
SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator John Laird, Chair
2025 - 2026 Regular

Bill No:	AB 165	Hearing Date:	June 29, 2026
Author:	Committee on Budget		
Version:	June 26, 2026 Amended		
Urgency:	Yes	Fiscal:	Yes
Consultant:	Scott Ogus		

Subject: Skilled nursing facilities: reimbursement rates

Summary: This bill extends for one year, until December 31, 2027, the quality assurance fee and reimbursement rate structure for free-standing skilled nursing facilities, originally authorized by AB 1629 (Frommer), Chapter 875, Statutes of 2004, as subsequently amended.

Proposed Law: This bill makes various changes to the quality assurance fee and reimbursement rate structure for free-standing skilled nursing facilities. Specifically, this bill:

- 1) Extends for one year, until December 31, 2027, the quality assurance fee imposed on free-standing skilled nursing facilities originally authorized by AB 1629 (Frommer), Chapter 874, Statutes of 2004.
- 2) Extends for one year, until December 31, 2027, the facility-specific reimbursement rate structure for free-standing skilled nursing facilities, including specific provisions related to the component of the rate attributable to the facility's labor costs.
- 3) Provides that this is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect.

Fiscal Effect: Extends for one year, until December 31, 2027, the quality assurance fee imposed on free-standing skilled nursing facilities originally authorized by AB 1629 (Frommer), Chapter 874, Statutes of 2004.

Support: None on file.

Opposed: None on file.

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