
THIRD READING

Bill No: AB 1775
Author: Ward (D), et al.
Amended: 8/13/26 in Senate
Vote: 21

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 8-1, 6/15/26
AYES: Wahab, Archuleta, Arreguín, Caballero, Grayson, Menjivar, Smallwood-Cuevas, Umberg
NOES: Strickland
NO VOTE RECORDED: Choi, Niello

SENATE MILITARY & VETERANS COMMITTEE: 4-0, 6/22/26
AYES: Archuleta, McNerney, Menjivar, Umberg
NO VOTE RECORDED: Grove

SENATE APPROPRIATIONS COMMITTEE: 5-0, 8/13/26
AYES: Cervantes, Cabaldon, Grayson, Richardson, Wahab
NO VOTE RECORDED: Seyarto, Dahle

ASSEMBLY FLOOR: 64-1, 5/26/26 - See last page for vote

SUBJECT: Veterans

SOURCE: Equality California, Minority Veterans of America, Out in National Security, SPARTA Pride, and Transgender Military Hub

DIGEST: This bill requires licensing entities within the Department of Consumer Affairs (DCA) to expedite, and authorizes to assist with, initial licensure for an applicant who has served as an active-duty member of the U.S. Armed Forces and received a discharge solely as a result of federal action to restrict transgender participation in the military. This bill's implementation is delayed to June 1, 2027, for the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board. This bill requires DCA to annually report the number of applications received for expedited licenses resulting from this bill. This bill requires the

Department of Veterans Affairs (CalVet) to revise its Military Discharge Upgrade Grant Program prioritization criteria, as specified, and establish a Veteran's Housing and Supportive Services Grant Program.

ANALYSIS:

Existing Law:

- 1) Establishes the DCA within the Business, Consumer Services, and Housing Agency. (Business and Professions Code (BPC) § 100)
- 2) Lists the boards, bureaus, commission, and program that comprise the Department. (BPC § 101)
- 3) Requires a DCA board to inquire in every license application if the individual applying for licensure is serving in, or has previously served in, the military and if the board's governing law authorizes veterans to apply military experience and training towards licensure requirements, to post information on the board's website about the ability of veteran applicants to apply military experience and training towards licensure requirements. (BPC § 114.5)
- 4) Requires a board within the 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 honorably discharged. (BPC § 115.4)
- 5) 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 U.S. Armed Forces, as specified. (BPC § 115.5)
- 6) 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. (BPC § 115.8(b))
- 7) Establishes the Department of Veterans Affairs (CalVet). (Military and Veterans Code (MVC) § 60)
- 8) 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))

- 9) 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 boards 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 U.S. Armed Forces and was discharged solely as a result of Executive Order (EO) No. 14183, issued on January 27, 2025.
- 2) Delays implementation of 1) for the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board to June 1, 2027.
- 3) Requires DCA to report the number of applications for expedited licenses from military applicants and military spouses who received a discharge solely as a result of EO No. 14183 in its annual report to the Legislature.
- 4) Requires CalVet to educate veterans about discharge upgrades and assist qualifying veterans in filing discharge upgrade applications at no cost.
- 5) Requires CalVet to prioritize veteran recipients of services, regardless of discharge status, provided under the Veteran's Military Discharge Upgrade Grant Program who demonstrate their less than honorable characterization of service was connected to a behavioral health condition, traumatic brain injury, sexual assault or harassment, sexual orientation, or gender identity.
- 6) Requires CalVet to establish the Veteran's Housing and Supportive Services Grant Program and to prioritize veteran recipients of services, regardless of discharge status, provided under that program who are able to demonstrate their less than honorable characterization of service was connected to a behavioral 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.

Background

In January 2025, EO 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, a Secretary of Defense 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.” Further, “On conclusion of the self-identification eligibility window, the Military Departments will initiate involuntary separation processes.”

This bill grants 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.

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 provides access to these specialized services at any DCA program that offers them to former members of the military impacted by EO No. 14183.

The number of service members affected by the EO 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. However, all three programs have existing infrastructure to process applications from the military.

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 establishes 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.

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

This bill has unknown costs for each licensing entity within DCA to validate an applicant's eligibility for expedited licensure under this bill. These costs will depend on the number of people impacted by EO 14183; however, DCA anticipates they will be minor and absorbable (various special funds). The bill will result in one-time cost of approximately \$197,000 for the Office of Information Services (OIS) within DCA for associated workload to update language for online and paper applications for all programs. OIS anticipates these costs will be absorbable by redirecting existing maintenance resources. The bill will also result in unknown ongoing General Fund cost pressures, likely in the low millions of dollars, to continue funding the grant program. Staff notes that the Budget Act of 2026 provides \$2 million in one-time funding. This allocation supports the Veterans Military Discharge Upgrade Grant Program for veterans filing discharge upgrade applications, and for no cost legal services for veterans who are able to demonstrate their less than honorable characterization of service was connected to gender identity, behavioral health condition, traumatic brain injury, sexual assault, sexual harassment, or sexual orientation. The bill will also result in unknown costs to the California Department of Veterans Affairs (CalVet) to develop the new grant program's criteria, procedures, and accountability measures, and to oversee grant administration. The Budget Act of 2026 specifies that up to five percent of the funds provided for veteran employment, housing, and discharge upgrade support may be used for administrative costs.

SUPPORT: (Verified 8/14/26)

Equality California (co-source)

Minority Veterans of America (co-source)
Out in National Security (co-source)
SPARTA Pride (co-source)
Transgender Military Hub (co-source)
Board of Registered Nursing
California Commission on the Status of Women and Girls
California Association of Veteran Service Agencies
California Association of Veterans Service Agencies
California Legislative LGBTQ Caucus
California-Hawaii State Conference of the NAACP
CFT – A Union of Educators & Classified Professionals, AFT, AFL-CIO
Disability Rights California
Los Angeles LGBTQ Chamber of Commerce
Modern Military Association of America
Planned Parenthood Affiliates of California
Stonewall Democrats of Greater Sacramento

OPPOSITION: (Verified 8/14/26)

None received

ASSEMBLY FLOOR: 64-1, 5/26/26

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

NOES: DeMaio

NO VOTE RECORDED: Castillo, Dixon, Ellis, Gallagher, Hadwick, Hoover, Johnson, Lackey, Macedo, Muratsuchi, Patterson, Celeste Rodriguez, Sanchez, Ta, Tangipa

Prepared by: Yeaphana La Marr / B., P. & E.D. /
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