

Date of Hearing: May 13, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1929 (Ortega) – As Amended April 16, 2026

Policy Committee: Health

Vote: 12 - 3

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

SUMMARY:

This bill requires a health plan or health insurer (collectively, health plan) to annually disclose its material investment holdings to the Department of Managed Health Care (DMHC) or Department of Insurance (CDI), as applicable, and requires DMHC and CDI to make those disclosures available on their websites.

Specifically, this bill:

- 1) Requires a health plan to provide to DMHC or CDI, as applicable, an initial disclosure of its material investment holdings covering the five calendar years prior to January 1, 2027.
- 2) Requires, following the initial disclosure, each health plan to update its disclosure annually to include material investment holdings for the preceding calendar year.
- 3) Requires annual disclosures to be submitted to DMHC on or before July 1 of each year, unless otherwise specified by regulation, beginning on July 1, 2027.
- 4) Requires DMHC and CDI to prominently and publicly display the disclosures required by this bill on their websites.
- 5) Defines, for the purposes of this bill, “material investment holding” to mean a direct or indirect ownership interest, financial stake, or beneficial interest in an entity, fund, asset, or investment vehicle that, individually or in the aggregate, is of such significance that a reasonable person would consider it important in evaluating the financial position, priorities, or potential conflicts of interest of the reporting health plan.
- 6) Requires DMHC and CDI to assess civil penalties against a health plan that fails to comply with the disclosure requirements within 30 days of the reporting deadline.
- 7) Requires the civil penalty to be \$1,000 for each day the health plan remains out of compliance following the 30-day grace period and requires the health plan to prominently post a notice on its website stating the health plan is not in compliance, as specified.
- 8) Requires DMHC, CDI, and Covered California to prominently post the plan’s noncompliance status on their websites until compliance is achieved.

FISCAL EFFECT:

- 1) CDI estimates costs of \$4,000 in fiscal year (FY) 2026-27, \$16,000 in FY 2027-28, and \$9,000 in FY 2028-29 and ongoing (Insurance Fund).
- 2) Minor and absorbable costs to DMHC.
- 3) Minor and absorbable costs to Covered California.

COMMENTS:

Purpose. This bill is sponsored by United Nurses Association of California, AFSCME, and Central American Resource Center. According to the author:

Detention centers are run by for-profit companies that profit from cutting corners everywhere they can. These for-profit detention centers are rife with human rights abuses and unsanitary conditions; from detaining pregnant women, children as young as two months old, and people with disabilities—to depriving detainees of healthcare and sleep and providing rotten food and contaminated drinking water. The death toll in these facilities keeps rising, tripling from 11 people in 2024 to 33 in 2025. The public deserves to know where their healthcare dollars are being spent and if they are being used to subsidize these for-profit centers of human suffering. [This bill] is a sunshine law, requiring...health plan investments to be made public so Californians know where their state healthcare subsidies and patient premiums are being invested.

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