

**Public Employees' Retirement System
Board of Administration
2025-2026 Legislative Session
State and Federal Update
Status as of October 23, 2025**

Sponsored Bills

SB 853 (Committee on Labor, Public Employment and Retirement) Chaptered: 10/1/2025

CalPERS Position: Co-Sponsor

2025 Retirement Omnibus Bill. Among other things, will clarify that several compensation-related provisions in the Public Employees' Retirement Law apply to both classic members and members subject to the Public Employees' Pension Reform Act of 2013.

Location: Chaptered by Secretary of State, Chapter 239, Statutes of 2025

Chaptered State Bills

AB 138 (Committee on Budget) Chaptered: 7/29/2025

CalPERS Position: N/A

State Employees: Memorandum of Understanding (MOU): Bargaining Units (BU) 1, 2, 3, 4, 5, 7, 8, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, and 21. Will ratify the MOUs or addenda to MOUs between the State and BUs 1, 2, 3, 4, 5, 7, 8, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, and 21. As it relates to CalPERS, effective July 1, 2025 through June 30, 2027, will suspend employee and employer contributions going into the California Employers' Retiree Benefit Trust for prefunding other postemployment benefits.

Location: Chaptered by Secretary of State, Chapter 78, Statutes of 2025

AJR 3 (Schiavo) Chaptered: 9/5/2025

CalPERS Position: Support

Opposition to Cuts to and the Privatization of Social Security, Medicare, and Medicaid. Will call on California's Congressional Representatives to support legislation to repeal all the provisions of the One Big Beautiful Bill Act (H.R. 1) that adversely affect Social Security, Medicare, and Medicaid programs, to oppose legislation to cut or privatize them, and to support legislation to protect and improve them. Will call on the President to support legislation to repeal the provisions of H.R. 1 and to not defund these programs by immediately restoring program staffing levels and, among other things, rescind his executive order that halts Social Security by paper checks, by disavowing efforts to privatize Social Security, and working with Congress to protect and improve these programs.

Location: Chaptered by Secretary of State, Chapter 168, Statutes of 2025

SB 41 (Wiener) Chaptered: 10/11/2025

CalPERS Position: N/A

Pharmacy Benefit Managers. On or after January 1, 2026, any contract that is executed, amended, or renewed between a pharmacy benefit manager (PBM) and a health care service plan shall not authorize spread pricing, nor calculate an enrollee's cost share at a higher amount than what rate the health plan pays. Will expand on the recently enacted health budget trailer bill (Ch. 21, Statutes of 2025) on the licensing of PBM's by including additional health plan and health insurer PBM reporting requirements and will specify that all information submitted to the Department of Managed Health Care and Department of Insurance in the annual report shall be deemed confidential and are exempt to the Public Records Act. Will prohibit a PBM from imposing any requirements, conditions, or exclusions that discriminate against or prevent an enrollee from utilizing a nonaffiliated pharmacy and its services, as specified, nor shall it derive any income from services provided to a payer other than those derived from fees for services provided. Will prohibit a PBM from utilizing a contract exclusivity clause with a drug manufacturer. Will state that services provided by a PBM acting on behalf of a self-insured plan are subject to this provision and will expressly specify that the PBM has a fiduciary duty to a self-insured employer plan.

Location: Chaptered by Secretary of State, Chapter 605, Statutes of 2025

SB 139 (Committee on Budget and Fiscal Review) Chaptered: 6/30/2025

CalPERS Position: N/A

State Employees: Memorandum of Understanding (MOU): Bargaining Units (BU) 9 and 12. Will ratify the MOU between the State and BU 9 and the addendum to an MOU between the State and BU 12. As it relates to CalPERS, effective July 1, 2025 through June 30, 2027, will suspend employee and employer contributions going into the California Employers' Retiree Benefit Trust for prefunding other postemployment benefits.

Location: Chaptered by Secretary of State, Chapter 25, Statutes of 2025

SB 140 (Committee on Budget and Fiscal Review) Chaptered: 6/30/2025

CalPERS Position: N/A

State Employees: Memorandum of Understanding (MOU): Bargaining Unit (BU) 6. Will ratify the MOU between the State and BU 6. As it relates to CalPERS, effective July 1, 2025 through June 30, 2027, will suspend the employer contributions going into the California Employers' Retiree Benefit Trust for prefunding other postemployment benefits (OPEB). Specifies that the employees' monthly OPEB contribution of 4% shall continue uninterrupted.

Location: Chaptered by Secretary of State, Chapter 26, Statutes of 2025

SB 306 (Becker) Chaptered: 10/6/2025

CalPERS Position: N/A

Prior Authorization Exemption. Will require the Department of Managed Health Care (DMHC) and the Department of Insurance (CDI) to issue instructions to health care service plans and health insurers respectively, on or before July 1, 2026, to report all covered health care services subject to prior authorization as well as statistics related to prior authorization and approvals. On or before December 31, 2026, will require a health plan or insurer to report, among other things, to DMHC or CDI the covered services subject to prior authorization and the percentage rate they are approved or modified. Will require each department to evaluate the reports and consider services for removing prior authorization based on the most frequent approved services not having exceeded 90% and to be reported on or before July 1, 2027. Will allow the department to consider imposing prior authorization on, among other things, prescription drugs in tier three or four of a health care plan's formulary or a drug or medical device prescribed for a different reason than what the drug or device has been approved for. Will require the cessation of prior authorization to be no later than January 1, 2028. Will specify that health plans or insurers may petition the department to reinstate prior authorization if it is deemed that there has been a result of rising cost of care or decrease in the quality of care for enrollees. These provisions will sunset on January 1, 2034.

Location: Chaptered by Secretary of State, Chapter 408, Statutes of 2025

SB 351 (Cabaldon) Chaptered: 10/6/2025

CalPERS Position: Support

Private Equity in Health Facilities. Will prohibit a private equity group or hedge fund that is involved in any manner with a physician or dental practice doing business in California from interfering with the physician's or dentist's professional judgement in making health care decisions or exercising control over or delegated power to perform specified administrative actions. Will also prohibit these entities from entering into a contract or other agreement or arrangement with a physician or dental practice that would enable the interference with the physician's or dentist's professional judgement in making health care decisions or exercising control over or delegated power to perform specified administrative actions.

Location: Chaptered by Secretary of State, Chapter 409, Statutes of 2025

SB 443 (Rubio) Chaptered: 10/13/2025

CalPERS Position: N/A

Joint Powers Authority. Will allow a public agency that joins a joint powers authority (JPA) after its initial formation to provide individuals who were employed by the public agency prior to joining the JPA and not otherwise considered a new member under the Public Employees' Pension Reform Act of 2013, the same defined benefit plan or formula those employees received when employed by the public agency. Specifically, it will allow individuals employed by the JPA's non-founding member agency and who subsequently becomes employed by the JPA within 180 days of the agency becoming a member of the JPA, to retain their defined benefit plan or formula. Will require the JPA to obtain approval from the retirement system prior to adding a new employer to the JPA and the enrollment of its employees into membership. Separately, it also will allow the Pajaro Regional Flood Management Agency, on or after January 1, 2026, to provide a classic defined benefit plan or formula of one of its member agencies to any public agency employee who is not a new member and is subsequently employed by the JPA within 180 days of the effective date of the retirement plan contract amendment.

Location: Chaptered by Secretary of State, Chapter 756, Statutes of 2025

Inactive / Two-Year State Bills

AB 280 (Aguiar-Curry) Amended: 7/15/2025

CalPERS Position: Support

Provider Directories. Requires a health care service plan or health insurer to verify provider directory accuracy on an annual basis and ensure that the provider directory is 60% accurate by July 1, 2026, with an increasing percentage of accuracy to be met, as specified, until the directories are 95% accurate on or before July 1, 2029. Failure to meet the accuracy benchmark in a given year will subject a plan or insurer to administrative penalties. Requires a plan or insurer to provide coverage for covered health care services provided to an enrollee or insured who reasonably relied on inaccurate, incomplete, or misleading information in a plan or policy's provider directory and to reimburse the provider the out-of-network amount for those services. Prohibits a provider from collecting an additional amount from the enrollee or insured other than the in-network cost sharing. Allows the Department of Managed Health Care and the California Department of Insurance to require a plan or insurer to use a designated central utility or central utilities. Also allows a plan or insurer to require providers to update their provider information through the central utility or central utilities. If a provider that fails to respond to a plan or insurers' annual notification to update the provider directory within five calendar days, the plan or insurer may post a notice, as specified, in the provider listing before removing the provider from the directory.

Location: Senate Two-Year

AB 298 (Bonta) Amended: 3/4/2025

CalPERS Position: N/A

Health Care Cost-Sharing Prohibition. On or after January 1, 2026, any health care service plan contract or health insurance policy that is issued, amended, or renewed shall not impose a deductible, coinsurance, copayment, or other cost-sharing requirements for in-network health care services provided to an enrollee or insured under 21 years of age. For the purposes of this bill, "in-network health care services" means all of the following: (1) covered services provided by a contracting provider; (2) covered services from a contracting health facility at which, or as a result of which, the enrollee or insured receives services provided by a noncontracting provider; (3) covered emergency services; or (4) covered services provided to an enrollee or insured by a noncontracting provider when a contracting provider is not available to provide access to service.

Location: Assembly Two-Year

AB 575 (Arambula) Amended: 3/12/2025

CalPERS Position: N/A

Obesity Prevention Treatment Parity Act. Requires an individual or group health care service plan contract or insurance policy that is issued, amended, or renewed on or after January 1, 2026, and that provides coverage for outpatient prescription drug benefits, to include coverage for at least one Food and Drug Administration (FDA) approved GLP-1RA, and intensive behavioral therapy for the prevention or treatment of obesity without prior authorization.

Location: Assembly Two-Year

AB 1054 (Gipson) Amended: 3/24/2025

CalPERS Position: N/A

Deferred Retirement Option Program - Bargaining Units 5 and 8. Requires the Department of Human Resources to work with CalPERS to develop the Deferred Retirement Option Program for State Bargaining Units 5 and 8, as specified. Requires the program to result in a cost savings or to be cost neutral.

Location: Assembly Two-Year

AB 1247 (Garcia) Introduced: 2/21/2025

CalPERS Position: N/A

Contracted Employment for Classified School Employee Duties. Among other things, the intent of the bill requires a school employer who hires a contracted worker to perform a classified school employee job function to guarantee the contract includes contributions to CalPERS at the equivalent amount that would have been contributed by the school employer if the contracted worker was a direct hire eligible for CalPERS retirement and health benefits.

Location: Assembly Two-Year

AB 1383 (McKinnor) Amended: 4/11/2025

CalPERS Position: N/A

Amendments to the Public Employees' Pension Reform Act of 2013. This bill includes several prospective changes to the Public Employees' Pension Reform Act of 2013 (PEPRA) as follows: (1) for service earned on or after January 1, 2026, adjusts the pensionable compensation limit for all members subject to PEPRA to the annual dollar limitation established by the Internal Revenue Code (IRC) 415(b)(1)(A) and adjusted annually for inflation, (2) allows an employer and its employees to agree to terms in a memorandum of understanding (MOU) where an employer pays a portion of the employee contribution, (3) changes the existing three PEPRA safety formulas from 2% @ 57, 2.5% @ 57 and 2.7% @ 57 to 2% @ 55, 2.5% @ 55 and 2.7% @ 55 respectively, for existing and new PEPRA members beginning January 1, 2026, (4) creates a fourth PEPRA safety formula at 3% @ 55 with a 90% cap, and (5) allows an employer and its employees to agree to term in an MOU to move members to a higher safety formula.

Location: Assembly Two Year

AB 1439 (Garcia) Amended: 3/24/2025

CalPERS Position: N/A

Labor Standards Protections Mandate on California Development Projects. Prohibits a board of a public pension or retirement system from making additional or new investments in development projects in California or to provide financing for those projects unless those projects include labor standards protections, as specified.

Location: Assembly Two-Year

ACA 2 (Jackson) Introduced: 12/2/2024

CalPERS Position: N/A

Legislative Diversification Act. Repeals Section 4.5 of Article IV of the State Constitution which prohibits Members of the Legislature from accruing any pension or retirement benefits other than Social Security. Establishes a retirement system for Members elected to or serving in the Legislature on or after November 1, 2010, and requires a Member to serve at least ten years in the Legislature to be eligible for benefits under the retirement system. Also allows Members with less than ten years of legislative service to transfer the service credit earned to any other public employees' pension or retirement system in which the Member participates in.

Location: Assembly Print

SB 363 (Wiener) Amended: 7/17/2025

CalPERS Position: N/A

Independent Medical Review: Denial or Modification of Treatment Reporting. Requires a health care service plan or health insurer to report on or before June 1, 2026, and annually thereafter, the number of treatment denials or modifications, as specified, to the Department of Managed Health Care (DMHC) or the Department of Insurance (CDI), respectively. Requires DMHC or CDI to compare the number of treatment denials and modifications to (1) the number of successful independent medical review overturns and (2) the number of denials or modifications reversed after an independent medical review is requested, filed, or applied for. Creates the Managed Care Independent Medical Review Administrative Penalties Subaccount for the receipt and deposit of moneys generated from the administrative penalties assessed by these provisions which may be expended, among other things, to offset the reasonable costs of implementing these provisions.

Location: Assembly Two-Year

SB 538 (Dahle) Introduced: 2/20/2025

CalPERS Position: N/A

Election to Retain Coverage - Substitute Teachers. On or after January 1, 2026, allows a member who is providing services as a substitute teacher to elect to retain coverage under CalPERS as specified.

Location: Senate Two-Year

SB 850 (Ashby) Amended: 5/7/2025

CalPERS Position: N/A

Benefit Forfeiture: Correctional Officers and Prison Staff. Among other things, requires a correctional officer or other prison staff member employed by the Department of Corrections and Rehabilitation and who is either (1) a current member of a public retirement system or (2) who first becomes a member of a public retirement system on or after January 1, 2026 and that is convicted of sexually assaulting an inmate within the state prison system to forfeit all accrued rights and benefits in a public retirement system and prohibits the employee from accruing further benefits in that public retirement system. Specifically, the employee shall forfeit all of the rights and benefits earned or accrued from the date they first became a member of the public retirement system and an employee who becomes a member on or after January 1, 2026 must also forfeit any member contributions. Requires the employer and the employee to notify each public retirement system in which the employee is a member, of the conviction within 90 days of the conviction. Allows the public retirement system to assess a fee on the employer to reimburse the cost of audit, adjustment or correction if the employer failed to comply with these provisions. Requires the public retirement system to, when implementing these provisions, protect an innocent spouse or former spouse and the division of community property. If the conviction is reversed and the decision is final, allows the employee to recover forfeited rights and benefits or redeposit any contributions and interest to recover the full amount of the forfeited rights and benefits.

Location: Senate Two-Year

Federal Bills

H.R. 1 Rep. Arrington, Jodey C. [R-TX-19] Signed by the President: 7/4/2025

CalPERS Position: N/A

FY 2025 Budget Reconciliation. Among other things, raises the statutory debt limit by \$4 trillion, makes expiring tax cuts in the Tax Cuts and Jobs Act of 2017 permanent, and temporarily eliminates the taxation of overtime pay and tips. It also provides a temporary tax deduction for low and middle-income seniors and raises the cap for the deductibility of state and local taxes from federal personal income taxes.

Among other health provisions, it implements several funding cuts to the Medicare, Medicaid and Affordable Care Act Marketplace programs, and requires new work requirements and verification and eligibility determinations for coverage. It delays until 2035 the implementation of agency rules to reduce barriers to enrollment in Medicare and Medicaid; allows for additional exclusions of orphan drugs from the Medicare Drug Negotiation Program; bans Pharmacy Benefit Managers (PBMs) from engaging in “spread pricing” in the Medicaid Program, and imposes limits to provider taxes and state-directed payments in Medicaid.

It also accelerates Inflation Reduction Act tax credit phase outs for wind projects, solar projects, and battery storage projects to 2028 (projects also need to start construction by the end of 2025). It allows natural gas project applicants to pay for expedited permitting. It eliminates the clean vehicle tax rebate. It also postpones the implementation of a fee on oil and gas operation methane leaks.

Action Taken: Sent a letter to the California congressional delegation on 5/15/2025, urging them to protect access to affordable health insurance coverage for individuals and families in California.

Status: 7/4/2025 - Signed by the President (Public Law No: 119-21).

H.R. 550 Rep. Waters, Maxine [D-CA-43] Introduced: 1/16/2025

CalPERS Position: N/A

Wildfire Insurance Coverage Study Act of 2025. Requires the Government Accountability Office to conduct a study regarding insurance coverage for damages from wildfires.

Action Taken: Monitoring

Status: 1/16/2025 - Referred to the House Committee on Financial Services.

Note: S. 2430 (Heinrich D-NM) is companion legislation that was introduced and referred to the Senate Committee on Banking, Housing, and Urban Affairs on 7/24/25. Staff is monitoring this companion legislation.

H.R. 1549 Rep. Williams, Roger [R-TX-25] Introduced: 2/24/2025

CalPERS Position: N/A

China Financial Threat Mitigation Act of 2025. Requires the Treasury Department to report on the exposure of the United States to the financial sector of China. The report must include the effects of significant risks China's financial sector has on U.S. and global financial systems, a description of the policies the U.S. is adopting to protect its financial stability, a description and evaluation of the transparency, completeness, and reliability of Chinese economic data, and recommendations for additional actions to strengthen international cooperation to mitigate risks and protect U.S. interests.

Action Taken: Monitoring

Status: 7/24/2025 - Received in the Senate and Read twice and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

Note: S. 1113 (Warner D-VA) is companion legislation that was introduced and referred to the Senate Committee on Banking, Housing, and Urban Affairs on 3/25/2025. Staff is monitoring this companion legislation.

H.R. 2484 Rep. Harshbarger, Diana [R-TN-1] Introduced: 3/31/2025

CalPERS Position: N/A

Seniors' Access to Critical Medications Act of 2025. Establishes an exception to the physician self-referral prohibition for certain outpatient prescription drugs furnished by a physician practice under Medicare. It continues pre-pandemic era flexibilities that allow specialty physicians and other healthcare providers to deliver oral medications to patients by mail delivery or courier, and allows a designated caregiver or family member to pick up these medications on a patient's behalf.

Action Taken: Monitoring

Status: 4/29/2025 - Passed the House Committee on Energy and Commerce. The bill is also referred to the House Committee on Ways and Means.

H.R. 2988 Rep. Allen, Rick W. [R-GA-12] Introduced: 4/24/2025

CalPERS Position: N/A

Protecting Prudent Investment of Retirement Savings Act. Requires fiduciaries of employer-sponsored retirement plans subject to the Employee Retirement Income Security Act of 1974 (ERISA) to make investment decisions based only on pecuniary factors, with specified exceptions. It requires ERISA plans to act without regard to race, color, religion, sex, or national origin when selecting, monitoring, and retaining fiduciary, counsel, employee, or service provider of the plan. It requires ERISA plans to act solely in accordance with the economic interest of the plan and its participants and beneficiaries when exercising a shareholder right, and clarifies that the exercise of these rights does not require voting every proxy. The bill also requires ERISA plans that offer self-directed brokerage accounts to provide notice to plan participants regarding any of those accounts' nonpecuniary offerings.

Action Taken: Monitoring

Status: 6/25/2025 - Passed the House Committee on Education and Workforce.

H.R. 3357 Rep. Meeks, Gregory W. [D-NY-5] Introduced: 5/13/2025

CalPERS Position: N/A

Enhancing Multi-Class Share Disclosures Act. Requires public companies with a multi-class stock structure to disclose, with respect to directors, executives, and owners with at least five percent voting power, the number of shares they own (as a percent of all shares) and the voting power they hold (as a percent of all voting power).

Action Taken: Monitoring

Status: 7/24/2025 - Received in the Senate and Read twice and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

H.R. 3381 Rep. Wagner, Ann [R-MO-2] Introduced: 5/14/2025

CalPERS Position: N/A

Encouraging Public Offerings Act of 2025. Codifies and expands to all companies an existing Securities and Exchange Commission (SEC) rule that allows emerging growth companies to communicate with potential investors to ascertain interest in a contemplated securities offering, either before or after the filing of a registration statement (aka "test the waters"). It also allows companies to submit a confidential draft registration statement to the SEC for review prior to public filing or within one year after the initial public offering or registration (aka "a follow-on offering").

Action Taken: Monitoring

Status: 6/24/2025 - Received in the Senate and Read twice and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

H.R. 3402 Rep. Loudermilk, Barry [R-GA-11] Introduced: 5/14/2025

CalPERS Position: N/A

Institutional Investment Managers Disclosures. Requires institutional investment managers that contract with proxy advisory firms to file an annual report with the SEC that contains, among other things, an explanation of how the institutional investor voted on each shareholder proposal, how often those votes were consistent with proxy advisory firm recommendations, how the institutional investor took into consideration the proxy advisory firm(s)' recommendations in making voting decisions, and how votes were reconciled with the institutional investor's fiduciary duty. Additionally, institutional investors with at least \$100 billion in assets under management must perform an economic analysis before shareholder proposal vote, in order to determine that the vote is in the best economic interest of the beneficiaries, but only when the vote is inconsistent with the recommendation of the majority of an issuer's board of directors.

Action Taken: Monitoring

Status: 5/14/2025 - Referred to the House Committee on Financial Services.

H.R. 4098 Rep. Fitzgerald, Scott [R-WI-5] Introduced: 6/24/2025

CalPERS Position: N/A

Stopping Proxy Advisor Racketeering Act. Prohibits proxy advisory firms from providing proxy voting advice if the firm possesses an actual or potential conflict of interest that could reasonably be expected to affect the objectivity or reliability of such proxy voting advice, including by, among other things, providing consulting services offered directly or indirectly to an issuer for a fee, modifying a voting recommendation based on whether an issuer subscribes or will subscribe to the services or products of the firm, or providing proxy advice to or being a member of any organization that actively supports a shareholder-sponsored proposal that is the subject of the proxy voting advice.

Action Taken: Monitoring

Status: 6/24/2025 - Referred to the House Committee on Financial Services.

H.R. 5345 Rep. Kustoff, David [R-TN-8] Introduced: 9/15/2025

CalPERS Position: N/A

Improving Social Security's Service to Victims of Identity Theft Act. Establishes a single point of contact at the Social Security Administration (SSA) for individuals whose Social Security numbers have been compromised. The single point of contact will manage the individuals case from start to finish and coordinate with other SSA units to resolve any issues.

Action Taken: Monitoring

Status: 9/17/2025 - Passed the House Committee on Ways and Means.

Note: S. 1666 (Grassley R-IA) is companion legislation that was introduced and referred to the Senate Committee on Finance on 5/7/2025. Staff is monitoring this companion legislation.

H.J.Res. 35 Rep. Pfluger, August [R-TX-11] Signed by the President: 3/14/2025

CalPERS Position: N/A

Congressional Review Act resolution. Rescinds the recent Environmental Protection Agency (EPA) rule, "Waste Emissions Charge for Petroleum and Natural Gas Systems: Procedures for Facilitating Compliance, Including Netting and Exemptions." The rule facilitated compliance with provisions of the Inflation Reduction Act that require the EPA to collect an annual Waste Emissions Charge on methane emissions from oil and natural gas facilities that exceed specific levels of emissions and methane intensity.

Action Taken: Submitted a comment letter in support of the rule in March 2024.

Status: 3/14/2025 - Signed by the President (Public Law No: 119-2).

H.J.Res. 39 Rep. Fitzgerald, Scott [R-WI-5] Introduced: 2/11/2025

CalPERS Position: N/A

Congressional Review Act resolution. Rescinds the recent Federal Trade Commission (FTC) rule, "Premerger Notification; Reporting and Waiting Period Requirements." The rule requires parties to transactions that are reportable under the Hart-Scott-Rodino Antitrust Improvement Act to provide documentary material and information that are necessary and appropriate for federal agencies to assess whether the transaction may violate antitrust laws.

Action Taken: Monitoring

Status: 2/11/2025 - Referred to the House Committee on the Judiciary.

H.J.Res. 87 Rep. James, John [R-MI-10] Signed by the President: 6/12/2025

CalPERS Position: N/A

Congressional Review Act resolution. Rescinds the EPA rule, "California State Motor Vehicle and Engine Pollution Control Standards; Heavy-Duty Vehicle and Engine Emission Warranty and Maintenance Provisions; Advanced Clean Trucks; Zero Emission Airport Shuttle; Zero-Emission Power Train Certification; Waiver of Preemption; Notice of Decision." The EPA waivers allow California to impose stricter emissions standards for trucks than national standards.

Action Taken: Monitoring

Status: 6/12/2025 - Signed by the President. (Public Law No. 119-15)

H.J.Res. 88 Rep. Joyce, John [R-PA-13] Signed by the President: 6/12/2025

CalPERS Position: N/A

Congressional Review Act resolution. Rescinds the EPA rule, "California State Motor Vehicle and Engine Pollution Control Standards; Advanced Clean Cars II; Waiver of Preemption; Notice of Decision." The EPA waivers allow California to impose stricter vehicle emissions standards for light duty passenger cars, SUVs and pickup trucks than the national standards.

Action Taken: Monitoring

Status: 6/12/2025 - Signed by the President. (Public Law No. 119-16)

H.J.Res. 89 Rep. Obernolte, Jay [R-CA-23] Signed by the President: 6/12/2025

CalPERS Position: N/A

Congressional Review Act resolution. Rescinds the EPA rule, "California State Motor Vehicle and Engine and Nonroad Engine Pollution Control Standards; The 'Omnibus' Low NOX Regulation; Waiver of Preemption; Notice of Decision." The EPA waivers allow California to impose stricter vehicle emissions standards for nitrous oxide and carbon oxide emissions from heavy-duty highway engines than the national standards.

Action Taken: Monitoring

Status: 6/12/2025 - Signed by the President. (Public Law No. 119-17)

S. 527 Sen. Grassley, Chuck [R-IA] Introduced: 2/11/2025

CalPERS Position: N/A

Prescription Pricing for the People Act of 2025. Within one year of the bill's enactment, requires the FTC to study the role of intermediaries in the pharmaceutical supply chain and provide Congress with appropriate policy recommendations. Specifically, the FTC is directed to study whether PBMs, among other things: charge patients more than the reimbursement rate given to both PBM-owned and non-PBM-owned pharmacies; practice patient steering; or manipulate formularies to favor more expensive drugs over less expensive alternatives.

*Action Taken: Monitoring**Status: 4/10/2025 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 42.*

S. 882 Sen. Blackburn, Marsha [R-TN] Introduced: 3/6/2025

CalPERS Position: N/A

Patients Before Middlemen Act. Among other things, requires a Medicare Part D plan sponsor to allow any pharmacy that meets the standard contract terms and conditions under such plan to participate as a network pharmacy, and requires the Secretary of Health and Human Services Agency (HHS) to establish standards for reasonable and relevant contract terms and conditions. It prohibits PBM compensation or service fees based on drug price or utilization as a condition of entering into a contract with a Medicare Part D plan, establishes PBM reporting and transparency requirements regarding drug costs, rebates and payments, and creates an enforcement process within HHS for contract violations. It also establishes guidelines for essential retail pharmacy participation as defined, biennial reporting through 2034, and trend comparisons in reimbursement, participation, and cost-sharing.

*Action Taken: Monitoring**Status: 3/6/2025 - Read twice and referred to the Senate Committee on Finance.*

S. 891 Sen. Wyden, Ron [D-OR] Introduced: 3/6/2025

CalPERS Position: N/A

Bipartisan Health Care Act. Establishes PBM reporting requirements with respect to prescription drug plans and Medicare Part D plans, including dispensing and formulary placement information. It requires that PBMs be paid based on a "bona fide service fee" that is not linked to a drug list price, with the exception of rebates, discounts, and price concessions that result in lower net costs for covered Medicare Part D drugs. It also bans Medicaid spread pricing and directs HHS to study the impact on patient out-of-pocket costs and Medicare Part D spending when insurers, PBMs, and pharmacies own each other.

*Action Taken: Monitoring**Status: 3/6/2025 - Read twice and referred to the Senate Committee on Finance.*

S. 1040 Sen. Cornyn, John [R-TX] Introduced: 3/13/2025

CalPERS Position: N/A

Drug Competition Enhancement Act. This bill prohibits “product hopping,” a tactic used by brand-name drug manufacturers to delay the entry of a generic drug to market, by introducing new versions of their drugs before generic alternatives are available. This bill also sets a 180-day or 3-year time limit, whichever is earlier, for the FTC to bring a case against a manufacturer for the antitrust violation.

Action Taken: Monitoring

Status: 4/10/2025 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 43.

S. 1041 Sen. Cornyn, John [R-TX] Introduced: 3/13/2025

CalPERS Position: N/A

Affordable Prescriptions for Patients Act. This bill would limit the number of patents that pharmaceutical companies can assert in infringement suits over biologic and biosimilar drugs. The bill restricts the number of patents to 20.

Action Taken: Monitoring

Status: 4/10/2025 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 44.

S. 1053 Sen. Cornyn, John [R-TX] Introduced: 3/13/2025

CalPERS Position: N/A

Foreign Investment Guardrails to Help Thwart (FIGHT) China Act of 2025. Allows the Treasury Department to prohibit U.S. investments in certain technologies in China, including certain Artificial Intelligence (AI) models, quantum computers, and other military technologies. It permits the Treasury Department to impose sanctions against Chinese entities that engage with the Chinese military and intelligence sectors. The bill also requires U.S. entities to notify the Treasury Department of investments in certain AI models.

Action Taken: Monitoring

Status: 3/13/2025 - Read twice and referred to the Senate Committee on Banking, Housing, and Urban Affairs.

Note: H.R. 2246 (Barr R-KY) is companion legislation that was introduced and referred to the House Committee on Foreign Affairs and the House Committee on Financial Services on 3/21/2025. Staff is monitoring this companion legislation. This bill's provisions have been included in the Senate's National Defense Authorization Act, summarized below.

S. 1095 Sen. Klobuchar, Amy [D-MN] Introduced: 3/24/2025

CalPERS Position: N/A

Stop STALLING Act. This bill requires the Food and Drug Administration's (FDA) to take actions against the abuse of “sham citizen petitions,” a tactic used by pharmaceutical companies to interfere and delay the FDA's review and approval of a generic or biosimilar drug's application for market entry.

Action Taken: Monitoring

Status: 4/10/2025 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 45.

S. 1096 Sen. Klobuchar, Amy [D-MN] Introduced: 3/24/2025

CalPERS Position: N/A

Preserve Access to Affordable Generics and Biosimilars Act. This bill prohibits “pay for delay” agreements, in which brand-name drug manufacturers compensate generic manufacturers to delay the entry of their drug into the market. This bill also prohibits biological manufacturers from compensating biosimilar and interchangeable manufacturers to delay the entry of biosimilar biological products and interchangeable biological products.

Action Taken: Monitoring

Status: 4/10/2025 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 46.

S. 1097 Sen. Durbin, Richard J. [D-IL] Introduced: 3/24/2025

CalPERS Position: N/A

Interagency Patent Coordination and Improvement Act of 2025. This bill creates an Interagency Task Force on Patents to coordinate efforts between the U.S. Patent and Trademark Office (PTO) and the FDA regarding communication, evaluation, and evaluation of patent applications. The PTO is required to report to Congress on (1) the frequency with which FDA information is provided to PTO through the task force, (2) which methods of providing information and types of information are most useful to patent examiners, and (3) recommendations for changes to the mandate, funding, or operations of this task force.

Action Taken: Monitoring

Status: 4/10/2025 - Placed on Senate Legislative Calendar under General Orders. Calendar No. 41.

Note: H.R. 4570 (Neguse D-CO) is companion legislation that was introduced and referred to the House Committee on the Judiciary on 7/21/2025. Staff is monitoring this companion legislation.

S. 2296 Sen. Wicker, Roger F. [R-MS] Introduced: 7/15/2025

CalPERS Position: N/A

National Defense Authorization Act for Fiscal Year 2026. Department of Defense package that specifies the priorities, funding allocations, and policies for national defense. The bill includes the provisions of the FIGHT China Act summarized above: it allows the Treasury Department to prohibit U.S. investments in certain technologies in China, including certain AI models, quantum computers, and other military technologies. It permits the Treasury Department to impose sanctions against Chinese entities that engage with the Chinese military and intelligence sectors. The bill also requires U.S. entities to notify the Treasury Department of investments in certain AI models.

Action Taken: Monitoring

Status: 10/9/2025 - Passed the Senate.

Note: H.R. 3838 (Rogers R-AL) is companion legislation that was received in the Senate on 9/30/2025. Staff is monitoring this companion legislation and the House and Senate’s conference committee.

S. 2657 Sen. Shaheen, Jeanne [D-NH] Introduced: 8/1/2025

CalPERS Position: N/A

STOP China and Russia Act of 2025. Directs the President to impose sanctions on Chinese and Russian individuals and entities who knowingly procures weapons and weapons systems for the ultimate use by the Russian military or by the Chinese military for military operations in the Taiwan Strait. Sanctions include asset freezes and visa bans. The bill also requires the Departments of State and Treasury to strategize on engaging with allies to deter and undermine China-Russia military cooperation.

Action Taken: Monitoring

Status: 10/22/2025 - Passed the Senate Committee on Foreign Relations.
