



June 27, 2025

The Honorable Thomas Umberg
 Chair, Senate Judiciary Committee
 1021 O Street, Room 3240
 Sacramento, CA 95814

Re: **AB 1337 (Ward): Information Practices Act of 1977**
As amended May 23, 2025 – OPPOSE
To be heard in the Senate Judiciary Committee July 15, 2025

Dear Chair Umberg,

On behalf of the California State Association of Counties (CSAC), the Urban Counties of California (UCC), the Rural County Representatives of California (RCRC), the League of California Cities (Cal Cities), California Special Districts Association (CSDA), the Association of California Healthcare Districts (ACHD), California Welfare Directors Association (CWDA), California Association of Public Hospitals (CAPH), California Association of Joint Powers Authorities (CAJPA), the County Health Executives Association of California (CHEAC), the Association of California School Administrators (ACSA), the California School Boards Association (CSBA), the California Municipal Clerks Association (CMCA), the District Hospital Leadership Forum (DHLF), the California Hospitals Association (CHA), and the California Association of Recreation and Park Districts (CARPD), we write to respectfully oppose AB 1337 (Ward), which would amend the Information Practices Act of 1977 (“IPA,” or “the Act”) and apply it to all 58 counties, 483 cities, over 1,000 school districts and county offices of education, approximately 2,200 independent special districts, and the hundreds of JPAs, regional bodies, and other public agencies.

AB 1337 would raise significant questions for how state and local agencies can continue to operate critical safety net programs and impose severe restrictions on data sharing in ways that undermine integrated service approaches that support timely and efficient access to essential benefits. AB 1337 ignores the myriad of privacy and confidentiality laws already in place for local governments and, instead, imposes a clumsy set of provisions that create conflicts with longstanding confidentiality laws, complicate data reporting needed for accountability efforts, and endanger federal funding, among other risks. This is a costly, unnecessary change that could jeopardize essential services and harm the communities we serve: students, the unhoused, the elderly, and those on the economic margins who rely on public services for healthcare, housing, energy, and the services that comprise the social safety net.

While AB 1337 has many provisions, it would impose three new overlapping standards for how local agencies manage public data:

- *Use* of data is constrained to only the purpose for which it was collected, except as authorized or required by state law [Civil Code § 1798.20(b)];
- *Transfer* of data, including between state and local agencies, must be necessary both to perform constitutional and statutory duties and must “further the purpose” for which the data were collected [Civil Code § 1798.24(e)]; and
- *Disclosure* of data, including reporting of aggregated data, is prohibited if it could, instead of the current standard that it would, identify an individual to whom it pertains [Civil Code § 1798.24].

Complicates Data Sharing and Reporting

Local governments and the state have made considerable progress in providing wraparound services to those most in need by improving connectivity of resources. This progress has been made under the “no wrong door” approach. AB 1337 would undermine this hard-earned progress.

The proposed amendments to Civil Code § 1798.24(d) & (e) would prohibit government agencies from sharing data with other government agencies unless it “furthers the purpose,” for which the data were collected. This vague definition creates more questions than answers compared to the current standard that the data are shared in a way that “is related to,” or “compatible with” the purpose for which the information was acquired.

AB 1337 will make benefit applications more time consuming and less efficient by requiring repeated collection of information, representing a step backwards at a time when local agencies are trying to make the public benefit application process more efficient.

AB 1337 would complicate the efforts of the CalAIM Justice-Involved initiative, which relies on information sharing to ensure that the justice-involved community is connected to healthcare services as they re-enter the community. These same concerns apply to local reentry resource centers, which provide a range of services to help justice-involved individuals reestablish themselves in the community.

By requiring individuals to opt into data sharing, reporting will be biased towards those who choose to opt into sharing their data – creating unknown impacts that will make it harder to discern which populations are underrepresented in service delivery. Civil Code § 1798.24 would prohibit agencies from disclosing any data that *could* identify an individual, which could have a chilling effect on reporting outcomes of public services. Public employees could reasonably choose not to publish reports that, while designed to account for service delivery across demographic and economic strata, could place them at risk of a misdemeanor. We are concerned this could impact the vulnerable populations who rely most on public services.

Hampers Abilities to Respond to Unlawful Activity

The proposed law would severely restrict the ability of a public agency to respond to a criminal act. The proposed amendments to Civil Code § 1798.24(l) & (o) would remove longstanding exceptions to the act that allow disclosures in response to a search warrant or to aid an investigation into unlawful activity.

This change would put agencies in an absurd position when they have knowledge about a member of the public implicated in a crime. If this law were to take effect, agencies would have to obtain permission from an accused individual before they could share identifying information needed to aid an investigation or fulfill a search warrant. Further, local agency employees could be accused of obstruction charges or other penalties from noncompliance in response to search warrants.

For agencies responsible for child and family services, this change could restrict information sharing with law enforcement in ways that could endanger child safety and make it harder for those agencies to evaluate risk and safety. Social workers could be held liable with a misdemeanor or termination for attempting to ensure child safety – an outcome that is clearly not the intent of this bill, but an example of

the unintended consequences created when bills are drafted without the input of impacted local agencies.

Expands Legal Liability for Public Agencies and their Workforce

In addition to applying the IPA to local agencies, the bill would revise the law in several ways that will expose agencies and their workforce to new legal liabilities, including through a private right of action. The bill would amend Civil Code § 1798.24 to prohibit disclosure of any personal information that “could,” link the information to an individual, rather than the current standard that prohibits disclosure of information that “would,” link to an individual. This change alone will dramatically redefine the IPA in ways that will impose uncertainty on how agencies can share data needed to report outcomes or comply with state and federal grant requirements.

AB 1337 adds to these concerns by expanding liability for public employees. The proposed change to Civil Code § 1798.55 would expose public employees to discipline, including termination, for “negligent” violations of the act, a broad expansion of the current standard for “intentional,” violations. Additionally, the proposed change to Civil Code § 1798.57 would expose public employees to misdemeanors even if there is no economic loss or personal injury due to a disclosure. At a time when public agencies are facing workforce recruitment and retention challenges, now is not the time to expose public employees to legal liabilities arising from compliance with a law that is suddenly imposed upon them. In addition to harming the public workforce, this will add to local agency liability as they will be required to respond to legal claims for penalized employees.

Ignores and Conflicts with Existing Privacy and Confidentiality Laws

Local agencies and schools are already required to comply with a variety of state and federal data privacy laws tailored to conform with specific programs administered by counties, including the following examples.

Health

- The Health Insurance Portability and Accountability Act (HIPAA) and the Confidentiality of Medical Information Act (CMIA) regarding Medi-Cal beneficiaries and those receiving care at public hospitals;
- 42 CFR Part 2 for confidentiality of substance use disorder patient records;
- Welfare and Institutions Code (WIC) § 5325.1 regarding the right to privacy for persons receiving treatment for a mental illness;
- WIC § 827 regarding the right to privacy for juvenile records; and

- Penal Code § 13823.5(c)(2) regarding confidentiality of sexual assault examination records.

Social Services

- WIC § 10850 *et seq.* regarding confidentiality of applications and records related to public social services;
- WIC § 17006 regarding confidentiality of county general assistance records;
- WIC § 17006.5 regarding disclosure of county general assistance records to law enforcement;
- WIC § 14100.2 regarding confidentiality and management of Medi-Cal records; and
- Penal Code § 11675 for case records related to child protective services claims.

Elections

- Elections Code §§ 2166, 2166.5, and 2166.7 regarding requests for confidentiality of voter records;
- Elections Code § 2194 regarding confidentiality of an affidavit of voter registration and limitations on its use; and
- Elections Code § 17100(c) regarding limitations on public access to nomination documents and petitions.

Schools

- Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g) regarding students' privacy.

Criminal Justice

- Penal Code § 11100 *et seq.* regarding custody of criminal records and statistics;
- Penal Code § 11164 *et seq.* regarding confidentiality of child abuse and neglect reports; and
- Penal Code § 13100 *et seq.* regarding records and data for criminal offenders.

Finance

- Revenue and Taxation Code §§ 63.1(i) and 69.5(n) regarding confidentiality of property transfer records; and
- Revenue and Taxation Code §§ 408, 408.1, 408.2, 451, 481, and 1609.6 regarding the confidentiality and disclosure rules related to assessor duties.

Public Utilities

- Public Utilities Code § 8381 for customers of publicly-owned utilities.

Libraries

- Gov. Code § 7927.105 for confidentiality of registration and circulation records of library users; and
- Welfare and Institutions Code §§ 10850 and 14100.2 for confidentiality of records and data sharing of personal identifying information.

In addition to state and federal law, several counties have adopted ordinances and established departments focused on data privacy and confidentiality.

Put simply, local agencies take data privacy and confidentiality seriously and comply with a network of specific privacy and confidentiality laws. AB 1337 upends this longstanding framework with a blanket policy that conflicts with some existing laws or creates confusion and inconsistent compliance based on how agencies are used to compliance. While the California Consumer Privacy Act expressly provides that its requirements do not apply to information governed by CMIA, AB 1337 makes no attempt to square its broad requirements with the litany of existing privacy laws that apply to local programs.

For example, under HIPAA, de-identified individual data cannot be disclosed without authorization. However, population-level data are generally available to the public for statistical research if the data cannot reasonably ascertain an individual's identity. HIPAA provides significant detail as to how disclosures and covered entities are required to provide an accounting of disclosures to individuals. AB 1337 imposes a new overlapping standard that any data disclosed "cannot identify any individual," creating a confusing standard that competes with longstanding principles.

To cite another conflict, HIPAA allows covered entities to disclose protected health information without an individual's consent for purposes including treatment, payment, or health care operations¹. AB 1337 ignores these carefully designed rules and imposes significant uncertainty as to how patient data can be shared for delivery of medical care by public hospital systems.

County child welfare and behavioral services laws restrict even acknowledging whether an individual is receiving care, unless an entity is specifically authorized by

¹ 5 C.F.R. § 164.502(a)(1)

law². AB 1337 would establish contrary rules that endanger child privacy by allowing for the release of information upon consent and by other circumstances established in Civil Code § 1798.24.

Endangers Federal Funding

AB 1337 would prohibit data sharing with the federal government unless expressly authorized by state law. This change alone could threaten federal funding agreements and create preemption issues that local governments would be forced to navigate. By restricting data sharing with the federal government, vital funding for homelessness services, public health grant programs, victim witness programs, and task forces to combat human trafficking would be threatened.

Imposes Expensive Requirements on Local Agencies, with No Time or Resources

The bill in its current form does not appear to contemplate the vast technical effort that would be required for thousands of state and local agencies to come into compliance. The effort would certainly require technological changes, including in many cases new equipment, coding for proprietary systems, and software purchases—in addition to legal analysis and training efforts.

The Act was not designed with local agencies in mind and is peppered with requirements that do not make sense in that context. Application of the IPA to local agencies would not only require time and staff capacity, it would also require significant financial resources that are not provided in the bill. AB 1337 clearly imposes a state mandate by requiring a new program for data management. State mandates require reimbursement to local agencies and, in this case, could total many millions of dollars just for the initial implementation, not including the ongoing support needed to sustain compliance. Application of the IPA to local agencies must be accompanied by sustainable and sufficient resources.

Section 17 of the bill asserts that no reimbursement is required by the act, suggesting that the only state-mandated activity directed by the bill is due to the adjustments to a crime or infraction. We believe the language is inappropriate and should be amended to clearly declare that the bill would establish a new mandate reimbursable under state law, as the bill clearly mandates a new activity by local agencies: compliance with the IPA, which requires significant changes to software, internal practices, and duties of local agency workforces.

² California Welfare & Institutions Code § 827 et seq. (child welfare); 42 C.F.R. Part 2 (behavioral health); Lanterman-Petris-Short Act (behavioral health).

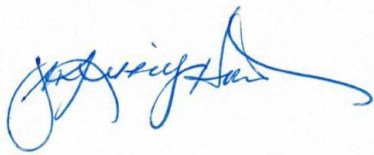
To add to these challenges, the bill allows state and local agencies little time to prepare for compliance. Because the bill would take effect January 1, 2026, and because state and local agencies may not know if the bill will become law until the Governor's October 12, 2025, deadline to sign or veto bills, state and local agencies could have fewer than three months to prepare for compliance with the IPA. Agencies would be left with just a few months to complete legal review, train staff, update forms, and implement new procedures for data management.

For the reasons above, we must respectfully oppose AB 1337 and urge your "no" vote.

Sincerely,



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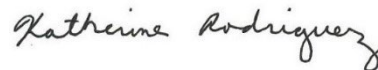
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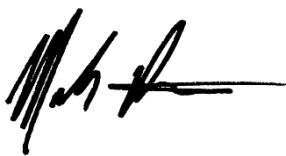
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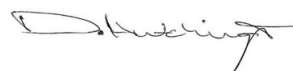
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CC: The Honorable Chris Ward, Member, California State Assembly
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