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THIRD READING

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Bill No: AB 1037  
Author: Elhawary (D)  
Amended: 8/29/25 in Senate  
Vote: 21

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SENATE HEALTH COMMITTEE: 9-0, 7/2/25

AYES: Menjivar, Durazo, Gonzalez, Limón, Padilla, Richardson, Rubio, Weber  
Pierson, Wiener

NO VOTE RECORDED: Valladares, Grove

SENATE JUDICIARY COMMITTEE: 11-1, 7/15/25

AYES: Umberg, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern, Wahab,  
Weber Pierson, Wiener

NOES: Niello

NO VOTE RECORDED: Valladares

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/29/25

AYES: Caballero, Cabaldon, Grayson, Richardson, Wahab

NOES: Seyarto, Dahle

ASSEMBLY FLOOR: 55-19, 6/5/25 - See last page for vote

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**SUBJECT:** Public health: substance use disorder

**SOURCE:** County of Los Angeles

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**DIGEST:** This bill repeals provisions of existing law that require a person to receive training from an opioid overdose prevention and treatment training program in order to administer naloxone. Requires the Department of Health Care Services (DHCS) to offer a combined application for entities seeking licensure as an alcohol or other drug recovery or treatment facility (RTF) to apply simultaneously to provide incidental medical services. Prohibits DHCS from requiring a RTF 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. Repeals existing law that prohibits any state-funded program from allocating funds to programs that do not use abstinent-only messaging about illegal drugs.

## **ANALYSIS:**

Existing law:

- 1) Grants the DHCS sole authority in state government over duties, powers, purposes, functions, responsibilities, and jurisdiction as they relate to substance use disorder (SUD) recovery and treatment services, including through licensure of RTFs. [Health and Safety Code (HSC) §11751 and §11834.01]
- 2) Authorizes a RTF, under specified conditions, to permit incidental medical services (IMS) to be provided to residents at the RTF premises by, or under the supervision of, one or more physicians licensed by the Medical Board of California or the Osteopathic Medical Board who are knowledgeable about addiction medicine, or one or more other health care practitioners, also knowledgeable about addiction medicine, acting within the scope of practice of their license and under the direction of a physician. [HSC §11834.026(c)]
- 3) Requires RTF admission agreements to specify such things as services to be provided; actions, circumstances, or conditions that may result in resident eviction; consequences when a resident relapses and consumes alcohol and/or nonhealth sustaining drugs; conditions under which the agreement may be terminated. [9, California Code of Regulations (CCR), §10566]
- 4) Prohibits state funds from being encumbered by a “state agency” to any public or private entity for a drug- or alcohol-related program (except for those providing education and outreach to intravenous drug users with AIDS and related conditions, or to persons at risk of HIV infection), unless the program contains a component explaining in written materials that there be no use of drugs or alcohol that is prohibited by law (“no lawful use”). Prohibits any aspect of a program from including any message on the responsible use, if the use is unlawful, of drugs or alcohol. [HSC §11999.2]
- 5) Defines “state agency” as DHCS, the State Department of Education, the Department of Justice, the Office of Criminal Justice Planning, and the Office of Traffic Safety. Permits any other state agency or department to comply with the “no lawful use” messaging. [HSC §11999.1(c)]

- 6) Authorizes licensed health care providers to issue a standing order for the distribution or the administration of naloxone or any other opioid antagonist that is approved by the United States Food and Drug Administration (FDA) for the treatment of an opioid overdose to a person at risk of overdose, or family members, friends, or other persons in a position to assist a person at risk of an opioid-related overdose. Requires a person who is prescribed or possesses naloxone or any other opioid antagonist pursuant to a standing order to receive training from an opioid overdose prevention and treatment training program. [Civil Code (CIV) §1714.22(d)(1)]
- 7) Requires the Emergency Medical Services Authority (EMS) to develop and adopt training and standards for all prehospital emergency medical care personnel regarding the use and administration of naloxone and other opioid antagonists. Permits the medical director of a local EMS agency to approve or conduct a trial study of the use and administration of naloxone or other opioid antagonists by any trained prehospital emergency medical care personnel. Specifies that this training satisfies the training requirement that applies to any person who can assist another person at risk of an opioid-related overdose, as described in 5) above. [HSC §1797.197(b)(1) and (2)]
- 8) Requires each person who is convicted of a violation of the permissible offenses and penalties under the Uniform Controlled Substances Act to pay a specified drug program fee for each separate offense. Requires the county treasurer to maintain a drug program fund for the purposes of supporting the county's drug abuse prevention and treatment efforts, with 33% of the funds to be allocated to primary prevention programs in the schools and the community. [HSC §11372.7(a), (c), (d)]

This bill:

- 1) Repeals provisions in law that require specialized training in order for any person, including EMS personnel, to obtain and administer naloxone, as well as to be covered by indemnity provisions. Repeals provisions that permit the medical director of a local EMS agency to approve or conduct a trial study of the use and administration of naloxone by any trained prehospital emergency medical care personnel.
- 2) Requires DHCS, by January 1, 2027, to establish: a process whereby an entity can apply for a combined RTF license and certification to provide IMS through

a streamlined application, inspection, and monitoring; and, an additional fee to cover DHCS's costs for administering a combined services application.

- 3) Prohibits DHCS from requiring RTFs that additionally provide IMS from requiring an admission agreement that requires 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 to continue treatment.
- 4) Prohibits a RTF admission agreement from requiring an individual to be abstinent, sober, or not being under the influence in order to be admitted to, be considered for, or to continue treatment.
- 5) Specifies that the requirement for a RTF to develop a plan to address relapse does not require a RTF to discharge residents for relapsing, lapsing, or momentarily reengaging in the use of alcohol or other drugs. Requires a RTF to prioritize the individual maintaining some level of connection to treatment and to consider options to avoid complete disconnection of the resident from treatment.
- 6) Adds to the permissible list of services a county's drug program can fund prevention activities aligned with evidence-based best practices or identified in the Substance Use Prevention, Treatment, and Recovery Services Block Grant, authorized by the federal Substance Abuse and Mental Health Services Administration (SAMHSA) for substance abuse prevention and treatment.
- 7) Revises legislative findings and declarations to replace abstinent-only language with updated findings and declarations that state SUDs are a health and public safety problem; that interventions like distributing naloxone through DHCS's Naloxone Distribution Program, coupled with the FDA making naloxone over-the-counter (OTC), provides opportunities for the reversal of opioid-related overdose by any individual when first responders are not available.
- 8) Makes other technical, conforming changes using updated terminology and ideology related to SUDs.

## Comments

According to the author of this bill:

The SUD Care Modernization Act would help address historical stigmas, outdated policies, and significant statutory barriers to more successfully

engage and treat people with SUDs, and ultimately save lives. This bill aligns statutes with the overarching policies of California around SUD treatment, recently enacted laws, and best practices throughout an individual's recovery journey, no matter their readiness for change.

## **Background**

*Licensed and certified programs.* RTFs licensed by DHCS, based on what is commonly referred to as the “social model,” provide recovery, treatment, or detoxification services. (The Department of Public Health licenses medical model RTFs, known as chemical dependency recovery hospitals.) The services provided by social model RTFs include group and individual counseling, educational sessions, and alcoholism or drug abuse recovery and treatment planning. Social model RTFs are allowed to provide clients first aid and emergency care. Since the passage of AB 848 (Stone, Chapter 744, Statutes of 2015), RTFs can apply to DHCS for an additional license to provide incidental medical services (IMS) by a licensed physician or other health care practitioner. SB 823 (Hill, Chapter 781, Statutes of 2018) requires DHCS to adopt American Society of Addiction Medicine (ASAM) treatment criteria as the minimum standard of care for licensed RTFs. DHCS is also responsible for certification of a business entity with a physical location in the state that provides one or more of the following services to clients: treatment, recovery, or detoxification services, or medications for addiction treatment. DHCS also provides program certification for facilities that are licensed by the Department of Social Services that serve adolescents.

As part of their licensing and certification functions, DHCS conducts reviews of licensed and certified programs every two years, or as necessary; checks for compliance with statute, regulations, and certification standards to ensure the health and safety of clients; investigates all complaints it determines are within its jurisdiction; and has the authority to suspend or revoke a program's license or certification for a violation of statute, regulations, and certification standards.

*IMS.* Per DHCS's website, RTFs have the option to apply for approval to provide IMS in their facilities, which are optional services provided by a health care practitioner, or staff under the supervision of a health care practitioner, to address medical issues associated with detoxification, treatment, or recovery services. IMS must be provided at the RTF in compliance with the community standard of practice, and does not include general primary medical care or medical services required to be performed in a licensed health facility. DHCS requires the following services to be provided once an entity receives approval: obtaining medical histories; monitoring health status; testing associated with detoxification from

alcohol or drugs; providing alcoholism or drug abuse recovery or treatment services; overseeing patient self-administered medications; and, treating SUDs, including detoxification.

*Harm reduction vs. abstinence.* SAMHSA's website notes that harm reduction is an evidence-based approach critical to engaging with people who use drugs and equipping them with life-saving tools and information to create positive change in their lives, and potentially save their lives. A key pillar in the U.S. Department of Health and Human Services' Overdose Prevention Strategy, harm reduction emphasizes engaging directly with people who use drugs to prevent overdose and infectious disease transmission; improve physical, mental, and social wellbeing; and offer low barrier options for accessing health care services, including SUD and mental health disorder treatment. Organizations that practice harm reduction incorporate a spectrum of strategies that meet people where they are—on their own terms—and may serve as a pathway to additional health and social services, including additional prevention, treatment, and recovery services.

According to an article on the National Library of Medicine's website, "Expanding the continuum of SUD treatment: Nonabstinence approaches," one drawback to the abstinence-only treatment model is its association with abstinence requirements during treatment, which can contribute to lower treatment completion. Prolonged engagement in SUD treatment is associated with positive outcomes, whereas premature termination—common practice in abstinence-based SUD treatment centers when participants return to substance use during a treatment episode—is associated with poorer outcomes, presenting a clear rationale for prioritizing SUD treatment retention. This form of discharge is considered "administrative discharge," a term which also includes involuntary discharge due to noncompliance with other program rules and expectations. The article further notes there is very little research examining the outcomes associated with administrative discharge, but researchers have pointed out an inherent contradiction in the practice of terminating treatment for demonstrating a primary symptom of the disorder. SUDs are defined by compulsive substance use despite negative consequences, and there are no other major health problems for which one is admitted for treatment and then thrown out for becoming symptomatic in the service setting. Administrative discharge due to substance use is not a necessary practice even within abstinence-focused treatment, and is likely linked to the assumption that continued use indicates lack of readiness for treatment, and that abstinence is the sole marker of treatment success.

*OTC naloxone.* On March 29, 2023, the FDA approved a four-milligram naloxone nasal spray for OTC, nonprescription, use—the first naloxone product approved for use without a prescription. This action, according to the FDA, paves the way for the life-saving medication to reverse an opioid overdose to be sold directly to consumers in places like drug stores, convenience stores, grocery stores, and gas stations, as well as online. The timeline for availability and price of this OTC product is determined by the manufacturer. Other formulations and dosages of naloxone will remain available by prescription only. This bill repeals the training requirement in existing law for those who possess and administer naloxone, including EMS personnel, based on its availability as OTC.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

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.

**SUPPORT:** (Verified 8/29/25)

County of Los Angeles (source)

American Civil Liberties Union California Action

Behavioral Health Services Oversight and Accountability Commission

California Academy of Child and Adolescent Psychiatry

California Association of Alcohol and Drug Program Executives

California Behavioral Health Association

California Behavioral Health Planning Council

California Institute for Behavioral Health Solutions

California Medical Association

California Opioid Maintenance Providers

California Society of Addiction Medicine

California Society of Health-System Pharmacists

City and County of San Francisco

County Behavioral Health Directors Association

County Health Executives Association of California

Downtown Women's Center

Drug Policy Alliance

Everyday Responder Project

Helpline Youth Counseling, Inc.

Institute for Public Strategies

Los Angeles County Public Health Commission  
Los Angeles Recovery Connect  
National Union of Healthcare Workers  
New Hope Drug and Alcohol Treatment Programs, Inc.  
Phoenix Houses of California, Inc.  
Steinberg Institute  
Tarzana Treatment Centers, Inc.

**OPPOSITION:** (Verified 8/29/25)

California Narcotic Officers' Association  
El Dorado County District Attorney Vern Pierson  
El Dorado County Sheriff Jeff Leikauf  
Glenn County Sheriff/Coroner Justin Gibbs  
Sacramento County Sheriff Jim Cooper  
San Luis Obispo County District Attorney Dan Dow  
Yolo County Sheriff/Coroner/Public Administrator Tom A. Lopez

**ARGUMENTS IN SUPPORT:** The County of Los Angeles (LAC), as sponsor, and other supporters of this bill, largely behavioral health advocates and SUD treatment providers, state that this bill aligns with the state's broader policy goals related to addressing drug and alcohol use and abuse, particularly as those issues intersect with discussions around mental illness and homelessness. Supporters state that this bill modernizes risk reduction language in law, which currently restricts responsible use messaging, to conform to best practices; eliminates the 24-hour sobriety barrier to SUD service admission and treatment; streamlines treatment facility licensure and certification; and, ensures the OTC availability of opioid overdose reversal medication by amending current law to eliminate the need for specialized training in order to obtain and administer naloxone, which is no longer required pursuant to federal law making it available OTC.

**ARGUMENTS IN OPPOSITION:** Opponents of this bill, largely law enforcement, state that while naloxone can save lives, removing training requirements dilutes appropriate use protocols and may inadvertently diminish the emphasis on long-term treatment and recovery. Opponents further state that this bill deletes the requirement that state-funded drug or alcohol programs include the message that "there shall be no unlawful use" of drugs or alcohol, and striking this language undercuts clear standards discouraging unlawful behavior by instead codifying policies that tacitly allow ongoing illicit drug use. Opponents further argue this bill enshrines harm reduction ideology while discarding the foundational



public health principle that unlawful drug use should be discouraged, thus failing to promote recovery or accountability.

ASSEMBLY FLOOR: 55-19, 6/5/25

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ransom, Celeste Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NOES: Alanis, Chen, Davies, DeMaio, Dixon, Ellis, Flora, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Lackey, Macedo, Patterson, Michelle Rodriguez, Sanchez, Ta, Tangipa, Wallis

NO VOTE RECORDED: Castillo, Nguyen, Ortega, Ramos, Soria

Prepared by: Reyes Diaz / HEALTH / (916) 651-4111  
9/2/25 18:13:18

\*\*\*\* END \*\*\*\*