

ASSEMBLY THIRD READING

AB 1775 (Ward)

As Amended May 18, 2026

Majority vote

SUMMARY

Adds to the requirements for expedited licensure for veterans and spouses by regulatory boards under the Department of Consumer Affairs (DCA) an applicant who has served as an active duty member of the United States (U.S.) Armed Forces and received a discharge solely as a result of Executive Order No. (EO) 14183. Requires the California Department of Veterans Affairs (CalVet) to help fund service providers who will educate veterans about discharge upgrades and assist veterans in filing discharge upgrade applications at no cost. Requires CalVet to establish the Veteran's Housing and Supportive Services Grant Program, as specified. Authorizes CalVet to adopt regulations necessary to implement this bill.

COMMENTS

As of March 2026, the Department of Defense (DoD) is actively purging transgender service members from the U.S. military following a May 2025 Supreme Court ruling that allowed a wide-reaching ban to take effect. The Pentagon has moved from a voluntary separation phase into an active involuntary separation process for the thousands of openly transgender troops currently serving. The Pentagon is currently removing thousands of transgender troops as part of an effort to eliminate "gender ideology" from the military. Administrative separation boards have been ordered to find any transgender service member with a past or current diagnosis of gender dysphoria "unfit" and separate them from service. While approximately 1,000 service members chose voluntary separation in 2025, there are roughly 4,240 active-duty, Guard, and Reserve members with a formal diagnosis of gender dysphoria who are now subject to involuntary removal. Advocacy groups estimate the total number of impacted individuals could be as high as 15,000. Critics and service members have reported that the current separation boards often have a predetermined outcome, providing little to no due process for those trying to save their careers.

- 1) *An Associated Press article*, "Transgender troops are now being identified for removal under Pentagon orders" highlighted a significant issue that the Pentagon's estimated figures may not fully capture the reality, as some individuals may have enlisted after completing their transition and might not have undergone medical or surgical procedures that could reveal their status. Furthermore, officials raised the possibility that health privacy laws could restrict their ability to access and report accurate information from service records. It's important to consider the challenges these brave individuals face while serving their country.
- 2) *The RAND Corporation's report*, "Assessing the Implications of Allowing Transgender Personnel to Serve Openly," estimates that there are as many as 6,630 transgender service members currently in active duty. Even when considering the higher estimates, RAND concluded that less than 0.1% of the total force would face deployment restrictions in any given year due to the time required for transition-related care. Their examination of other nations, like the UK and Canada, that permit transgender service members revealed minimal to no adverse effects on unit cohesion, operational effectiveness, or readiness. While commanders noted some initial bias, they reported that such sentiments generally faded over time.

According to the Author

This bill "is a vital lifeline to ensure we provide critical housing, employment, and transition-to-civilian-life support for service members being discharged from the U.S. military as a result of President Donald Trump's Executive Order (EO) 14183, which targets transgender service members. California has a responsibility to step in when the federal government turns its back on people who served honorably. These service members are being forced out of service not because of misconduct or performance, but because of who they are. AB 1775 ensures that California does not compound that injustice by leaving veterans without housing, jobs, or a clear path to stability."

Arguments in Support

This bill is cosponsored by Equality California, Out in National Security, and SPARTA Pride. Additionally, numerous organizations including, the California Commission on the Status of Women and Girls, Planned Parenthood Affiliates of California, Advocates for Trans Equality, and Courage California all write in support of this bill. Supporters argue that this bill is essential for providing critical assistance to transgender service members who were discharged under unjust federal policies. On January 27, 2025, President Trump signed Executive Order 14183, which called for the removal of transgender individuals from military service—not due to any form of misconduct or failure to meet standards, but purely because of who they are. While two federal courts initially blocked the ban, the U.S. Supreme Court lifted those injunctions on May 6, 2025, enabling the Department of Defense to commence the discharge of transgender personnel.

Transgender service members in California have proudly served our nation, holding to the same standards as their colleagues. Yet, they have faced discharges based solely on their identity, with no credible evidence showing that transgender individuals are unfit to serve. The separation process has been swift and harsh, leaving many with inadequate guidance on navigating the so-called "voluntary" separation paperwork, abrupt cuts to their pay and benefits, and a future shrouded in uncertainty. This has denied transgender members the necessary time and resources to secure housing and plan for their next steps in the wake of this order.

This bill aims to bridge the gaps that have left numerous transgender veterans vulnerable, ensuring they receive the same expedited licensing and support as any other service member who is honorably discharged.

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Appropriations Committee, costs to CalVet will be:

- 1) Ongoing General Fund (GF) cost pressures of an unknown amount but potentially in the high hundreds of thousands to the low millions of dollars annually to establish, administer, and provide grants for the new Housing and Supportive Services Grant Program. CalVet indicates it may incur administrative costs associated with developing program criteria, clarifying eligibility and prioritization requirements, awarding and overseeing grants, and ensuring program accountability. This program is subject to an appropriation by the Legislature and actual costs depend on the level of funding provided and the final statutory framework adopted.

- 2) GF cost pressures of an unknown amount resulting from the new requirement that discharge upgraded services be provided at no cost.

The author is requesting \$5.5 million in the 2026-27 state budget to support this bill, including \$5 million for housing assistance and \$500,000 for the discharge upgrade program.

VOTES

ASM MILITARY AND VETERANS AFFAIRS: 8-0-0

YES: Schiavo, Jeff Gonzalez, Ávila Fariás, Carrillo, Davies, Irwin, Quirk-Silva, Valencia

ASM BUSINESS AND PROFESSIONS: 16-0-3

YES: Berman, Addis, Ahrens, Alanis, Bains, Aguiar-Curry, Caloza, Chen, Elhawary, Haney, Hart, Irwin, Jackson, Lowenthal, Nguyen, Pellerin

ABS, ABST OR NV: Johnson, Hadwick, Macedo

ASM APPROPRIATIONS: 11-0-4

YES: Wicks, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

ABS, ABST OR NV: Hoover, Dixon, Ta, Tangipa

UPDATED

VERSION: May 18, 2026

CONSULTANT: Patty Patten / M. & V.A. / (916) 319-3550

FN: 0002675