, provide new tax cuts, and increase defense spending and immigration enforcement. The bill is being considered using the "budget reconciliation" process, a mechanism for passing spending related legislation that is not subject to the 60-vote Senate filibuster threshold, Congress only requires a majority vote to pass this bill. The bill has passed the House and is now being fast-tracked through the Senate.

The bill would offset the cost of extending and increasing tax cuts by significantly cutting entitlement programs, like Medicaid and the Supplemental Nutrition Assistance Program (SNAP), and repealing clean energy tax credits and programs. The bill proposes $625 billion in funding cuts to Medicaid through changes to eligibility and benefits, as well as new rules governing State contributions to Medicaid. The Congressional Budget Office has estimated that the proposed plan would lead to more than 10 million people losing Medicaid coverage and 7.6 million going uninsured, nationally. Based upon LA County's percentage of national population (~2.87%), this would likely result in more than 200,000 additional uninsured residents.

Of particular concern, proposed changes in Medicaid policies that reduce eligibility include:

- New **work requirements** for able-bodied adults, with some exceptions. While there are some exceptions, including pregnant or postpartum women and individuals with a behavioral health condition, the primary concern is that a work requirement primarily serves as a bureaucratic barrier that requires individuals to frequently prove their eligibility status. When Arkansas implemented a Medicaid work requirement pilot, studies found the majority of individuals who lost coverage were actually employed, but lost coverage due to challenges with paperwork and limited knowledge about the new requirements

- **$35 co-pays** for individuals covered under the ACA Medicaid expansion. Copays create a barrier to care for individuals who could not afford to pay.

- **Increased frequency of eligibility determinations** for individuals insured under the ACA Medicaid expansion, moving from annually to every six months. Increased bureaucratic review will cause more individuals to lose health coverage, while placing increased administrative burden on states.

- **Limiting retroactive Medicaid coverage**. The proposal reduces the time period for health providers to determine retroactive coverage for individuals from 90 days to 30 days. This significantly impacts the Substance Use Disorder treatment system by making it more challenging for providers to serve individuals if there's reduced likelihood of being reimbursed.
- The bill would also allow federal subsidies for the Affordable Care Act health insurance exchange to expire, making health insurance more expensive for millions of Americans.
- The bill would institute a **$286 billion cut to SNAP benefits**, which low-income residents rely on for nutrition assistance and other benefits. This includes the elimination of the SNAP Education Program, through which LA County receives $16 million a year to educate participants on nutrition, working with contracted community partners.
- The bill would also prohibit Planned Parenthood from receiving Medicaid reimbursement for service provided to covered individuals, drastically reducing their ability to provide reproductive and sexual health services. The bill also restricts coverage of gender affirming care for transgender persons.

The House has already passed this legislative package (referred to as HR 1), and it's now in the Senate. While they may make changes to the bill, Senate Leadership are pushing to fast-track and finalize the bill for passage by a self-imposed July 4th deadline.

LA County continues to educate the County legislative delegation on the importance of Medicaid funding for the County's residents and are advocating to the best of our ability to prevent cuts and policies changes that will decrease access to critical services. For additional information on the County's advocacy on Budget reconciliation, please see the attached Pursuit of County Advocacy Positions from the County's Legislative Affairs and Intergovernmental Relations office.

LA County Department of Public Health Preliminary Analysis of President's FY 26 Budget

Trump Administration's Proposed Budget – Initial Summary of Local Impact to Los Angeles County

The President's Proposed Budget, released on Friday (5/30/25) includes sweeping cuts to the Department of Health and Human Services (HHS) and Centers for Disease Control and Prevention (CDC)—reducing CDC funding by more than $5 billion (approximately 55% of total budget) and eliminating or consolidating numerous public health programs. These changes would significantly weaken LA County's ability to prevent disease, respond to emergencies, and support vulnerable communities. These cuts would also substantially reduce funding to the network of hundreds of community-based organizations who support LA County residents.

Major Cuts & Local Impact

- **CDC Public Health Infrastructure and Capacity Program (PHIG) – 25% Reduction**
  The budget proposes $260 million (a 25% reduction) for PHIG grant, which provides funding for core public health capacity and infrastructure at the state and local levels. PHIG's flexible model lets health department recipients invest in the people, services, and systems that can address their communities' most pressing needs. $30.6m for FY25-26, and $23.2m for FY26-27 currently awarded to DPH for PHIG.

  Local Impact: More than 25% reduction in key source of DPH's public health infrastructure funding.

- **CDC Public Health Emergency Preparedness Grant (PHEP) – Reduced by at least 50%, likely higher**
  The budget establishes a new CDC Center for Preparedness and Response, funded at $588 million, which joins together public health preparedness and response functions. Would include the following programs formerly in the Administration for Strategic Preparedness and Response (ASPR): National Disaster Medical System, Preparedness and Response Innovation, and Health Care Readiness and Recovery.

  This Center would continue CDC's preparedness and response activities to support state and local capacity to prepare for, respond to, and recover from public health emergencies. Of the total funding for the new Center, $350 million would support the Public Health Emergency Preparedness (PHEP) program, technical assistance, and related activities.

  Local Impact: This appears to be a cut of at least 50% to PHEP, DPH's **primary funding source** for public health emergency planning and response and disaster coordination activities for bioterrorism threats, emerging threats, and public health emergencies. DPH receives over **$21 million annually** from the PHEP cooperative agreement.

- **CDC Division of HIV/AIDS Prevention – Division Eliminated, Ending the HIV Epidemic Initiative (EHE) moved to AHA**
  Cuts $793.7 million (more than 78%) from domestic HIV prevention programming. $220 million for EHE moved to Administration for Healthy America (AHA). This would eliminate critical HIV prevention funding for health departments, CBOs and surveillance programs.

  Local Impact: Would eliminate $19.3 million in annual HIV Prevention funding for DPH.

- **HRSA Ryan White AIDS Program – Part F and eliminated**
  Moves Ryan White Part A-D to AHA with flat funding. Eliminates funding for Part F AIDS Education and Training Center (AETC) Program, Part F Dental, and Part F Special Projects of National Significance (SPNS). Cut of $74 million

  Local Impact: No direct DPH impact but would lead to cuts to State programs and local CBOs.

- **HHS Office of Minority AIDS – Eliminated**
  Local impact: DPH receives $3.6 million annually.

- **SAMSHA Minority AIDS Initiative – Eliminated**
  Local Impact: TBD

- **CDC Viral Hepatitis, STI, TB, Opioids, other disease Programs – Consolidated into AHA Block Grant, $77m cut in total grant funds.**
  Local Impact: Likely substantial funding reductions and increased competition for State funds. TBD how much LA County would receive under new grant structure.

- **CDC Chronic Disease Programs – Eliminated**
  $1.4B CDC division eliminated, including diabetes, hypertension, oral health, and reproductive health programs.

  Local Impact: Loss of $2.5M/year to DPH for chronic disease and Alzheimer's work. Additional losses TBD.

- **Substance Use Prevention, Treatment and Recovery (SUPTR) Block Grant – Reduction in total grant funding**
  The Budget proposes consolidating the SUPTRS Block Grant, the Community MH Services Block Grant, and the State Opioid Response Grant into a single, unified Behavioral Health Innovation Block Grant. The consolidation appears to reduce the total grant funding by $575 million.

  Local Impact: TBD, but overall state funding for SUD and MH prevention and treatment likely to be reduced. However, concern that this would put SUD and MH priorities in competition for single State block grant funding source.

- **CDC National Center for Injury Prevention and Control – Partially cut and transferred to AHA**
  $550 million moved into AHA for Injury Prevention and Control. AHA would administer a new consolidated block grant to support activities formerly supported by CDC's domestic violence, sexual violence, domestic violence community projects, and rape education and prevention programs. The budget also continues to support the National Violent Death Reporting System, suicide prevention, and opioid overdose prevention and surveillance activities.

Local Impact: TBD. If funding remains flat for NVRDS and Overdose Data to Action, no direct DPH impact. However, would lead to loss of critical federal research and policy activity on a host of injury prevention and surveillance activities, including firearm injury and mortality.

- **CDC Data Modernization – Flat funding**
  Local impact: DPH relies on this program for core public health infrastructure funding.

- **Enhanced Laboratory Capacity (ELC)** - **Flat funding**
  Local Impact: DPH relies on this program for core public health infrastructure funding.

- **Prevention and Public Health Fund – Eliminated**
  Previously ~$1.1B/year nationally to support around 11+% of CDC's annual budget.

  Local Impact: TBD, but expected to result in cuts to state programs that come to DPH. State funds for vaccine preventable disease control, disease surveillance and laboratory capacity, health promotion, and chronic disease prevention, among others that may all be scaled back.

Structural Changes – Administration for a Healthy America (AHA)
Creates a new $14B agency consolidating SAMHSA, HRSA, ATSDR, and others. While details are still pending, this will lead to many existing grant programs being eliminated or consolidated into larger programs. Significant risk of reduced capacity for areas including to HIV/AIDS treatment, maternal health, mental health, youth services, teen pregnancy prevention, sexual risk avoidance women's health, and environmental health. There is also no guarantee that previous grant terms and conditions would be honored if programs are transferred to AHA.

Additional Items of Note

- **CDC National Center for Environmental Health – Eliminated**
  Local Impact: TBD, but cuts to State programs and loss of critical federal expertise and policy making that informs environmental health programs, standards, and regulations at the State and local level.

- **Global Health Center – Eliminated**
  Local Impact: No direct funding impact, but would eliminate key federal program to identify, prevent and contain global health threats that could come to the U.S. Particularly critical with the upcoming World Cup and Olympic Games.

- **HHS Office of Minority Health – Eliminated**
  Local Impact: TBD, but loss of critical research, federal coordination and policy guidance.

- **HHS Office of Women's Health – Eliminated**
  Local Impact: TBD, but loss of critical research, federal coordination and policy guidance.

- **SAMSHA Opioid Response Programs – Cut or Eliminated**
  SAMSHA folded into the new AHA. Programs eliminated include Includes naloxone distribution, Screening, Brief Intervention and Referral to Treatment, SUD Workforce Support.

  Local Impact: TBD, but state funding for overdose prevention and treatment likely to be reduced, impacting LA communities.

- **CDC Office of Health Equity –Eliminated**
  Local Impact: no direct DPH funding lost, but loss of federal data tools and research to address health disparities.

CDC Medical Reserve Corps – Eliminated
Local Impact: No direct DPH funding loss, but LA County would lose a **key volunteer base** for emergency and disaster response

Other Key Cuts – No Direct DPH Funding but Local Effects

- **Centers for Medicare and Medicaid (CMS) -$673 Million cut**
  Eliminates health equity-focused activities and Inflation Reduction Act-related outreach and education activities
  Local Impact: TBD, but would likely impact State budget, health insurance navigation programs and supports adressing health disparities.

- **National Institutes for Health (NIH) – $17 Billion Cut**
  Local Impact: Loss of research grants to LA universities and hospitals. Reduces scientific capacity across the region.

- **Clean and Drinking Water State Revolving Loan Funds - $2.46 Billion (90%) Cut**
  Local impact: No direct DPH funding loss, but likely cuts to funds to State water infrastructure loan programs

- **EPA Environmental Justice Program Eliminated** - $100 Million cut
  Local Impact: No direct DPH funding loss, but likely cuts to funds to local environmental justice efforts.

- **Cuts to Lead Hazard Reduction and Healthy Homes Funding**- $296 Million cut
  Local Impact: No direct DPH funding loss, but likely cuts to State and local programs addressing lead hazard remediation.

Summary of Primary Impacts to DPH

Program	Enacted FFY 2025 Level	Proposed FFY 2026 Level	DPH Notes
Public Health Infrastructure and Capacity (PHIG)	**$350 million**	**$260 million**	DPH current award $30.6m for FY25-26, and $23.2m for FY26-27. More than 25% reduction in key source of DPH's public health infrastructure funding.
Public Health Emergency Preparedness (PHEP)	**$735 million**	**$350 million for PHEP, technical assistance and related activities in the newly created CDC Center for Preparedness and Response**	Cut of at least 50% to PHEP, but likely higher. DPH receives over $21 million annually from the PHEP cooperative agreement. PHEP is DPH's primary funding source for emergency planning and response and disaster coordination activities for bioterrorism threats, emerging threats, and public health emergencies.
Substance Use Prevention, Treatment and Recovery Block Grant*	**$2.0 billion**	**Consolidates funding from several mental health and substance use grants into a new Behavioral Health Innovation Block Grant ($4 billion).**	Appears to be at least a $575 million (12.5%) cut in total combined grant funding. Local Impact TBD, but state funding for overdose prevention and SUD and MH treatment likely to be reduced. Additional Concern: would put SUD and MH priorities in competition for single State block grant funding source.

CDC Domestic HIV Prevention & Ending the HIV/AIDS Epidemic Initiative (EHE)	**$1.014 billion**	**Eliminates $793.7 million CDC HIV Prevention** **$220 million for EHE moved to AHA**	(78%) cut in national HIV prevention activities. This would eliminate funding for health departments, CBOs and surveillance programs. Would eliminate $19.3 million in annual HIV Prevention funding for DPH.
Ryan White HIV AIDS Program	**$2.571 billion**	**$2.489 Billion for Ryan White Aids Part A-D and Ryan White Ending the Epidemic Funding.** **Eliminates Part F**	Ryan White Parts A-D and Ryan White EHE Funding transferred to AHA. Eliminates funding for Part F AIDS Education and Training Center (AETC) Program, Part F Dental, and Part F Special Projects of National Significance (SPNS). Total Cut: $74 million Local Impact: TBD if any DPH impacts, but likely cuts to State programs and local CBOs.
HHS Minority HIV/AIDS Fund	**$60 million**	$0	Program Eliminated DPH receives $3.6 million annually.
SAMSHA Minority HIV/AIDS Initiative	**$119 million**	$0	Program Eliminated Local Impact: TBD
STI Prevention, Viral Hepatitis, TB Prevention, Opioid Epidemic/Other Diseases	**$377 million**	**$300 million for a new consolidated grant program that includes existing grants for STI, viral hepatitis, TB, and the intersection of the opioid epidemic and disease transmission.**	Appears to be at least a $77 million cut to total grant funding. Grants cover prevention efforts, testing, surveillance and disease outbreak detection. Local Impact: Significant funding reduction to local grant awards, at least 20% and likely higher if State uses less favorable methodologies.

CDC Chronic Disease Prevention and Health Promotion	**$1.433 billion**	**Eliminated, some portions re-allocated to AHA and FDA.**	$1.433 billion CDC division eliminated, including diabetes, hypertension, oral health, and reproductive health programs. Local Impact: Loss of $2.5M/year to DPH for chronic disease and Alzheimer's work. Additional losses TBD.
CDC National Center for Injury Prevention and Control	**$761 million**	**Eliminated, some portions transferred to AHA.**	Local Impact: TBD, DPH funded programs appear to be maintained. DPH receives $3.2m annually for the Overdose Data to Action grant. Status of that funding under the budget proposal is unclear. DPH receives $60k to participate in the National Violent Death Reporting System, which is retained.
Epidemiology and Laboratory Capacity (ELC)	**$40 million**	**$40 million**	Flat funding Local Impact: Supports critical public health infrastructure funding to DPH.
Public Health Data Modernization Initiative	**$175 million**	**$175 million**	Flat funding Local Impact: Supports critical public health infrastructure funding to DPH.
Title X Family Planning	**$390 million**	**Eliminated**	No direct impact to DPH. Significant cut to family planning and reproductive health services in LA County.
Supplemental Nutrition Assistance Program (SNAP)	**$123.3 billion**	**$118.1 billion**	Local Impact: TBD. Still determining whether this includes cuts to SNAP Education funding, for which DPH receives $16 million annually.

Additional Areas of Interest

Issue Area	Program	Enacted FFY 2025 Level	Proposed FFY 2026 Level	Notes
Health	Behavioral Health Workforce Programming	$274 million	$129 million	
	State Opioid Response Grant Program*	$1.6 billion	$4 billion for a new Behavioral Health Innovation Block Grant	See information on BH block grant above.
	Health Care Readiness and Recovery Program (HCRRP)	$317 million	$99 million for HCRRP, National Disaster Medical System, and Preparedness and Response Innovation in the newly created Center for Preparedness and Response	
	Community Mental Health Services Block Grant*	$1.0 billion	$4 billion for a new Behavioral Health Innovation Block Grant	See information on BH block grant above.
	988 and Behavioral Health Crisis Services	$602 million	$520 million	
	Maternal and Child Health Block Grant	$814 million	$767 million	
Child Welfare	Temporary Assistance for Needy Families (TANF)	$16.7 billion	$16.7 billion	
	Foster Care	$5.1 billion	$5.3 billion	
	Adoption Assistance	$4 billion	$4.4 billion	
	Independent Living	$145 million	$143 million	

	Promoting Safe and Stable Families	$482.5 million	$482.5 million	
Homeland Security	State Homeland Security Grants	$346 million	$351 million	
	Urban Area Security Initiative	$531 million	$415.5 million	
	Emergency Management Performance Grants (EMPG)	$375 million	$319.5 million	
	Staffing for Adequate Fire and Emergency Response Grants	$385 million	$324 million	
	Disaster Relief Fund	$22.7 billion	$26.5 billion	
Justice	Victims of Crime Act (VOCA)	$1.5 billion	$1.9 billion	
Food and Nutrition	Supplemental Nutrition Assistance Program (SNAP)	$123.3 billion	$118.1 billion	
	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	$7.7 billion	$7.7 billion	
	Child Nutrition Programs	$32 billion	$36.3 billion	

Child Care	**Child Care and Development Block Grant**	**$8.6 billion**	**$8.6 billion**	
Infrastructure	**Clean Water State Revolving Fund**	**$1.6 billion**	**$155 million**	No direct DPH funding loss, but likely cuts to funds to State water infrastructure loan programs
	Drinking Water State Revolving Fund	**$1.1 billion**	**$150 million**	No direct DPH funding loss, but likely cuts to funds to State water infrastructure loan programs

Washington, D.C. – Pursuits of County Advocacy Position on Provisions in the House Approved Federal Budget Reconciliation Package

This report contains pursuits of County advocacy position on provisions in H.R. 1, a comprehensive Budget Reconciliation package that provides a blueprint of federal spending for the next ten years. H.R. 1 was approved by the House of Representatives on May 22, 2025. The Senate is working on its own version of Budget Reconciliation and expects to vote on the package before the end of June.

Pursuits of County Advocacy Position on H.R. 1 Provisions

HEALTH, BEHAVIORAL HEALTH AND PUBLIC HEALTH

Medicaid

Background

- H.R. 1 makes the following changes to Medicaid:
  - **Work requirements** — Requires states to condition Medicaid eligibility and enrollment on compliance with work reporting requirements for adults ages 19 through 64. An individual can meet the requirements by working at least 80 hours a month, completing at least 80 hours of community service, enrolling in school for at least 80 hours a month, or by a combination of these activities totaling at least 80 hours a month. Exceptions are made for pregnant or postpartum women, individuals under the age of 19 or over the age of 64, foster youth and former foster youth under the age of 26, members of a Tribe, individuals who are considered mentally frail, individuals already in compliance with the work requirements under the Temporary Assistance for Needy Families (TANF) program or the Supplemental Nutrition Assistance Program (SNAP), individuals who are a parent or caregiver of a dependent child or an individual with a disability or are incarcerated or recently released from incarceration within the past 90 days.
  - **Medicaid eligibility redeterminations** — Directs states to conduct eligibility determinations for expansion population adults every six months. Current law requires eligibility determinations to take place every 12 months.

- **Retroactive coverage** — Limits Medicaid coverage to 30 days prior to an individual's application date. Current law provides retroactive coverage for up to 90 days.
- **Copays** — Requires states to impose copays of not more than $35 per service for Medicaid expansion adults with incomes over 100 percent of the federal poverty limit (FPL). Cost-sharing may not exceed five percent of an individual's income, and exceptions are made for primary care, prenatal care, pediatric care, or emergency room care.
- **Federal Medical Assistance Percentage (FMAP)** — Reduces by 10 percent the FMAP for Medicaid expansion states that provide state-only comprehensive coverage to undocumented immigrants and states who cover lawfully present children and pregnant women within the five-year bar and who operate Children's Health Insurance Programs separate from Medicaid.
- **Provider taxes** — Imposes a moratorium on new or increased provider taxes. For California, the current provider tax of 5.05 percent would be frozen.
- **State Directed Payments (SDPs)** — Directs Health and Human Services (HHS) to revise the payment limit for SDPs such that new SDPs in non-Medicaid expansion states would be capped at 110 percent of the Medicare rate and new SDPs in Medicaid expansion states would be capped at 100 percent of the Medicare rate. For all states, payment rates for SDPs submitted or approved prior to the legislation's enactment would be grandfathered in, so long as the total payment under such directed payment does not increase. Roughly one-quarter of the County's Medicaid revenue comes from SDPs, and any reduction would directly hit providers like the County.

<u>County Impact:</u>

- The proposed changes to Medicaid would have negative impacts on County residents who rely on the County's safety net systems for care. These changes will result in loss of access to vital health, behavioral health and public health services, ultimately leading to strained County delivery systems and worsened health outcomes, particularly for the most vulnerable populations. These cuts will also reduce Medicaid spending to providers in the County.
- Medicaid eligibility standard changes, including work requirements, eligibility redeterminations, and limits on retroactive coverage, would lead to loss of coverage for a significant number of County residents.
    - As of April 2025, the vast majority of the 2.2 million Medicaid recipients in the County who are served by the Department of Public Social Services (DPSS) would be potentially impacted by the new Medicaid work requirements. According to the Department of Health Services (DHS), work requirements are expensive to administer with little benefit to the State. Individuals who lose eligibility for Medicaid coverage will likely still seek care at County hospitals and clinics, leading to higher uncompensated care and increased strain on emergency departments.
    - The Department of Mental Health (DMH) notes that increasing the frequency of eligibility redetermination will result in a decrease in Medi-Cal enrollment, leading to an increase in untreated mental illness within the County. DPSS reports that every month, over 20,000 customers lose health coverage due to

    an inability to complete the annual determination process, thus, increasing the frequency of eligibility determinations would increase the number of residents who would lose health coverage by the tens of thousands every month.
  - DPSS reports that changes to retroactive coverage may result in financial penalties for individuals who were not covered by health insurance during the transition and result in gaps in medical coverage due to the shift from 90 days to 30 days, forcing individuals to incur costs for not having coverage otherwise. DMH also reports that this would lead to a loss of funding available to reimburse providers, including DMH directly operated services. Shortened eligibility may result in loss of access to care for Medicaid members, possibly resulting in an increase in untreated health and behavioral health conditions in the County.
- Imposing copayments will lead to a significant number of County Medicaid recipients to choose not to access care due to this new cost burden. This will lead to an increase in untreated health and behavioral health conditions.
- Any reduction to FMAP would have a fiscal and operational impact on DHS. It would undermine DHS' ability to staff and maintain its high-acuity services. The ripple effect would extend to community-based care, leading to longer appointment wait times, reduced clinic hours, and potential deferral of preventive and primary care services. Cuts to FMAP may also result in the loss of funding for DMH, as it estimates that this change in FMAP rate would result in a loss of $44M in annual federal revenue.
- DMH notes that a moratorium on provider taxes would indirectly impact its local mental health safety net system. The restriction on the expansion of state provider taxes in California would limit a potential revenue source for the State Medicaid program, thereby limiting opportunities to bring more funding into the State program overall.
- According to DHS, any reduction or elimination of SDPs would significantly destabilize healthcare delivery in the County. SDPs account for 25 percent of DHS' operating budget. DHS uses these payments for specific services and patients, such as specialty care that provide life-saving cancer treatments, or for achieving performance targets for health care quality. Cutting these would mean drastic reductions in services at DHS, including potentially needing to close a hospital. Service reductions would also increase financial strain on surrounding hospitals and providers who deliver care to some of the most vulnerable and medically fragile in the communities.

<u>Recommendation</u>

- This Office, DHS, DMH, DPH and DPSS recommend opposing the proposed changes to Medicaid because they would have significant negative impacts on the County's most vulnerable populations.
- Therefore, unless otherwise directed by the Board, because these proposals are contrary to existing policy to support proposals that enhance Medicaid services for the County's most vulnerable residents, **the Washington, D.C. Advocates will oppose H.R. 1 provisions related to Medicaid work requirements, eligibility redeterminations, retroactive coverage, copays, FMAP, provider taxes, and SDPs.**

Disproportionate Share Hospital Funding

Background

- H.R. 1 delays cuts in Medicaid Disproportionate Share Hospital (DSH) from being implemented in Federal Fiscal Year (FFY) 2026 to FFY 2028, to instead take place in FFY 2029 to FFY 2031.
- Medicaid DSH payments are mandatory payments allocated to support hospitals that serve disproportionate numbers of Medicaid patients and other low-income uninsured and underinsured patients.
- Congress has delayed these cuts on several occasions including in the current continuing resolution. Absent additional congressional action, Medicaid DSH allotments will be cut nationwide by $8 billion for each of FFYs 2026, 2027 and 2028.

County Impact

- Reductions in federal Medicaid support would directly impact the ability of the County system to sustain basic healthcare services and operations, leading the patients the County serves to seek services from other systems at higher cost and resulting in disruptions in care delivery. The pending DSH reductions would be devastating to the County's hospital system, which delivers life-saving care for hundreds of thousands of patients every year.
- According to DHS, if the DSH program is not extended or made permanent, it would result in a $351 million cut in funding annually over the next three years for the County, requiring reductions in vital healthcare services and/or staff and possible facility closures.
- DHS notes that this would pose a significant threat to fulfilling its safety net mission and would impact the care delivery to County's Medicaid patients.

Recommendation

- This Office and DHS recommend supporting H.R. 1 provision to delay cuts in the DSH program as it would preserve critical funding for continued delivery of critical healthcare services, as well as avoid staff and possible facility closures in the County.
- Therefore, unless otherwise directed by the Board, consistent with existing policy to enhance and reform Medicaid financing and other federal payments for health safety-net providers, including through programs such as disproportionate share hospital payment, **the Washington, D.C. Advocates will support the H.R. 1 provision to delay cuts in DSH funding until FFY 2029 to FFY 2031.**

NUTRITION PROGRAMS

The Supplemental Nutrition Assistance Program

Background

- H.R. 1 makes significant changes to SNAP that would cut nearly $286 billion in program funding over the next ten years by narrowing eligibility for benefits. The

Congressional Budget Office estimates that these provisions would reduce SNAP participation by about 3 million people nationwide.

- Specifically, H.R. 1:
  - Expands the SNAP work requirement to able-bodied adults without dependents (ABAWD) through age 64 who do not live with dependent children, as well as to adults aged 18 to 64 who live with children age seven or older.
  - Restricts states' ability to waive the work requirements to only those counties with an unemployment rate above 10 percent and reduces the number of monthly exemptions that states could use for people who otherwise would be subject to the work requirements. Requires states to pay at least 5 percent of the cost of SNAP benefits with higher payment requirements based on a state's payment error rates;
  - Requires states to pay a higher share of SNAP administrative costs, reducing the federal reimbursement rate from 50 to 25 percent;
  - Limits future updates to the Thrifty Food Plan, the basis for calculating SNAP;
  - Reduces the tolerance level for SNAP error payments from $37 to $0;
  - Limits SNAP benefits to only individuals who reside in the United States and are citizens or lawful permanent residents; and
  - Eliminates SNAP-Ed, which supports healthy diet behaviors and lifestyle habits among low-income individuals.

<u>County Impact</u>

- CalFresh, California's implementation of SNAP, is essential in combating and reducing food insecurity in the County. DPSS reports that approximately 1 million households (approximately 1.6 million individuals) depend on CalFresh for basic nutrition assistance.
- Furthermore, DPSS reports that the provisions in H.R. 1 will have an overwhelming negative effect on the health and well-being of Los Angeles County's most vulnerable residents.
- Specifically, DPSS reports the following impacts:
  - Imposing stricter work requirements severely limits the amount of work requirement exemptions granted to potentially eligible individuals and would result in more ABAWD individuals losing vital food assistance;
  - Removing the ability to request a waiver of ABAWD time limits in a regional area will greatly impact Los Angeles County. The regional landscape is such that while some counties could have a lower employment rate, other counties may be well-above the 10 percent. If Los Angeles County were to have a lower unemployment rate but its bordering counties do not, it would require Los Angeles County to implement this policy despite having a relatively high unemployment rate;
  - Implementing a quality control "zero tolerance" policy for administrative payment errors with the expectation of 100 percent accuracy would impose an unattainable standard as payment errors may result from factors beyond the control of the County, including minor administrative paperwork errors;
  - Requiring state contributions to SNAP benefits and increasing the state share of administrative costs will strain the California State Budget and may result in difficult choices, including reducing or restricting benefits for individuals and

families. California is among ten states where SNAP is locally administered. Los Angeles County administers and invests in SNAP, by funding a portion of the administrative costs and through 7,600 full-time employees; and
    - The citizenship restrictions will eliminate eligibility to CalFresh for currently eligible non-citizen individuals/households, such as visa holders with temporary legal status, which includes victims of human trafficking, domestic violence, and other serious crimes.
- The Department of Public Health (DPH) reports that beyond direct education, the SNAP-Ed program also supports a range of broader community initiatives that help improve social and environmental conditions (e.g., access to produce, elimination of food desserts) that are necessary for people to eat healthy and engage in physical activity in the community. SNAP-Ed targets populations most at risk for diet-related health disparities, including children, older adults, and those living in underserved communities.
- DPH reports that if SNAP-Ed is eliminated, the Department would lose nearly $16 million annually.

Recommendation

- This Office, DPSS, and DPH recommend opposing these SNAP provisions, which would result in the loss of food benefits, SNAP-Ed, and increased food insecurity for low-income individuals and families.
- Therefore, unless otherwise directed by the Board, because this proposal is contrary to the Board-approved federal legislative priority to support proposals that preserve and increase federal funding for human services entitlement programs serving low-income individuals and families and proposals that alleviate financial hardship and address food insecurity**, the Washington, D.C. Advocates will oppose the provisions in H.R. 1 that narrow eligibility for SNAP benefits and similar measures.**

VETERANS AFFAIRS

Repeal of 90/10 Rule

Background

- H.R. 1 would repeal the 90/10 Rule, which requires for-profit institutions of higher education participating in federal student aid programs to derive at least 10 percent of their tuition and fee revenue from nonfederal funds.
- The rule helps to ensure that for-profit institutions are not funded solely be federal monies but also include significant investments by students interested in furthering their education. GI Bill benefits and Defense Department Tuition Assistance programs were not counted as federal dollars for the 90/10 calculation, until the loophole was closed by legislation in 2021.

County Impact

- Without the protection of the rule, for-profit institutions are incentivized to aggressively recruit veterans to maintain access to federal aid, rather than supporting their educational goals.

- The Department of Military and Veterans Affairs (MVA) reports that the repeal of the 90/10 rule would remove one of the few regulatory barriers protecting veterans from being targeted by low-quality, deceptive programs.

<u>Recommendation</u>

- This Office and MVA recommend opposing the repeal of the 90/10 rule to maintain a critical protection for veterans from predatory efforts by for-profit institutions.
- Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals that provide essential assistance to those who have served in our armed forces, and to protect consumers against fraud, scams and unfair or deceptive business practices, **the Washington, D.C. Advocates will oppose the repeal of the 90/10 Rule.**

<u>IMMIGRATION</u>

New Immigration-Related Fees

<u>Background</u>

- H.R. 1 would significantly raise or impose new fees related to immigration. These new fees include a $1,000 application fee for migrants to claim asylum, the first time the United States would specifically charge migrants who are seeking asylum.
- The bill would also require a $550 fee for asylum seekers and people under Temporary Protected Status (TPS) who are applying for an Employment Authorization Document (EAD), as well as a $550 renewal application fee under a new rule under the bill that asylum EADs must be renewed every six months.
- H.R. 1 would also require a new $3,500 fee for sponsors of unaccompanied minors.

<u>County Impact</u>

- The proposed new immigration-related fees could trap families in undocumented status and prevent them rom participating in the local economy.
- The Department of Consumer and Business Affairs (DCBA) reports that the proposed fees are prohibitively high and would prevent low-income individuals from accessing lawful status, employment, or family reunification.

<u>Recommendation</u>

- This Office and DCBA recommend opposing the new immigration-related fees that would prevent many immigrants from accessing lawful status, employment, and family reunification.
- Therefore, unless otherwise directed by the Board, because this proposal is contrary to existing policy to ensure that immigrants, from unaccompanied children and refugees to longtime County residents in removal proceedings, have the support and services they need to remain and thrive in the Los Angeles region, **the Washington, D.C. Advocates will oppose the new immigration-related fees for asylum, employment authorization and sponsorship for unaccompanied minors.**

INFRASTRUCTURE AND ENVIRONMENT

Inflation Reduction Act (IRA) Funding Recission

Background

- H.R. 1 would rescind $262 billion in unobligated funds from the Inflation Reduction Act (IRA), primarily for state and local environmental and climate change mitigation initiatives.
- IRA funding contributes to long-term planning for investing in environmental programs and sustainable infrastructure such as:
    - The Green and Resilient Retrofit Program;
    - Neighborhood Access and Equity Grants;
    - Environmental Review Implementation Funds;
    - Federal Highway Administration Low-Carbon Transportation Materials Grants;
    - General Services Administration programs promoting the use of Low-Carbon Materials and Emerging Technologies; and
    - The Federal Aviation Administration's Alternative Fuel and Low-Emission Aviation Technology Program.

County Impact

- The rescission of IRA funding could negatively impact long-term planning and predictable funding sources for numerous County-led or partner-led environmental programs and sustainable infrastructure development.
- Cuts to long-term investment in Low-Carbon and Low-Emission resource and materials development could delay or otherwise impact County efforts to decarbonize, such as promote the shift to unleaded alternative fuels at County-owned general aviation airports.

Recommendation

- This Office, the Department of Public Works, and the Chief Sustainability Office recommend opposing cuts to IRA funding for programs that promote sustainability, decarbonization, and non-carbon alternatives.
- Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals that promote climate resiliency, the Green Transition, and sustainability in programs, projects, energy production, policy implementation methods, technologies, and jobs, **the Washington, D.C. Advocates will oppose IRA funding recissions.**

SPECIAL EVENTS

Special Events Funding

Background

- H.R. 1 would provide $1.6 billion in funding to reimburse state and local governments for security, planning, and hosting costs related to the 2026 World Cup and 2028 Olympic Games.

- This funding is provided through the Federal Emergency Management Agency's State Homeland Security Grant Program.

County Impact

- Additional funding for special events could provide reimbursements for costs associated with the impacts of the 2026 World Cup and 2028 Olympic Games on unincorporated areas, such as for mobility improvements and transportation, events-related crime mitigation efforts and task force participation, and public security measures in unincorporated areas adjacent to host venues.

Recommendation

- This Office and the Department of Public Works recommend supporting proposals with funding and resources for costs associated with the provision of services impacted by heighted need to accommodate the 2026 World Cup and 2028 Olympic Games.
- Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals with funding and resources to accelerate the deployment and maintenance of legacy public infrastructure that supports major international events, including enhancements to transportation systems, street safety and mobility services, as well as enhance public transit options, **the Washington, D.C. Advocates will support the special events funding.**

TAXES

Tax Exemption for Municipal Bonds

Background

- Municipal bonds are debt securities issued by state and local governments or their agencies to finance public projects like building schools, highways, water systems, and hospitals.
- The interest income from most municipal bonds is exempt from federal income tax. The interest may also be exempt from state and local income taxes.
- H.R. 1 preserves the tax exemption of municipal bonds meaning that interest income from municipal bonds would continue to be exempt from federal income tax.

County Impact

- The Treasurer and Tax Collector (TTC) recommends supporting proposals that preserve the tax exemption of municipal bonds as this helps lower borrowing costs for the County, attract investors, and encourage investment in public projects.

Recommendation

- This Office and TTC recommend supporting proposals that preserve the tax exemption of municipal bonds as this helps protect the County's ability to finance infrastructure and public projects at a lower cost. Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals that help preserve the County's fiscal stability or operations, **the Washington, D.C.**

Advocates will continue to support measures that preserve the tax exemption of municipal bonds.

Extension of Increased Child Tax Credit (CTC) and Temporary Enhancements

Background

- The CTC lets taxpayers reduce their federal income tax liability by a maximum credit amount of $2,000 per child. Taxpayers with little or no federal income tax liability can potentially receive the refundable portion of the credit, with that portion being known as the additional child tax credit, or ACTC.
- The *Tax Cuts and Jobs Act* (TCJA) (Public Law 115-97) set the maximum CTC at $2,000 per child (it had previously been $1,000) and the maximum ACTC at $1,700 per child (2025 figure, adjusted for inflation).
- The TCJA also temporarily required the child for whom a taxpayer claims the CTC to have a work-eligible Social Security number (SSN); created a $500 nonrefundable credit (not adjusted for inflation) for dependents who are not qualifying children; and raised the income level at which the credit begins phasing out, among other changes. All of these changes expire after 2025.
- H.R. 1 would make permanent the TCJA's changes to the CTC, raise the maximum CTC to $2,500 per child (adjusted for inflation) through 2028, index the maximum CTC to inflation from 2029 onward, and account for one additional year of inflation (that which occurred from 2016 to 2017) in the cost-of-living adjustment calculation for the maximum ACTC.
- Prior to the TCJA, the CTC began phasing out after $75,000 of income for single filers and $110,000 for married couples. The TCJA increased the income limits to $200,000 for single filers and $400,000 for married couples filing jointly. These increases expire after 2025. H.R. 1 would make these increases permanent.
- H.R. 1 would also require the taxpayer to provide a work-eligible SSN for themselves, their spouse (if married), and the child for whom they are claiming the credit. The credit would generally be disallowed to those married filing separately, with certain exceptions.

County Impact

- The Poverty Alleviation Initiative (PAI) recommends that the County continue to support proposals that increase the CTC, make changes to other CTC parameters, such as the CTC's phase in, to make it available to all low-income families, and make it easier for people to obtain an Individual Taxpayer Identification Number (ITIN) or SSN.

Recommendation

- This Office and PAI recommend supporting proposals that increase the CTC, make changes to other CTC parameters, such as the CTC's phase in, to make it available to all low-income families, and make it easier for people to obtain an ITIN or SSN.
- Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals that increase resources for low-income individuals and families, alleviate financial hardship, and help prevent, mitigate, and disrupt poverty, **the Washington, D.C. Advocates will continue to support measures**

that increase the CTC, make changes to other CTC parameters, such as the CTC's phase in, to make it available to all low-income families, and make it easier for people to obtain an ITIN or SSN.

Increase Limitation of State and Local Taxes (SALT)

Background

- Individual taxpayers who itemize their deductions may claim a deduction for SALT paid (commonly referred to as a SALT deduction). Eligible tax payments include certain real estate taxes, personal property taxes, and either income taxes or sales taxes.
- The TCJA limited SALT deduction claims to $10,000 (or $5,000 for married taxpayers filing separately) for taxes not paid in the carrying on of a trade or business. It also prohibited SALT claims on taxes paid on foreign real property. Both changes are scheduled to expire after the 2025 tax year
- For tax year 2026, H.R. 1 would limit SALT deduction claims to $40,400 (or $20,200 for married taxpayers filing separately). The limitation would be further reduced by an amount equal to 30 percent of a filer's modified adjusted gross income (MAGI) in excess of $505,000 (or $202,500 for married taxpayers filing separately). The limitation would not be reduced below $10,000 (or $5,000 for married taxpayers filing separately) for taxpayers with MAGI above $606,333 (or $303,167 for married taxpayers filing separately).
- H.R. 1 would then increase the limitations of SALT deduction claims by one percent per year for tax year 2027 through tax year 2033, with a permanent limitation in subsequent years set equal to tax year 2033 levels.
- H.R. 1 would prohibit SALT deduction claims for foreign real property taxes other than those paid in a carrying on of a trade or business. Separately, partnerships and S corporations would not be able to claim a SALT deduction for specific taxes.
- Furthermore, H.R. 1 would also establish rules that would limit economic activity from pass-through entities and charitable deductions from resulting in tax payments that are not affected by the SALT deduction limitation.

County Impact

- The Office recommends that the County continue to support proposals that either increase the SALT deduction cap or let it expire altogether as it would provide tax relief for taxpayers in high income and property tax states, like California, reduce double taxation, and give states more flexibility to fund public services.

Recommendation

- This Office recommends supporting proposals that either increase the SALT deduction cap or let it expire altogether as it would provide tax relief for taxpayers in high income and property tax states, reduce double taxation, and give states more flexibility to fund public services.
- Therefore, unless otherwise directed by the Board, consistent with existing policy to support proposals that help preserve the fiscal strength of the county, and promote the well-being of the State and County, **the Washington, D.C. Advocates will continue to support measures that increase the SALT deduction cap or let it expire altogether.**

Next Steps

The Senate is working on its own separate version of a Budget Reconciliation bill and has proposed several changes to the House-passed legislation. Certain sections of the bill have been released, but the sections covering health care (Medicaid and Medicare) and taxes have not. This office will work with affected departments to determine the potential impact of Senate provisions. The Senate is targeting the week of June 23 to consider its bill on the floor.

Chief Executive Office.

LEGISLATIVE AFFAIRS AND INTERGOVERNMENTAL RELATIONS
500 West Temple Street, Room 723
Los Angeles, California 90012

legislativeaffairs@ceo.lacounty.gov

https://ceo.lacounty.gov/legislative-affairs-and-intergovernmental-relations/