SENATE THIRD READING
SB 526 (Pérez)
As Amended June 11, 2026
Majority vote

SUMMARY

Authorizes a clinic that meets the conditions for licensure as an affiliate clinic, and is in good standing, to use streamlined processes to change location or ownership.

COMMENTS

Affiliate Clinic Licensure. SB 442 (Ducheny), Chapter 502, Statutes of 2010, required Department of Public Health (DPH) to develop a clinic "affiliate" expedited licensure process to consolidate paperwork and ensure a seamless transition of operations. SB 442 streamlined provisions related to clinic affiliate licensure. Under SB 442, a clinic that has held a license for five years with no history of repeated or uncorrected violations can apply for an "affiliate clinic" license to establish a clinic at an additional site. An affiliate license application does not require an initial onsite survey, and is a more simplified and streamlined process than applying for a new stand-alone license. Additionally, clinics operating under a single corporation utilizing the affiliate licensing option are entitled to consolidate certain administrative functions such as billing and related financial functions, purchasing functions, and offsite storage and maintenance of certain patient and personnel records. Finally, clinics licensed as affiliate clinics under the SB 442 process are also afforded an expedited process for a change of location (CHOL) or change of ownership (CHOW).

This bill clarifies in existing law that a health center that meets the requirements for the existing DPH affiliate licensing process may utilize the expedited licensing process for affiliated clinics, regardless of when and how health center was initially licensed.

Planned Parenthood Pasadena and San Gabriel Valley (PPPSGV) and the CHOL Process. As noted by the author below, the PPPSGV health center that is moving to a new facility will address growing service demands, while also accounting for continued impacts from the Eaton Fire. The current 60-year-old PPPSGV health center has reached its limit: while initially receiving 3,000 patient visits per year, it now receives 18,000. This site, one of five operated by PPPSGV, provides one-third of PPPSGV's annual patient visits. The 2025 Eaton Fire, which rendered the administrative office uninhabitable and forced their 100+ administrative employees to use temporary workspaces, has further hampered operations. If this clinic was able to utilize the expedited CHOL process, it would more expeditiously be able to offer improved and expanded health care in a newer facility and save the affiliate the time and costs associated with the delay.

While PPPSGV can apply for an affiliate license as a new location, the administrative and fiscal challenges associated with licensing a new health center are significant compared to simply using the CHOL process that is afforded to clinics licensed as affiliate clinics under the current, streamlined process. This bill would allow PPPSGV and other health centers in good standing, who otherwise meet the conditions for affiliate clinics licensure under the current process, to also use the expedited CHOL process.

According to the Author
Licensing an affiliate community health center is a complicated and time-consuming process, even for health centers with good history and in response, SB 442 expedited licensure process to consolidate paperwork and ensure a seamless transition of operations. The author states that this expedited licensing process has been critical to expanding health care capacity and access. In addition, if a health center was initially licensed using the expedited affiliate process, then that health center may also take advantage of an affiliate CHOL process, which requires significantly less paperwork and is approved more quickly by DPH. However, currently, the ability to take advantage of an affiliate CHOL is tied to how the original health center license was secured.

The author explains this problem is affecting Planned Parenthood Pasadena and San Gabriel Valley (PPPSGV) as it looks to move its current Pasadena health center to a new flagship health center location in Pasadena that will also serve as its headquarters. Establishing a new PPPSGV flagship health center will address growing service demands, while also accounting for continued impacts from the Eaton Fire. The author concludes that this bill will streamline the clinic's planned change in location even though PPPSGV was not licensed under the newer affiliate licensing process.

Arguments in Support
Planned Parenthood Affiliates of California (PPAC) is a cosponsor of this bill and states that although PPPSGV meets every requirement for its new flagship health center to qualify for the fast-tracked affiliate CHOL pathway, it cannot pursue this licensing process because the original health center is so old that it was not initially licensed using the faster affiliate licensing process. A traditional CHOL application takes significantly longer to be approved and requires much more paperwork. Each week that the PPPSGV health center cannot move results in additional costs to PPPSGV. PPAC argues that this bill simply clarifies that a community health center that meets the definition of an affiliate for the purposes of the existing DPH affiliate licensing process may utilize this expedited licensing process to change location or management, regardless of how or when the health center was initially licensed. This change would allow PPPSGV – and any other affiliate health centers in the same situation – to be "grandfathered" into the expedited affiliate licensing process to better serve their patients and community with trusted, quality health care.

CPCA Advocates are a cosponsor of this bill and state that community health centers and clinics provide high-quality, comprehensive care to 7.8 million people in California each year. These health centers and clinics provide care to nearly a third of the Medi-Cal population. CPCA argues that at a time when California faces persistent provider shortages and increasing demand for healthcare services, policymakers should remove unnecessary barriers that slow the delivery of care. CPCA concludes that this bill advances that goal by enabling community health centers and other licensed clinic providers to expand services more quickly and efficiently, ensuring patients receive timely access to the care they need.

Arguments in Opposition
None to current version of the bill.

FISCAL COMMENTS

According to the Assembly Appropriations Committee, DPH estimates costs of approximately $320,000 per year in fiscal years 2027-28 and 2028-29 to cover two full-time staff positions to process an estimated 50 additional CHOL applications, five additional change of ownership

applications, and 50 new parent clinic notices, and to update facility licenses (Licensing & Certification Fund).

VOTES

SENATE FLOOR: 26-10-4
YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cortese, Gonzalez, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener
NO: Alvarado-Gil, Cervantes, Choi, Dahle, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares
ABS, ABST OR NV: Durazo, Grayson, Grove, Reyes

ASM HEALTH: 12-2-2
YES: Bonta, Addis, Aguiar-Curry, Ahrens, Caloza, Carrillo, Mark González, Patel, Celeste Rodriguez, Schiavo, Sharp-Collins, Stefani
NO: Sanchez, Patterson
ABS, ABST OR NV: Jeff Gonzalez, Johnson

ASM APPROPRIATIONS: 11-2-2
YES: Wicks, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache
NO: Dixon, Ta
ABS, ABST OR NV: Hoover, Tangipa

UPDATED

VERSION: June 11, 2026

CONSULTANT: Lara Flynn / HEALTH / (916) 319-2097 FN: 0003595