

Date of Hearing: March 24, 2026

ASSEMBLY COMMITTEE ON HEALTH
Mia Bonta, Chair
AB 1607 (Mark González) – As Introduced January 20, 2026

SUBJECT: Emergency medical services.

SUMMARY: Deletes the January 1, 2027 sunset date on the Maddy Emergency Medical Services (EMS) Fund (which provides reimbursements for EMS), and the January 1, 2027 sunset on provisions in law that authorize county boards of supervisors to elect to levy an additional penalty in the amount of \$2 for every \$10 upon fines, penalties, and forfeitures collected for criminal offenses (which provide funding for pediatric trauma services).

EXISTING LAW:

- 1) States that for the purposes of supporting emergency medical services as specified, in addition to other specified criminal penalties, a county board of supervisors may levy an additional penalty in the amount of two dollars (\$2) for every ten dollars (\$10), or part of ten dollars (\$10), upon every fine, penalty, or forfeiture imposed and collected by the courts for all criminal offenses. [Government Code (GOV) § 76000.5 (a)(1)]
- 2) Specifies that the additional penalty for EMS does not apply to the restitution fine, parking violations, state surcharge and specified penalty assessments. [GOV § 76000.5 (a)(2)]
- 3) Requires the EMS funds to be collected only if the county board of supervisors provides that the increased penalties do not offset or reduce the funding of other programs from other sources, and that these additional revenues result in increased funding to those programs. [GOV § 76000.5 (b)]
- 4) Requires that moneys collected for the emergency medical services fund be taken from fines and forfeitures deposited with the county treasurer prior to any division. [GOV § 76000.5(c)]
- 5) Requires funds collected pursuant to the provisions above be deposited into the EMS Fund. [GOV § 76000.5 (d)]
- 6) States the EMS Fund will be repealed on January 1, 2027. [GOV § 76000.5 (e)]
- 7) Authorizes each county to establish an EMS fund, upon the adoption of a resolution by the board of supervisors. (Health & Safety Code (HSC) § 1797.98a (b)(1))
- 8) Requires the costs of administering the EMS fund to be reimbursed by the fund in an amount that does not exceed the actual administrative costs or 10% of the amount of the fund, whichever amount is lower. [HSC § 1797.98a (b)(2)]
- 9) Requires that the amount in the EMS Fund, reduced by the amount for administration and the reserve, to be utilized to reimburse physicians and surgeons and hospitals for patients who do not make payment for EMS and for other EMS purposes as determined by each county according to the following schedule:

- a) Fifty-eight percent of the balance of the EMS Fund to be distributed to physicians and surgeons for emergency services provided by all physicians and surgeons, except those physicians and surgeons employed by county hospitals, in general acute care hospitals that provide basic, comprehensive, or standby emergency services. [HSC § 1797.98a (b)(5)(A)]
 - b) Twenty-five percent of the EMS Fund to be distributed only to hospitals providing disproportionate trauma and emergency medical care services. [HSC § 1797.98a (b)(5)(B)]
 - c) Seventeen percent of the EMS Fund to be distributed for other emergency medical services purposes as determined by each county, including, but not limited to, the funding of regional poison control centers. Authorizes funding to be used for purchasing equipment and for capital projects only to the extent that these expenditures support the provision of EMS [HSC § 1797.98a, subd. (b)(5)(C)]
- 10) Requires, that of the money deposited into the EMS Fund, 15% must be utilized to provide funding for all pediatric trauma centers throughout the county, both publicly and privately owned and operated. [HSC § 1797.98a (e)]
- 11) Requires counties that do not maintain a pediatric trauma center to utilize the money deposited into the EMS Fund to improve access to, and coordination of, pediatric trauma and emergency services in the county, with preference for funding given to hospitals that specialize in services to children, and physicians and surgeons who provide emergency care for children. [HSC § 1797.98a (e)]

FISCAL EFFECT: Unknown. This bill has not been analyzed by a fiscal committee.

COMMENTS:

- 1) **PURPOSE OF THIS BILL.** According to the author, California's Emergency Departments (ED) are the health care safety net and the front lines of any public health emergency. With numbers on the rise, over 15 million Californians visit an ED across the state each year. The Maddy EMS Fund was designed to support patients and providers, ensuring those who need care can receive it and those who provide care can be reimbursed for it. Without the Maddy EMS Fund, we will see EDs across this state, including at rural hospitals, shutter their doors.
- 2) **BACKGROUND.**
 - a) **EDs.** According to the California Health Care Foundations' (CHCF) *2025 Emergency Departments' Almanac*, EDs provide a critical source of health care to people with acute medical conditions and those who have experienced trauma or injury. EDs treat all patients regardless of their ability to pay. They also provide an important entry point for inpatient hospital care. In 2023, 330 acute care hospitals in California operated a licensed ED. Between 2013 and 2023, the number of EDs remained relatively stable, but visits increased by 17%, with 14.9 million visits in 2023. This growth in ED visits far outpaced the state's overall population increase of 2%.
 - b) **Effects of H.R. 1 on California's EDs.** The passage of H.R. 1 creates Medicaid eligibility requirements that will result in many people losing Medi-Cal coverage due to

either immigration status, work requirements, or administrative burden. In California the Medi-Cal program covers more than half of the state's children, 2.2 million seniors and people with disabilities, one in five working Californians, and millions of other people with low incomes. H.R. 1 is expected to cut \$30 billion a year in federal funding from Medi-Cal, reducing overall access to care and possibly pushing some safety net providers into dire straits, according to the California Budget and Policy Center. As noted in the CHCF report, some immigrants lawfully living in California, including victims of human trafficking and domestic violence, will lose Medi-Cal eligibility starting Oct. 1, 2026. They will retain eligibility only for emergency Medi-Cal benefits and lose benefits for preventive care, primary care, specialty care, and other nonemergency medical services. As the uninsured population rises, more medical bills will go unpaid, cutting revenue for California's health care safety net, including EDs.

- c) **Maddy EMS Funds.** Current law authorizes counties to establish a Maddy EMS Fund, through the adoption of a resolution by the board of supervisors, to reimburse physicians/surgeons and hospitals for the cost of uncompensated emergency care and for other discretionary EMS purposes. The Maddy EMS Fund is administered by each county, except when a county elects to have the state administer its medically indigent services program, then the county may also elect to have its Maddy EMS Fund administered by the state.

Current law also authorizes counties that have established the supplemental assessment, to establish a Richie's Fund, as part of the Maddy EMS Fund. The Richie's Fund provides funding for pediatric trauma centers throughout the county. Counties that do not maintain a pediatric trauma center must utilize the money deposited into the fund to improve access to, and coordination of, pediatric trauma and emergency services in the county, with preference for funding given to hospitals that specialize in services to children, and physicians and surgeons who provide emergency care for children. The expenditure of the Richie's Fund is limited to reimbursement to physicians/surgeons and hospitals for the cost of uncompensated emergency care.

- d) **2022-23 Maddy EMS Fund Report.** Each county with an established Maddy EMS Fund is required to report to the California Emergency Medical Services Authority (EMSA) annually on the implementation and status of the fund for the immediately preceding fiscal year and requires EMSA to forward a summary of each county's report to the appropriate policy and fiscal committees of the Legislature.

Fifty-one counties have established the Maddy EMS Fund (Original Assessment), and 37 of these counties have established Richie's Fund (Supplemental Assessment). For Fiscal Year (FY) 2022-23, 47 counties submitted reports to the EMSA in accordance with current requirements. Alameda, Modoc, Mono, and Nevada Counties did not submit reports; therefore, their data is not included. The beginning balance on July 1, 2022, was \$32 million. That amount, combined with interest, other deposits, penalty collection deposits, and reimbursements from both physicians/surgeons and hospitals, provided for a combined total of \$80.5 million in the fund statewide. Expenditures for FY 2022-23 totaled \$46.2 million, leaving a balance of \$34.4 million in the fund on June 30, 2023.

- 3) **SUPPORT.** The Emergency Medical Services Administrators Association of California (EMSAAC), representing the administrative and physician medical director interests of all 34

California Local EMS Agencies (LEMSAs) covering all 58 California is a co-sponsor of this bill and states EDs are required to treat people regardless of whether they have insurance. EMSAAC notes that the Maddy EMS Fund is a mechanism that allows hospitals and physicians to apply to their county for reimbursement. Due to recent changes at the federal level, it is expected that more people will lack medical coverage and still seek medical care, and likely at higher rates due to lack of preventative healthcare. Removing the sunset on the Maddy Fund (that has already been extended numerous times) would provide the medical infrastructure assurances of ongoing support.

The Southern California and San Diego Chapters of the American College of Surgeons (ACS) are a co-sponsor of this bill and note that Maddy EMS funds are a crucial funding stream that allows for a stable and well-trained workforce to provide lifesaving care for pediatric trauma and emergency services. These funds also support vital access to specialized resources, enhance injury-prevention efforts, and improve outcomes for our community members. Currently this funding is set to expire January 1, 2027. A child injured in a motor vehicle crash is immediately evaluated by prehospital emergency medical services and receives life-saving care in the field regardless of insurance status. This child is then transferred to a trauma center and may receive necessary blood transfusions, advanced airways, and even life-saving emergency surgery. Access to this advanced specialized care is possible due to California's investment in the Maddy EMS Funds. ACS concludes that continued investments ensure that trauma centers continue to deliver uninterrupted high-quality and equitable care to protect children and adults across California.

- 4) **OPPOSE UNLESS AMENDED.** Debt Free Justice California (DFJC), is opposed to this bill unless it is amended to fund the Maddy EMS Fund fee through more sustainable means. DFJC states this bill would permanently authorize county boards of supervisors to assess an additional 20% penalty to all criminal legal system fines and fees to fund emergency medical services. DFJC notes that they wholeheartedly support the accessibility of EMS, however, they oppose AB this bill because the Maddy EMS Fund fee is an ineffective and regressive revenue source for these essential medical services, especially in light of the California Supreme Court's recent holding in *People v. Kopp*. *Kopp*, which held that fees assessed to individuals must consider those individuals' ability to pay such fees, will drastically reduce any revenue previously generated from the Maddy EMS Fund fee and will necessitate additional funding for EMS if such services are to operate at current capacity. California's persistent poverty crisis and the *People v. Kopp* decision will make collections for the Maddy EMS Fund increasingly unstable. Although the Maddy EMS Fund fee is discretionary, virtually all counties throughout California assess this tax. DFJC states that research demonstrates that criminal fees cause lasting financial and emotional harm to system-impacted people and their families, often forcing families to choose between putting food on the table and paying their debt.

5) **PREVIOUS LEGISLATION.**

- a) SB 867 (Roth), Chapter 147, Statutes of 2016, extends until January 1, 2027, the Maddy EMS Fund, which authorizes each county to levy an additional \$2 for every \$10 of criminal fines to establish an emergency medical services fund for reimbursement of costs related to emergency medical services based on fees on criminal convictions.

- b) SB 191 (Padilla), Chapter 600, Statutes of 2013, extended the Maddy EMS fund until January 1, 2017.
 - c) SB 1236 (Padilla), Chapter 60, Statutes of 2008, extended from January 1, 2009 to January 1, 2014, existing provisions allowing a county Board of Supervisors to levy additional penalties on criminal offenses, for purposes of the Maddy EMS Fund, and allocate 15% of the funds collected to pediatric trauma centers, as specified.
 - d) SB 1773 (Alarcon), Chapter 841, Statutes of 2006, authorized a county Board of Supervisors, until January 1, 2009, to elect to levy an additional \$2 for every \$10 in base funds for purposes of supporting EMS, and requires the additional assessment to be deposited in local Maddy EMS Funds, with 15% to be directed to pediatric trauma services and authorizes up to 10% to be used for administrative expenses.
 - e) AB 1475 (Solorio), Chapter 537, Statutes of 2009, provided that the costs of administering the EMS Fund that are reimbursed by the fund are not to exceed the actual costs of administering the Maddy EMS Fund or 10% of the amount of the fund, whichever amount is lower.
 - f) SB 12 (Maddy), Chapter 1240, Statutes of 1987, authorizes counties to establish a Maddy EMS Fund, through the adoption of a resolution by the board of supervisors, to reimburse physicians/surgeons and hospitals for the cost of uncompensated emergency care and for other discretionary EMS purposes.
- 6) **DOUBLE REFERRAL.** This bill is double referred, upon passage of this committee, it will be referred to the Assembly Committee on Public Safety.
- 7) **SUGGESTED AMENDMENT.** According to the UC Berkeley Law Policy Advocacy Clinic 2025 report, “Ending Unjust and Ineffective Criminal Fees in California,” since 2018, California has repealed 46 criminal fees and discharged over \$6.9 billion in debt. As noted by DFJC in Concerns, above, the recent Supreme Court decision will reduce any revenue previously generated from the Maddy EMS Fund fee and will necessitate additional funding for EMS if such services are to operate at current capacity. The Committee may wish to amend this bill to extend the current sunset on the Maddy EMS Fund to January 1, 2037, to allow time to identify an alternative funding source for EMS funds, rather than deleting the current sunset altogether.

REGISTERED SUPPORT / OPPOSITION:

Support

American College of Surgeons: Southern and San Diego Chapters (co-sponsor)
 Emergency Medical Services Administrators' Association of California (EMSAAC) (co-sponsor)
 American Academy of Pediatrics, California
 California Chapter of the American College of Emergency Physicians
 California Children's Hospital Association
 California Hospital Association
 California State Sheriffs' Association
 Children's Specialty Care Coalition
 County Health Executives Association of California (CHEAC)

County of Yolo
County of Yuba - Office of Emergency Services
Sharp Healthcare
Sierra - Sacramento Valley EMS Agency

Opposition

None on file

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