



Updated County H.R. 1 Multi-Year Budget Request

The Governor’s May Revision lacks any meaningful support for counties who must implement the requirements of H.R. 1. The proposal does not include any resources to support county indigent care, public hospital systems, or county behavioral health. While the May Revision includes modest one-time funding to support the county eligibility workforce to help individuals maintain their health care and food assistance benefits, it is far short of what is needed.

H.R. 1 represents a fundamental shift of fiscal responsibility for safety net programs from the federal government to states and counties, with counties facing increased costs ranging from \$6 billion to \$9.5 billion per year at full implementation. In March 2026, counties released an H.R. 1 Multi-Year Budget Request – \$1.9 billion in 2026-27 and \$4.5 billion in 2027-28 – to ensure individuals and families continue to have access to medical care, nutrition benefits, and behavioral health services.

The table below outlines California counties’ **UPDATED** H.R. 1 Multi-Year Budget Request for the 2026-27 and 2027-28 fiscal years.

	Coalition Budget Request		May Revision		Updated Coalition Budget Request	
	2026-27	2027-28	2026-27	2027-28	2026-27	2027-28
Indigent Care / PATH Program¹	\$761 million	\$2.4 billion	N/A	N/A	\$50 million	\$462 million
Public Hospital Systems	\$500 million	\$850 million	0	0	\$500 million	\$850 million
County Eligibility	\$373 million	\$402 million	\$87 million	0	\$300 million	\$425 million
County Behavioral Health	\$224 million	\$828 million	0	0	\$224 million	\$828 million
TOTAL	\$1.9 billion	\$4.5 billion	\$87 million	0	\$1.1 billion	\$2.5 billion

*All numbers are state General Fund.

¹Updated Coalition Budget Request reflects the development of new proposal to preserve access to health care for the indigent care population.



Healthcare



Food



The lack of sufficient state funding to counties to implement H.R. 1 will cause irreparable harm to California's communities. Counties cannot deliver health care and food assistance services on behalf of the state without a significant financial investment from the state. County resources are finite and the more mandated H.R. 1 costs that are shifted to counties by the state without an influx of resources, the less funding that is available for other core services, such as public safety and elections.

Recognizing the significant fiscal challenges facing the State and the difficult decisions before the Legislature, alternative approaches to preserving access to health care may need to be considered. As an alternative to individuals who lose Medi-Cal coverage having to turn to unfunded county indigent care programs, counties recommend the state establish a limited, emergency-only Medi-Cal benefit for two-years. This will preserve health care access for more people while giving the state time to determine a long-term plan for maintaining recent gains in health care coverage.

Key Facts

- As the table above references, the May Revision does not include any General Fund allocations to address the impacts of H.R. 1 on county indigent care programs, public hospital systems, or county behavioral health systems. The May Revision only provides a total of \$87.2 million GF in 2026-27 to support the eligibility workforce. This is only 5% of the total 2026-27 county budget request.
- According to the Legislative Analyst's Office, the uninsured rate in California is projected to double by 2030, with more than 2 million people losing health care coverage. The lack of funding in the May Revision to mitigate the impacts of H.R. 1 means this looming health care crisis is not being addressed.



Healthcare



Food