



April 12, 2024

The Honorable Richard Roth  
Chair, Senate Health Committee  
State Capitol, Room 3310  
Sacramento, CA 95814

**SUBJECT: SB 1432 (Caballero) – SPONSOR**

Dear Senator Roth:

California hospitals are among the safest buildings in the communities they serve. After more than two decades of work and billions of dollars spent, nearly all hospitals will be able to withstand a major earthquake. Now hospitals must comply with a different standard by 2030 that requires them to be operational after a major earthquake **or close their doors to patient care**. While hospitals are working to comply with these operational requirements, many will simply not make the 2030 deadline. California must do all it can to ensure patients have uninterrupted access to health care. To this end, the California Hospital Association is proud to sponsor Senate Bill (SB) 1432 (Caballero, D-Merced), which would extend the deadline for the 2030 mandate and require the state to analyze and report to the Legislature on the mandate's impact on health care access in communities across the state.

SB 1432 would provide all hospitals with an extension to comply with the operational requirements. This extension would provide the appropriate time for the hospital field to meet the standards without jeopardizing access to care. In addition to the extension, hospitals would be required to strengthen their disaster plans to ensure that patients continue to receive the care they need, and workers understand both the patient care plan following an earthquake, and the impact on the workforce for any hospital building that is shut down for repairs following an earthquake. Further, hospitals would be required to submit master plans to the Department of Health Care Access and Information (HCAI) detailing how they would comply with these requirements.

SB 1432 also seeks greater partnership between hospitals and the state to comply with the law. Understanding the significant impact that hospital construction would have on access to hospital care will be critical. This proposal would require HCAI to convene stakeholders including hospitals, physicians, workers, consumers, and other providers and report findings to the Legislature to understand the impact of the seismic-related construction on hospital services and patient access to care.

Several years ago, a [RAND Corporation report](#) analyzed hospital seismic mandate costs to meet the 2030 seismic requirement and estimated the amount to be between \$34 billion and \$143 billion, which will likely be greater after factoring in the increasing costs of construction and financing. In addition, it is important to

note that hospitals alone bear the entire financial burden for the required updates. Therefore, the proposal would require HCAI to report to the Legislature on the total cost to the hospital field to meet the 2030 requirements and identify potential funding sources for hospital construction.

Finally, rural and critical access hospitals provide crucial health care services in California's remote communities throughout the state. They are often their area's only hospital, with the next one being many miles away. In addition, many rural and critical access hospitals are struggling financially, often face higher costs of construction, and have difficulties recruiting companies and workers to remote areas. As experienced by the Madera community, any closure would jeopardize the health and well-being of those needing vital hospital services. This proposal would assess the cost of rural and critical access hospitals to meet the standard and require the state to propose options for funding so they can comply and maintain services for these communities.

Hospitals should not be forced to prioritize construction over patient care. Extending this deadline would ensure that 2030 seismic compliance can be approached in a systematic way that preserves access to care for all Californians. For these reasons, CHA respectfully requests your "YES" vote on SB 1432.

Please contact me if you have any questions or concerns at (916) 812-7406 or [kscott@calhospital.org](mailto:kscott@calhospital.org).

Sincerely,



Kathryn Scott  
Senior Vice President, State Relations and Advocacy

cc: The Honorable Anna Caballero  
The Honorable Members of the Senate Health Committee  
Vince Marchand, Consultant Senate Health Committee  
Joe Parra, Consultant, Senate Republican Caucus  
Tim Conaghan, Consultant, Senate Republican Caucus