

- 6) Requires a DCA board to expedite the licensure process for an applicant who is married to, or in a domestic partnership or other legal union with, an active duty member of the Armed Forces of the United States who is assigned to a duty station in this state under official active duty military orders and who holds a current license in another state, district, or territory of the United States in the profession or vocation for which they are seeking a license from the board. (BPC § 115.5)
- 7) Requires DCA to compile information on military and spouse licensure into an annual report for the Legislature, which shall include the specified data for each license type for each board, including the number of applications for expedited licenses received from honorably discharged military members and military spouses. (BPC § 115.8(b))
- 8) Establishes the Department of Veterans Affairs (CalVet). (Military and Veterans Code (MVC) § 60)
- 9) Requires the Department of Veterans Affairs (CalVet) to establish the Veteran's Military Discharge Upgrade Grant Program to help fund service providers who, at low at no cost, will educate veterans about discharge upgrades and assist qualifying veterans in filing discharge upgrade applications. (MVC § 885(a))
- 10) Requires CalVet to develop criteria, procedures, and accountability measures as may be necessary to implement the grant program. Authorizes the VA to prioritize veteran recipients who are able to demonstrate their less than honorable characterization of service was connected to a mental health condition, traumatic brain injury, sexual assault or harassment, or sexual orientation. (MVC § 885(b))

This bill:

- 1) Requires a board within DCA to expedite, and authorizes to assist, the initial licensure process for an applicant who supplies satisfactory evidence to the board that the applicant has served as an active duty member of the Armed Forces of the United States and was discharged solely as a result of Executive Order No. 14183, issued on January 27, 2025.
- 2) Requires the Department to report the number of applications for expedited licenses received from military members and military spouses who received a discharge solely as a result of Executive Order No. 14183 issued on January 27, 2025, in its annual report to the Legislature.
- 3) Requires CalVet to educate veterans about discharge upgrades and assist qualifying veterans in filing discharge upgrade applications at no cost.
- 4) Requires CalVet to prioritize veteran recipients of services provided under the Veteran's Military Discharge Upgrade Grant Program who demonstrate their less than honorable characterization of service was connected to a mental health condition, traumatic brain injury, sexual assault or harassment, sexual orientation, or gender identity.

- 5) Requires CalVet to establish the Veteran's Housing and Supportive Services Grant Program and to prioritize veteran recipients of services provided under that program who are able to demonstrate their less than honorable characterization of service was connected to a mental health condition, traumatic brain injury, sexual assault or harassment, or sexual orientation or who are able to demonstrate their characterization of service was connected to gender identity.

FISCAL EFFECT: This bill is keyed fiscal by Legislative Counsel. According to the Assembly Committee on Appropriations, CalVet notes 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. The bill will also result in GF cost pressures of an unknown amount resulting from the new requirement that discharge upgrade 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. The bill will result in minor and absorbable implementation costs to DCA, depending on the need to verify the number of people impacted by the EO and to validate their eligibility, as well as one-time IT costs of \$197,000 to update application language for all programs that accept online applications and update paper applications on the program's specific website. DCA indicates this cost is absorbable by redirecting existing resources if delayed implementation is granted.

COMMENTS:

1. **Purpose.** This bill is co-sponsored by Equality California, Minority Veterans of America, Out in National Security, SPARTA Pride, and Transgender Military Hub. The Author states, "AB 1775 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."
2. **Background.** In January 2025, Executive Order No. 14183 rescinded existing federal policy of inclusion for transgender people in the military and prohibited the use of preferred pronouns for transgender service members. In implementation, the Secretary of Defense's memo to Senior Pentagon Leadership stated, "Service members who have a current diagnosis or history of, or exhibit symptoms consistent with, gender dysphoria may elect to separate voluntarily." The memo further states, "On conclusion of the self-identification eligibility window, the Military Departments will initiate involuntary separation processes."

This bill would grant the benefit of expedited DCA licensure to former service members who were discharged early solely based on their gender identity as if they were honorably discharged – a status they were working toward, but they were prevented from attaining by an abrupt and discriminatory change in federal policy.

DCA licensure and regulation of professions. The DCA consists of 36 boards, bureaus, and other entities responsible for licensing, certifying, or otherwise regulating professionals in California, including 16 that issue licenses to healing arts professionals. As of March 2023, there were over 3.4 million active licensees who were issued a license by a program within DCA. Licensure is intended to protect consumers by ensuring applicants have the knowledge, skills, and abilities to engage in regulated activity without creating a negative impact on public health, safety, and welfare.

Each of DCA's more than 280 license types has its own unique requirements, with the practice act for each profession providing various prerequisites, which may include providing evidence of prelicensure education, experience, and training, passing an examination, and meeting other requirements. Most boards require a background check to ensure the applicant does not have a history of convictions that are substantially related to the qualifications, functions, or duties of the profession. Boards additionally require the applicant to pay a fee, which is set at an amount reasonable for the board to recover the cost of processing an application. Additionally, business applicants may be required to obtain insurance and/or a bond, demonstrate good standing with the Secretary of State, and appoint a qualified manager or responsible managing employee to oversee the business' operations within the scope of the license.

Based on the many licensing elements outside each program's control, expediting an application may not achieve the desired effect regardless of how well intended or small the affected population. Boards typically set internal targets for application processing timelines and seek adequate staffing to meet those targets. License processing timelines are then regularly evaluated through the Legislature's sunset review oversight process. The average processing time between initial application submission and license issuance varies depending on multiple factors, some that are within the programs' control; however, sunset reviews have revealed that most delays occur based on factors outside the licensing programs' control. These include, but are not limited to, application deficiencies that must be resolved by the applicant, the length of time to obtain an applicant's criminal history, time to obtain transcripts, time for the applicant to successfully take a required examination, obtain insurance, among others.

Assistance with the Initial Licensure Process. Programs within DCA issue a wide and varied compilation of licenses ranging from professional to vocational, those needed for employment to those needed to operate a business, etc. Navigating license requirements can particularly difficult for former military who are applying for license types that require evidence of experience to qualify for licensure and are attempting to apply military experience toward meeting those requirements.

To address this, some boards that accept military experience have implemented programs to assist former military through the application process. For example, the

Contractors State License Board (CSLB) implemented a Military Application Assistance Program where past and present military personnel and their spouses/domestic partners have direct contact with CSLB's licensing staff who review and expedite the processing of their application. Staff are specifically trained to evaluate military training and experience and evaluate college transcripts to apply transferable experience toward minimum licensure requirements. This bill would provide access to these specialized services at any DCA program that offers them to former members of the military impacted by Executive Order No. 14183.

Comparison to Recent Attempts to Enact Expedited Licensure. Existing expedited licensure laws include those to benefit: 1) former members of the military; 2) military spouses, domestic partners, and those in any other legal union with a current member of the military stationed in California; 3) refugees and those granted asylum; 4) an active duty member of the Armed Forces enrolled in the United States Department of Defense SkillBridge program; and 5) specified healing arts licensees who intend to perform abortions in California.

Subsequent to these expedite mandates, several more were proposed, which were vetoed by the Governor. Each veto message included a similarly stated reason as the most recent bill, AB 742 (Elhawary of 2025):

“I appreciate the author's intent to increase diversity within the professional licensed population and improve licensure opportunities for historically underrepresented communities. However, as the number of applicants who qualify for expedited licensure increases, the benefits of mandated prioritization may start to diminish, creating negative impacts on other applicants. Additionally, licensing fee increases may result from this bill, as an increase in staff will be necessary to ensure expedited applications.

I vetoed two similar measures seeking to expedite licensure for specified populations last year for these same concerns, and I believe more data is needed on the effectiveness and consequences of expedited licensure before committing to similar frameworks.”

The number of service members affected by the executive order from California who are in fields that require licensure has not been published or estimated. According to the *DCA 2024-2025 Annual Report*, all DCA programs received 10,404 application expedite requests from honorably discharged members of the military. However, 8,925, or 86% of these requests, were submitted to three programs – the Bureau of Security and Investigative Services received 6,946 requests, CSLB received 1,039, and the Board of Registered Nursing (BRN) received 940. It is reasonable to assume these programs would also receive the majority of the expedite requests resulting from this bill. These programs also receive requests for other types of expedites, for example, BRN received 465 applications for military spouse expedites in 2024-2025.¹ However, all three programs have existing infrastructure to process applications from the military. None of these programs have taken a position on this bill.

¹ Data for expedited application requests for refugees, those granted asylum, members of the SkillBridge program, and eligible healing arts licensees are not included in the annual report.

Although it would be helpful to know the size of the affected population to predict the impact to program workloads, this bill is anticipated to address a relatively small and finite population. Consequently, any impact from this bill is expected to be negligible and short-term.

Establishes Eligibility for Veterans Grant Programs under CalVet. This bill would establish a Veteran's Housing and Supporting Services Grant Program, to be administered by CalVet, to provide no cost housing assistance to veterans who are discharged from service. This bill also requires, rather than allows, CalVet to prioritize veterans who demonstrate that their less than honorable characterization of service was connected to a mental health condition, traumatic brain injury, sexual assault or harassment, or sexual orientation as recipients under the existing Veteran's Military Discharge Upgrade Grant Program. Further, this bill adds gender identity as a priority qualifier for both grant programs.

3. **Related Legislation.** AB 742 (Elhawary of 2025) would have required each board within DCA to expedite the application of any applicant who is a descendant of an American Slave, effective on the date that a certification process for the descendants of American Slaves is implemented by the Bureau for Descendants of American Slavery. *This bill was vetoed by the Governor.*

AB 2442 (Zbur of 2024) would have required specified healing arts boards under the DCA to expedite the licensure process for applicants who demonstrate that they intend to provide gender-affirming health care or gender-affirming mental health care services. *This bill was vetoed by the Governor.*

AB 2862 (Gipson of 2024) would have required all licensing boards, bureaus, commissions, and programs within the DCA to prioritize African American applicants seeking licensure, especially those who are descended from an enslaved person in the United States, until January 1, 2029. *This bill was held in the Senate Committee on Business, Professions and Economic Development.*

SB 1067 (Smallwood-Cuevas of 2024) would have required healing arts boards to expedite the licensure process for applicants who intend to practice in a medically underserved area. *This bill was vetoed by the Governor.*

AB 883 (Mathis, Chapter 348, Statutes of 2023) requires DCA programs to expedite, and authorizes the program to assist with, the initial licensure process for an applicant who supplies satisfactory evidence they are an active-duty member of a regular component of the Armed Forces of the United States enrolled in the United States Department of Defense SkillBridge program.

AB 657 (Cooper, Chapter 560, Statutes of 2022) requires specified DCA boards to expedite applications from those who demonstrate they intend to provide abortions.

AB 2113 (Low, Chapter 186, Statutes of 2020) requires entities under the DCA to expedite applications from refugees, asylees, and special immigrant visa holders.

SB 1226 (Correa, Chapter 657, Statutes of 2014) requires entities under the DCA to expedite applications from honorable discharged veterans.

AB 1904 (Block, Chapter 399, Statutes of 2012) requires entities under the DCA to expedite applications from military spouses and partners.

4. **Arguments in Support.** Equality California (Co-Sponsor) the Los Angeles LGBTQ Chamber of Commerce write, “At a time when transgender people are facing unprecedented attacks across the country, AB 1775 ensures that transgender veterans who have served our country honorably are not abandoned and reaffirms California’s commitment to fairness and opportunity for all who serve.”

Out in National Security (Co-Sponsor) writes, “California’s economy and public sector also benefit directly when veterans are able to fully participate in the workforce...Removing administrative barriers that limit access to benefits and housing stability helps ensure that these highly trained individuals can continue contributing their skills in civilian roles that strengthen both the state’s economy and public safety.”

The Transgender Military Hub (Co-Sponsor) writes, “Despite California’s strong commitment to supporting veterans, gaps in state law leave these individuals without key protections. Current statutes...limit expedited professional licensing to those with honorable discharges. Without state action, these gaps increase the risk of unemployment, housing instability, and homelessness. As such, AB 1775 seeks to mitigate these shortcomings by updating existing statute to ensure...expedited state professional licensing eligibility includes those discharged solely as a result of Executive Order 14183, allowing them to transition into civilian employment without unnecessary delay.”

The California Board of Pharmacy writes, “AB 1775 complements existing licensure provisions by closing a gap left by federal policy and ensuring that all eligible former service members can obtain professional licenses in a timely manner. This promotes workforce stability and strengthens access to essential healthcare services across the state.”

The California Commission on the Status of Women & Girls writes, “With the separation process associated with Executive Order No. 14183 having been rapid and abrupt, transgender members have been left with unclear guidance about completing “voluntary” separation paperwork, sudden cuts to their pay and benefits, and faced with sudden uncertain circumstances. This has prohibited transgender members from having sufficient time and resources to quickly secure housing and plan their next steps in light of the order. AB 1775 seeks to fill these gaps that have left many transgender veterans vulnerable by ensuring they are given the same access to crucial support and resources.”

The California Association of Veteran Service Agencies writes, “AB 1775 helps ensure that veterans are not left behind due to discriminatory and rushed federal policies. It strengthens California’s support systems, reduces the risk of homelessness and unemployment, and upholds the state’s commitment to fairness and opportunity for all who serve.”

CFT — A Union of Educators & Classified Professionals, AFT, AFL-CIO writes, “...expedited professional licensing is limited to those with honorable discharges,

excluding veterans receiving other types of discharges because of Executive Order 14183. Consequentially, affected veterans are prevented from quickly entering the civilian workforce, increasing the risk of unemployment and housing instability. As such, state action is necessary to prevent avoidable homelessness, unemployment, and long-term instability among veterans discharged under rushed or discriminatory federal policies.”

The Modern Military Association of America writes, “AB 1775 ensures that veterans who have served our country are not abandoned due to discriminatory and rushed federal policies. It strengthens California’s safety net, prevents avoidable homelessness and unemployment, and upholds our state’s commitment to fairness and opportunity for all who serve.”

Planned Parenthood Affiliates of California write, “AB 1775 closes gaps in existing law that can increase the risk of unemployment, housing instability, and homelessness for discharged service members. This bill will help to ensure that veterans who have served our country are not abandoned due to new, discriminatory federal policies. Strengthening California’s safety net upholds our state’s commitment to fairness and opportunity for all who serve.”

SUPPORT AND OPPOSITION:

Support:

Equality California (Co-Sponsor)
Out in National Security (Co-Sponsor)
Transgender Military Hub (Co-Sponsor)
California Commission on the Status of Women and Girls
California Association of Veteran Service Agencies
California Legislative LGBTQ Caucus
California State Board of Pharmacy
CFT – A Union of Educators & Classified Professionals, AFT, AFL-CIO
Los Angeles LGBTQ Chamber of Commerce
Modern Military Association of America
Planned Parenthood Affiliates of California

Opposition:

None received

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