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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair  
2025 - 2026 Regular Session

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### AB 1037 (Elhawary) - Public health: substance use disorder

**Version:** July 7, 2025

**Urgency:** No

**Hearing Date:** August 18, 2025

**Policy Vote:** HEALTH 9 - 0, JUD. 11 - 1

**Mandate:** No

**Consultant:** Agnes Lee

**Bill Summary:** AB 1037 would make various changes to existing law provisions related to the availability of opioid antagonists and to services provided under state-funded and state-regulated drug or alcohol treatment programs.

**Fiscal Impact:** Unknown ongoing General Fund costs, potentially in the low hundreds of thousands, for the Department of Health Care Services (DHCS) for state administration related to licensing residential treatment facilities.

### Background:

**Administration of opioid antagonists.** State law defines “opioid antagonist” to mean naloxone hydrochloride or any other opioid antagonist that is approved by the United States Food and Drug Administration for the treatment of an opioid overdose. Current law provides that a licensed health care provider who is authorized by law to prescribe an opioid antagonist may, if acting with reasonable care, prescribe and subsequently dispense or distribute an opioid antagonist to a person at risk of an opioid-related overdose or to a family member, friend, or other person in a position to assist a person at risk of an opioid-related overdose. The licensed health care provider may issue standing orders for the distribution or for the administration of an opioid antagonist to a person at risk of an opioid-related overdose or to a family member, friend, or other person in a position to assist a person at risk of an opioid-related overdose. A person who is prescribed or possesses an opioid antagonist pursuant to a standing order must receive training provided by an opioid overdose prevention and treatment training program; however a person who is prescribed an opioid antagonist directly from a licensed prescriber is not required to receive training from an opioid prevention and treatment training program.

A licensed health care provider who acts with reasonable care is not subject to professional review, liable in a civil action, or subject to criminal prosecution for issuing a prescription or order pursuant to these provisions. A person who possesses or distributes an opioid antagonist pursuant to a prescription or standing order is not subject to professional review, liable in a civil action, or subject to criminal prosecution for this possession or distribution. A person not otherwise licensed to administer an opioid antagonist, but trained as required, who acts with reasonable care in administering an opioid antagonist, in good faith and not for compensation, to a person who is experiencing or is suspected of experiencing an overdose is not subject to professional review, liable in a civil action, or subject to criminal prosecution for this administration.

**Licensed residential facilities.** Adult residential alcohol or other drug recovery or treatment facilities (RTFs) provide residential nonmedical services to adults who are recovering from problems related to alcohol, drug, or alcohol and drug misuse or addiction, and who need alcohol, drug, or alcohol and drug recovery treatment or detoxification services. Current law grants sole authority to DHCS to license RTFs and authorizes the department to initiate a license suspension or revocation for licensing violations. The DHCS may also permit a licensed RTF to provide incidental medical services on its premises if the department determines the facility has the ability to comply with all applicable laws and regulations to meet the needs of a resident receiving incidental medical services. Current law defines “incidental medical services” to mean services that are in compliance with the community standard of practice and are not required to be performed in a licensed clinic or licensed health facility, as defined, to address medical issues associated with either detoxification from alcohol or drugs or the provision of alcohol or other drug recovery or treatment services.

**Limitations on use of state funds for drug or alcohol programs.** Current state law generally prohibits state funds from being encumbered by a state agency for allocation to any entity, whether public or private, for a drug- or alcohol-related program, unless the drug- or alcohol-related program contains a component that clearly explains in written materials that there must be no unlawful use of drugs or alcohol. No aspect of a drug- or alcohol-related program can include any message on the responsible use, if the use is unlawful, of drugs or alcohol.

**Proposed Law:** Specific provisions of the bill would:

- Delete existing requirements that a person who is prescribed or possesses an opioid antagonist pursuant to a standing order (or a person not otherwise licensed to administer an opioid antagonist) must receive training provided by an opioid overdose prevention and treatment training program.
- Provide that a person who is at risk of an overdose or any person in a position to assist a person at risk of an overdose may possess an opioid antagonist and subsequently dispense or distribute an opioid antagonist to a person at risk of an overdose or to any other person in a position to assist a person at risk of an overdose, as specified.
- Prohibit DHCS, for purposes of licensing RTFs, from requiring a licensee to prohibit the admission of an individual for having consumed, used, or otherwise been under the influence of alcohol or other drugs, as these circumstances represent symptoms of the condition of substance use disorders.
- Require DHCS to offer a combined application for entities seeking licensure as an RTF to simultaneously apply to provide incidental medical services; require DHCS to post on its internet website a timeline with the relative dates of key milestones in the permit application review process and the average processing times for the department of each stage of key milestones in the permit application review process; and prohibit DHCS, for purposes of permitting incidental medical services, from requiring an admission agreement to require a person to have been abstinent, to not be intoxicated, or to otherwise not be under the influence in order to be admitted into care, be considered for treatment, or continue treatment.

- Delete existing law provisions that generally prohibit state funds from being allocated for a drug- or alcohol-related programs if the programs do not contain a component that explains there must be no unlawful use of drugs or alcohol.

**Related Legislation:** AB 1267 (Pellerin) would require DHCS to offer a consolidated license and certification that allows the holder to operate more than one RTF that requires a license, an alcohol or other drug program that requires a certification, or a combination thereof, that the holder operates within the same geographic location. The bill is currently on the suspense file in this committee.

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