

CALIFORNIA STATE BOARD OF BEHAVIORAL SCIENCES BILL ANALYSIS

BILL NUMBER: SB 601 **VERSION:** AMENDED MARCH 28, 2019

AUTHOR: MORRELL **SPONSOR:** R STREET INSTITUTE

RECOMMENDED POSITION: NONE

SUBJECT: STATE AGENCIES: LICENSES: FEE WAIVER

Summary: This bill would allow the Board to reduce or waive fees for a license or registration, license or registration renewal, or replacement of a physical display license if the licensee or registrant can demonstrate being affected or displaced by a state or federal emergency.

Existing Law:

1. Defines three types of state emergencies (Government Code (GC) §8558):
 - a. “State of emergency,” which means proclaimed existence of disaster or extremely perilous conditions to safety of persons or property in the state. Examples of causes include fire, flood, storm, riot, drought, cyberterrorism, or earthquake, which are of such a great magnitude that they are beyond the control of services, personnel, equipment, and facilities of any single county and city and that instead require combined mutual aid.
 - b. “Local emergency,” which means proclaimed existence of disaster or extremely perilous conditions to safety of persons or property in a county and/or city. Examples of causes include fire, flood, storm, riot, drought, cyberterrorism, or earthquake, which are likely are beyond the control of services, personnel, equipment, and facilities of a political subdivision and that instead require combined mutual aid.
 - c. “State of war emergency,” which is a condition in which the state or nation is attacked by an enemy or warned by the federal government that an attack is probable or imminent.
2. Establishes the Board of Behavioral Sciences’ fees for initial license and registration, fees for renewal of a license and registration, and fees for a replacement certificate. (Business and Professions Code (BPC) §§4984.7, 4989.68, 4996.3, 4999.120, California Code of Regulation (CCR) Title 16 §§1816, 1816.1, and 1816.5)

3. Contains a clause that permits the Optometry Board to waive an application fee for an optometrist license if the applicant establishes displacement by a federally declared emergency and cannot relocate back to their state of practice within a reasonable amount of time without economic hardship. (BPC §3057)

This Bill:

1. Permits a state agency that issues any business license to reduce or waive any licensure fees, license renewal fees, or physical display license replacement fees for a person or business that has been displaced or affected by a proclaimed state emergency or a declared federal emergency. (GC §11009.5)
2. Requires this to be done within one year of the proclaimed or declared emergency and requires the requestor to demonstrate being displaced or affected to the satisfaction of the state agency. (GC §11009.5)
3. Defines a “license” for the purpose of the above waivers to include a certificate, registration, or other required document to engage in business. (GC §11009.5)

Comment:

1. **Author’s Intent.** The author notes that in recent years, California has experienced several costly natural disasters, including the Tubbs Fire, the Southern California mudslides, and the Camp Fire. They state that these disasters have affected an estimated 381,700 businesses, and many of these individuals must replace licensing documents. The goal of this bill is to help relieve pressure on these individuals and help them get back to work.
2. **Precedent with Other Boards.** The California Board of Optometry has a clause in its law that allows it to waive an application fee for an optometrist license if the applicant establishes displacement by a federally declared emergency and cannot relocate back to their state of practice within a reasonable amount of time. This Board does not currently have that type of explicit authority.
3. **Potential Fiscal Impact.** It is difficult to predict the potential fiscal impact to the Board of lost fee revenue due to declared emergencies. In most cases, any impact would be minor if a handful to several hundred licensees or registrants were affected. However, if a major disaster were to occur in an area with a high concentration of licensees, the fiscal impact could be significant.
4. **Need for Regulation.** If this bill were to pass, the Board may need to consider regulations to determine the process to request a fee waiver, and also to determine acceptable proof of being displaced or affected. Alternatively, the Board could choose to leave this decision to be made on a case-by-case basis.

5. Support and Opposition.

Support:

R Street Institute (Sponsor)

Opposition:

None at this time.

6. History

2019

03/22/19 Set for hearing April 9.

03/14/19 Referred to Coms. on G.O. and B., P. & E.D.

02/25/19 Read first time.

02/25/19 From printer. May be acted upon on or after March 27.

02/22/19 Introduced. To Com. on RLS. for assignment. To print

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AMENDED IN SENATE MARCH 28, 2019

SENATE BILL

No. 601

Introduced by Senator Morrell (*Coauthors:*
Senators Bates, Borgeas, and Nielsen) (*Coauthors:*
Assembly Members Dahle and Mathis)

February 22, 2019

An act to add Section 11009.5 to the Government Code, relating to state government.

legislative counsel's digest

SB 601, as amended, Morrell. State agencies: licenses: fee waiver.

Existing law requires various licenses to be obtained by a person before engaging in certain professions or vocations or business activities, including licensure as a healing arts professional by various boards within the Department of Consumer Affairs.

This bill would authorize any state agency that issues any business license to reduce or waive any required fees for licensure, renewal of licensure, or the replacement of a physical license for display if a person or business establishes to the satisfaction of the state agency that the person or business has been displaced *or affected* by a declared ~~emergency~~, *federal emergency or proclaimed state emergency*, as defined.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 11009.5 is added to the Government
- 2 Code, to read:

1 11009.5. (a) Notwithstanding any other law, a state agency
2 that issues any business license may, within one year of the
3 ~~declaration~~ *proclamation* of an emergency as defined in Section
4 ~~8558, 8558~~ *or a declared federal emergency*, reduce or waive any
5 required fees for licensure, renewal of licensure, or the replacement
6 of a physical license for display if a person or business establishes
7 to the satisfaction of the state agency that the person or business
8 has been displaced *or affected* by the *proclaimed or* declared
9 emergency.
10 (b) For purposes of this section, “license” includes, but is not
11 limited to, a certificate, registration, or other required document
12 to engage in business.