SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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THIRD READING

Bill No: AJR 3

Author: Schiavo (D), et al. Amended: 8/19/25 in Senate

Vote: 21

SENATE HUMAN SERVICES COMMITTEE: 5-0, 6/16/25

AYES: Arreguín, Ochoa Bogh, Becker, Limón, Wahab

ASSEMBLY FLOOR: 64-2, 5/19/25 - See last page for vote

SUBJECT: Public social services: Social Security, Medicare, and Medicaid

SOURCE: California Alliance for Retired Americans

California State Council of Service Employees International Union

DIGEST: This resolution urges the President and Congress of the United States not to cut Social Security, Medicare, or Medicaid benefits.

Senate floor amendments of 8/19/25 add up-to-date information related to social security, Medicare, and Medicaid that was not available at the time of the committee hearing.

ANALYSIS:

Existing Federal Law:

- 1) Establishes the Social Security Act, a system of monthly federal benefits for older people. (42 United States Code (USC) 7 et seq.)
- 2) Establishes Medicare as a federal health insurance program for older people, people with disabilities and for people needing dialysis or kidney transplants for the treatment of end-stage renal disease. (42 USC 1395 et seq.)
- 3) Establishes the Medicaid program to provide health insurance to qualified, low-income individuals and families. (42 USC 1396 et seq.)

Existing State Law:

- 1) Establishes the In- Home Supportive Services program to provide supportive services to individuals who are aged, blind, or living with disabilities, and who are unable to perform the services themselves or remain safely in their homes without receiving these services. (Welfare and Institutions (WIC) 12300 et seq.)
- 2) Establishes the Medi-Cal Act to implement the requirements of the federal Medicaid program and meet the needs of low income individuals and families for health care and related remedial or preventive services. (WIC 14000 et seq.)

This Resolution:

- 1) States that Social Security, Medicare and Medicaid are foundational to the income and health security of many Americans.
- 2) Makes declarations about the importance of Social Security income to older Californians and their children and that polices in H.R. 1 would cause the Social Security Trust Fund to be depleted two years sooner than currently projected.
- 3) States that the Department of Governmental Efficiency instigated staffing cuts that will increase service ratios at the Social Security Administration from 480 beneficiaries for every staff member to 1480 beneficiaries for every staff member.
- 4) States that eliminating the cap on income subject to Social Security contributions and requiring the wealthy to pay their fair share would ensure the Social Security Trust Fund will have sufficient resources to meet its obligations for the foreseeable future.
- 5) Makes declarations about the importance of Medicare to seniors and people with disabilities.
- 6) States that H.R. 1 will result in increased health care insecurity and costs for seniors and disabled beneficiaries.
- 7) Makes declarations about the importance of Medicaid to low-income Americans and the benefits of the expansion of Medicaid through the federal Patient Protection and Affordable Care Act.
- 8) States that H.R. 1 will cause people who rely on In-Home Supportive Services for help staying healthy at home to be forced into costly institutions.

- 9) States that the California Health and Human Services Agency has determined that the Medicaid work requirement policies in H.R. 1 may result in 3 million MediCal members losing coverage in 2027 and 400,000 may lose coverage due to new eligibility requirements.
- 10) Resolves that the Legislature calls on California Representatives in Congress to support legislation to repeal all of the provisions of HR 1 that adversely affect the Social Security, Medicaid, and Medicare programs and support legislation that strengthens them.
- 11) Calls on President of the United States to honor his campaign promise not to cut these programs and not to defund them, support legislation to repeal provisions of H.R. 1 that weaken these programs, immediately restore staffing levels and rescind his executive order to halt Social Security payments by paper checks.

Comments

According to the author. "While the California Legislature cannot change federal policy, this resolution sends a strong message that we are committed to protecting Social Security, Medicaid and Medicare for our most vulnerable: seniors, children, and people with disabilities. Any cuts to these programs will only create irreparable harm for Californians, but especially those with low and middle incomes and our disabled community whose quality of life, and in some cases their very lives, depends on the vitality of these programs. The administration made a promise to the American people about these programs, and this resolution would urge them to honor it."

Social Security. Social Security was created in 1935 under President Franklin D. Roosevelt in response to the economic uncertainty created by the Great Depression. The program was created to balance the need for people to be economically secure without creating a new welfare assistance program. To qualify to receive monthly social security payments a person needs to pay payroll taxes for 10 years with the understanding they are investing in the program and will receive income when they need it in old age. The program also operates as a life insurance policy because children of deceased workers can receive Social Security Disability Insurance. Though the benefits are not large—the average Social Security benefit in February 2024 was about \$1,862 per month—it keeps many older adults out of poverty. It is also especially impactful for communities of color. According to the

¹ https://www.ssa.gov/history/briefhistory3.html

² https://www.cbpp.org/research/social-security/top-ten-facts-about-social-security

Center for Budget and Policy Priorities, "Black and Latino workers are less likely to be offered workplace retirement plans and more likely to work in low-paid jobs with little margin for savings. Social Security helps reduce these inequities between older white adults and older adults of color." California has the most social security beneficiaries of any state, about 6.3 million people. This resolution calls on Congress to prevent any cuts to Social Security or attempts at privatization.

Medicare and Medicaid. Medicare and Medicaid were created in 1965 under President Lyndon B. Johnson. The law was an amendment to the Social Security Act of 1935 and was initially under the Social Security Administration but is now overseen by the Department of Health and Human Services and administered by the Center for Medicare and Medicaid.

Medicare is health insurance for people age 65 and older regardless of their income or health and people under 65 who have certain disabilities. It is an entitlement program and its health plans cover most of the services that traditional private plans cover. To enroll, older beneficiaries just need to show they or their spouse are eligible for social security and have paid payroll taxes for 10 years. According to the Department of Health Care Services, approximately 6.6 million Californians are covered by Medicare and 90 percent of them are 65 or older.

Medicaid was created to provide low-income individuals and families with health insurance and long-term services like In-Home Supportive Services. Seniors with low incomes can also receive health coverage through Medicaid for what is not covered by Medicare. According to the Kaiser Family Foundation, in 2016, half of the Medicare enrollees made less than \$26,000.⁴ The program is jointly administered by federal and state governments with the federal government providing oversight funding and states administering the program, as well as providing additional funding. States have flexibility in the way they administer Medicaid and can apply for waivers that give them the additional flexibility to operate in ways not traditionally allowed through regulation.

In California, Medi-Cal, the state's Medicaid program, has 14.7 million people enrolled as of March 2025, according to the Department of Health Care Services. There have been a number of changes to the program recently which expanded eligibility and enrollment. According to the Legislative Analyst's Office, these expansions include making "low-income undocumented immigrants eligible for

³ ibid

⁴ https://www.kff.org/medicare/issue-brief/an-overview-of-medicare

comprehensive coverage... eliminating asset limit eligibility rules for seniors and persons with disabilities, reducing enrollee cost-sharing requirements, and restoring certain services cut during the Great Recession."⁵ This resolution calls on Congress and the President to abstain from proposed funding cuts to Medicare and Medicaid, and any changes to the program that would effectively act as funding cuts.

Related/Prior Legislation:

AJR 11 (Davies, 2024) proposed cuts and measures to privatize social security and Medicare and calls on our state's Representatives in Congress to vote against cuts and measures to privatize and to support legislation to improve and expand these systems to strengthen their protections. This joint resolution was held on the Assembly Floor.

SJR 11 (Skinner, Chapter 157, Statutes of 2022) affirms the Legislature's support for expanding Social Security and requests California representatives in Congress to support expanding Social Security by voting in favor of the Social Security 2100 Act: A Sacred Trust.

SJR 5 (Wilk, Chapter 181, Statutes of 2022) urges the United States Congress to amend the United States Social Security Administration's index of earnings to ensure that a decline in aggregate wages due to COVID-19 does not result in decreased benefits.

AJR 9 (Cooper, Chapter 78, Statutes of 2021) requests the Congress of the United States to enact, and the President to sign, legislation that would repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act.

AJR 8 (Kalra, Chapter 96, Statutes of 2017) calls on California's representatives in Congress to vote against cuts to, and proposals to privatize, Social Security, Medicare, and Medicaid, and calls on the President of the United States to veto any legislation to cut or privatize these programs.

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

SUPPORT: (Verified 8/18/25)

California Alliance for Retired Americans (Source)
California State Council of Service Employees International Union (Source)

⁵ LAO. The 2025-26 Budget: Medi-Cal in the May Revision. May 19, 2025.

American Cancer Society Cancer Action Network INC.

American Federation of State, County and Municipal Employees, Afl-cio

Association of Regional Center Agencies

California Association of Food Banks

California Nurses Association

California Public Employees' Retirement System

California State Retirees

California Teachers Association

Californians for Ssi

Children Now

County Welfare Directors Association of California

Health Access California

Health Care for All - California

Leadingage California

Movement to End Privatization of Medicare

National Multiple Sclerosis Society

Peace and Freedom Party of California

Western Center on Law & Poverty, INC.

OPPOSITION: (Verified 8/18/25)

None received

ASSEMBLY FLOOR: 64-2, 5/19/25

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

NOES: DeMaio, Gallagher

NO VOTE RECORDED: Castillo, Chen, Dixon, Ellis, Flora, Jeff Gonzalez, Lackey, Macedo, Papan, Patterson, Sanchez, Ta, Tangipa

Prepared by: Naima Ford Antal / HUMAN S. / (916) 651-1524 8/20/25 23:35:50