



June 11, 2026

The Honorable Aisha Wahab
Chair, Senate Business, Professions & Economic Development
1021 O Street, Room 3320
Sacramento, CA 95814

SUBJECT: AB 2311 (Schiavo) — SUPPORT

Dear Senator Wahab:

Successfully recruiting and retaining physicians is critical to improving the health of Californians living in rural and underserved areas. There is inequitable access by region in California, with some areas experiencing shortages of primary care and other specialty physicians, based on population.

The California Hospital Association (CHA), on behalf of nearly 400 hospital and health system members, supports Assembly Bill (AB) 2311 (Schiavo, D-Santa Clarita). This bill would help address the physician shortage by authorizing health care districts, as well as nonprofit corporations with a health care district as their sole corporate member, that own or control a general acute care hospital to directly employ physicians.

This concept has a successful track record. AB 2024, passed in 2016, created a seven-year exemption to California's ban on the corporate practice of medicine for the state's 36 critical access hospitals, allowing many to hire and retain physicians to serve their communities. This law was later made permanent due to its success.

For these reasons, CHA strongly urges you to vote "YES" on AB 2311.

Sincerely,

A handwritten signature in black ink that reads "Vanessa Gonzalez". The signature is written in a cursive, flowing style.

Vanessa Gonzalez
Vice President, State Advocacy

cc: The Honorable Pilar Schiavo
The Honorable Members of the Senate Business, Professions & Economic Development
Sarah Mason, Staff Director, Senate Business, Professions & Economic Development
Kayla Williams, Consultant, Senate Republican Caucus