

TITLE 16. CALIFORNIA BOARD OF BEHAVIORAL SCIENCES

INITIAL STATEMENT OF REASONS

Hearing Date: The Board of Behavioral Sciences (Board) has not scheduled a hearing on the proposed changes. However, a hearing will be scheduled upon request by any interested party if the request is received no later than 15 days prior to the close of the written comment period.

Subject Matter of Proposed Regulations: Fee Reductions

Sections Affected: Sections 1816, 1816.1, 1816.2 and 1816.4 of Division 18 of Title 16 of the California Code of Regulations (16 CCR)¹.

INTRODUCTION AND PROBLEM STATEMENT

The Board of Behavioral Sciences (Board) licenses and regulates Licensed Marriage and Family Therapists (LMFTs) (Bus. & Prof. Code (BPC), §§ 4980 et seq.), Licensed Educational Psychologists (LEPs) (BPC §§ 4989.10 et seq.), Licensed Clinical Social Workers (LCSWs) (BPC §§ 4991 et seq.), and Licensed Professional Clinical Counselors (LPCCs) (BPC §§ 4999.10 et seq.).

The Board also registers and regulates individuals gaining supervised experience toward meeting the requirements for licensure. This includes registered Associate Marriage and Family Therapists (AMFTs), Associate Professional Clinical Counselors (APCCs) and Associate Clinical Social Workers (ASWs), and applicants pending registration.

The Board is responsible for licensing and discipline of the above professionals and enforcement of Chapters 13, 13.5, 13.7, 14 and 16 of Division 2 of the BPC which regulates the above professions as set forth in BPC sections 4990.2, 4990.12, and 4990.18. BPC section 4990.16 mandates that the protection of the public shall be the highest priority of the Board in exercising its licensing, regulatory, and disciplinary functions.

BPC sections 4980.60 and 4999.20(a) authorize the Board to adopt rules and regulations as may be necessary to carry into effect the provisions Chapters 13, 13.5, 14 and 16. The current minimum and maximum fees that may be charged for applications, examinations, licensure and renewal are set by BPC sections 4984.7, 4989.68, 4996.3, and 4999.120. The specific fees currently charged by the Board are set in 16 CCR sections 1816, 1816.1, 1816.2, and 1816.4.

BPC Section 128.5(b) provides, in part, that if at the end of any fiscal year the Board “has unencumbered funds in an amount that equals or is more than the agency’s operating budget for the next two fiscal years, the agency shall reduce license or other

¹ All CCR references are to Title 16 unless otherwise noted.

fees, whether the license or other fees be fixed by statute or may be determined by the agency within limits fixed by statute, during the following fiscal year in an amount that will reduce any surplus funds of the agency to an amount less than the agency's operating budget for the next two fiscal years."

At its February and May 2025 meetings, the Board discussed its current reserve fund balance and the need for a proposal to reduce current fees to comply with the 24-month reserve limitation in BPC Section 128.5(b). It is currently projected that, under the current fee structure, the Board will exceed the 24-month reserve limit and reach a fund balance of 26.3 months by the end of FY 2024-25. As a result, to comply with the mandates in BPC section 128.5, it is necessary for the Board to adopt temporary fee reductions in regulation.

This proposal would amend CCR Sections 1816, 1816.1, 1816.2, and 1816.4 by setting a fee for renewals, initial registration, initial license issuance, law and ethics examinations, LMFT clinical examination, LEP written examination, and applications for licensure that is 50% of the current established fees. These fees will be in place for period of July 1, 2026, through June 30, 2030. The proposed fee reductions and other technical changes are as follows:

1. Reduce Renewal Fees by 50%, Proposed Amendments to 16 CCR Section 1816

Currently, the annual renewal fee for registration of associate marriage and family therapists, associate clinical social workers, and associate professional clinical counselors is set at \$150 dollars. The proposed amendments will reduce this fee to \$75.00 dollars for all of these licensees.

Currently, the biennial active renewal fees for licensed marriage and family therapists, licensed clinical social workers, licensed professional clinical counselors, and licensed educational psychologists is set at \$200.00. The proposed amendments will reduce this fee to \$100.00 for all of these licensees.

There is also an additional amendment to correct wording in 1816(c) that refers to "associate professional clinical counselors" registration. It would be amended to read "associate professional clinical counselor" registration.

2. Reduce Initial License and Registration Fees by 50%, Proposed Amendments to 16 CCR Section 1816.1

Currently, the application fee for registration of an associate marriage and family therapist, associate clinical social worker, and associate professional clinical counselor is set at \$150.00. The proposed amendments will reduce this fee to \$75.00 for all of these types of applicants.

Currently, the fee for initial issuance of the license for a licensed marriage and family therapist, licensed clinical social worker, licensed professional clinical counselor, and licensed educational psychologist is set at \$200.00. The proposed amendments will reduce this fee to \$100.00 for issuance of all of these types of

licenses.

In addition, this proposal would make a technical correction for accuracy to the title in subsection (a) to add the word “licensed” before the words “marriage and family therapist.”

3. Reduce Examination Fees by 50%, Proposed Amendments to 16 CCR Section 1816.2

Currently the fee for an applicant to take the licensed marriage and family therapist, the licensed clinical social worker, or the licensed professional clinical counselor California law and ethics examination is set at \$150.00. The proposed amendments will reduce this fee to \$75.00 for all of these applicants.

Currently the fee to take the Board-administered licensed marriage and family therapist clinical exam or the licensed educational psychologist written examination is set at \$250.00. The proposed amendments will reduce this fee to \$125.00 for take these examinations.

4. Reduce Fees for Application for Licensure by 50%, Proposed Amendments to 16 CCR Section 1816.4

Currently the fee for the licensed marriage and family therapist, licensed clinical social worker, licensed educational psychologist, and licensed professional clinical counselor applications for licensure are set at \$250.00. The proposed amendments will reduce this fee to \$125.00 for the processing of all these applications.

Additionally, this proposal amends the current title of the section from “Examination Eligibility Application Fees” to “Fees for Application for Licensure” to more accurately reflect the content of this section.

ANTICIPATED BENEFITS OF THE REGULATIONS

The objectives of the amendments and anticipated benefits of this regulatory proposal are (1) to ensure that the Board’s reserve fund complies with the law at BPC Section 128.5(b); (2) to reduce barriers in the licensure process, (3) to provide cost savings to applicants, registrants, and licensees; and, (4) to allow the Board to withstand economic uncertainties while retaining the flexibility to pursue any necessary budget realignments in the future. Specifically, this regulatory proposal affects the health and welfare of California residents as it provides approximately \$10.4 million annually in cost savings spread among approximately 150,000 of the Board’s licensees and applicants.

SPECIFIC CHANGES: PURPOSE AND RATIONALE FOR EACH ADOPTION, AMENDMENT, OR REPEAL:

The Board proposes the following changes:

AMEND SECTIONS 1816, 1816.1, 1816.2, AND 1816.4 IN TITLE 16 OF DIVISION 18 OF THE CALIFORNIA CODE OF REGULATIONS

General Purpose for all Proposed Fee Reduction Amendments or Adoptions: The Board's fee schedule for all professions is established by Business and Professions Code (BPC) sections 4984.7, 4989.68, 4996.3, and 4999.120, which define the current minimum fees to be charged and set a maximum fee limit that the Board may set through regulation. The specific fees are outlined in California Code of Regulations (CCR) sections 1816, 1816.1, 1816.2, and 1816.4.

This proposal would amend CCR Sections 1816, 1816.1, 1816.2, and 1816.4 by setting a fee for renewal, application for registration, initial license issuance, law and ethics examination, LMFT clinical examination, LEP written examination, and application for licensure that is 50% of the current established fees. These reduced fees would be in place for four years, throughout the period of July 1, 2026, through June 30, 2030.

General Rationale for All Proposed Fee Reduction Amendments or Adoptions: In 2020, after performing a fee audit, the Board sponsored legislation to increase its fees. Effective January 1, 2021, Assembly Bill 3330 (Stats. 2020, ch. 359), raised the Board's initial licensing, initial registration, examination, and renewal fees. California Business and Profession Code (BPC) section 128.5(b) provides, in part, that if at the end of any fiscal year the Board "has unencumbered funds in an amount that equals or is more than the agency's operating budget for the next two fiscal years, the agency shall reduce license or other fees, whether the license or other fees be fixed by statute or may be determined by the agency within limits fixed by statute, during the following fiscal year in an amount that will reduce any surplus funds of the agency to an amount less than the agency's operating budget for the next two fiscal years."

At its February and May Board 2025 meetings, the Board discussed its current reserve fund balance and the need for a proposal to reduce current fees to comply with the 24-month reserve limitation in BPC Section 128.5(b). It is currently projected that, under the current fee structure, the Board will exceed the 24-month reserve limit and reach a fund balance of 26.3 months by the end of FY 2024-25. (See Underlying Data.)

In consultation with the Department's Budget office, it is recommended that the Board's initial licensing, initial registration, examination, and renewal fees be reduced by 50 percent (50%) for a period of 48 months. It is currently projected that a 48-month reduction would lower the reserve fund to 15.4 months by the end of FY 2029-2030, bringing the Board's operating expenses within the limits imposed by BPC section 128.5. The projections are based upon a July 1, 2026, implementation date. (See Underlying Data.)

In consultation with the Budget Office and in Board staff's experience, a reserve fund equivalent to 15.4 months of operating expenses is considered acceptable to ensure the Board can withstand economic uncertainties while retaining the flexibility to pursue any necessary budget realignments in the future. Additionally, the four-year time frame provides the Board with sufficient opportunity to implement any necessary changes to fee regulations to address potential shortfalls resulting from the temporary fee reduction.

Amend Section 1816

Purpose: Existing regulation at subsections (a),(b) and (c) set the annual renewal fees for associate registrants (AMFTs, ASWs, and APCCs) at \$150. This proposal would amend those subsections to add an exception to charging this fee for all registrants for the time period specified in newly added subsections (h), (i) and (j) that would specify a lowered fee amount of \$75 for the time period of July 1, 2026, through June 30, 2030.

In addition, subsections (d), (e), (f) and (g) currently specify that the biennial active renewal fee for LMFTs, LEPs, LCSWs, and LPCCs is \$200. Those subsections would be amended to add language to create an exception to this fee amount being charged for renewal of all of these licenses for the time period specified in subsections (k), (l), (m) and (n) that would specify a lowered fee amount of \$100 that would be in effect for the time period of July 1, 2026, through June 30, 2030.

In addition, the Board proposes to correct the reference to “associate professional clinical counselors” by deleting the “s” in “counselors” to read “associate professional clinical counselor” for grammatical reasons and for consistency in terminology.

Rationale: For the reasons set forth in the “General Rationale for All Proposed Fee Reduction Amendments or Adoptions” above, these changes are necessary to bring the Board’s operating expenses within the limits imposed by BPC section 128.5. The projections are based upon a July 1, 2026, implementation date and are expected to no longer be necessary after June 30, 2030 based on current projections (see Underlying Data).

Amend Section 1816.1

Purpose: Existing regulation at subsections (a), (b), (c) and (d) set the fees for initial issuance of a license for LMFTs, LEPs, LCSWs, and LPCCs at \$200. This proposal would amend those subsections to add an exception to charging this fee for all these applicants for the time period specified in newly added subsections (h), (i), (j), and (k) and that would specify a lowered fee amount of \$100 for the time period of July 1, 2026, through June 30, 2030.

In addition, subsections (e), (f) and (g) currently specify that the fee for initial issuance of a license for associate registrants APCCs, AMFTs, and ASWs is \$150. Those subsections would be amended to add language to create an exception to this fee amount being charged for all these registrants for the time period specified in

subsections (l), (m) and (n) that would specify a lowered fee amount of \$75 that would be in effect for the time period of July 1, 2026, through June 30, 2030.

In addition, the Board proposes to add the word “licensed” before “marriage and family therapist” in subsection (a).

Rationale: For the reasons set forth in the “General Rationale for All Proposed Fee Reduction Amendments or Adoptions” above, these changes are necessary to bring the Board’s operating expenses within the limits imposed by BPC section 128.5. The projections are based upon a July 1, 2026, implementation date and are expected to no longer be necessary after June 30, 2030 based on current projections (see Underlying Data).

The change to the title in subsection (a) is necessary to improve clarity and precision in the license title and is consistent with BPC section 4980.08, which specifies the license title as “licensed marriage and family therapist”.

Amend Section 1816.2

Purpose: Existing regulations at subsections (a) and (b), and (e) set the fees for applicants to take the Board’s California law and ethics examination for LCSW, LMFT, and LPCC licensure at \$150. This proposal would amend those subsections to add an exception to charging this fee for these types of applicants for the time period specified in newly added subsections (f), (g), and (j) and that would specify a lowered fee amount of \$75 for the time period of July 1, 2026, through June 30, 2030.

In addition, subsections (c), and (d) currently specify that the fee for taking the Board-administered marriage and family therapist clinical examination and the licensed educational psychologist written examination is \$250. Those subsections would be amended to add language to create an exception to this fee amount being charged for taking either examination for the time period specified in subsections (h) and (i) that would specify a lowered fee amount of \$125 that would be in effect for the time period of July 1, 2026, through June 30, 2030.

Rationale: For the reasons set forth in the “General Rationale for All Proposed Fee Reduction Amendments or Adoptions” above, these changes are necessary to bring the Board’s operating expenses within the limits imposed by BPC section 128.5. The projections are based upon a July 1, 2026, implementation date and are expected to no longer be necessary after June 30, 2030 based on current projections (see Underlying Data).

Amend Section 1816.4 and Title

Purpose: The current section heading “Examination Eligibility Application Fees” will be changed to “Fees for Application for Licensure”.

Existing regulations at subsections (a), (b), (c) and (d) set the fees for the LMFT, LCSW, LEP and LPCC applications for licensure at \$250. This proposal would amend those subsections to add an exception to charging this fee for these types of applications for the time period specified in newly added subsections (e), (f), (g) and (h) and that would specify a lowered fee amount of \$125 for the time period of July 1, 2026, through June 30, 2030.

Rationale: This change to the title is necessary to more accurately reflect the section's content. With respect to the other amendments, for the reasons set forth in the "General Rationale for All Proposed Fee Reduction Amendments or Adoptions" above, these changes are necessary to bring the Board's operating expenses within the limits imposed by BPC section 128.5. The projections are based upon a July 1, 2026, implementation date and are expected to no longer be necessary after June 30, 2030, based on current projections (see Underlying Data).

UNDERLYING DATA

Documents relied upon:

1. Board Meeting February 27-28, 2025: Agenda, Meeting Minutes and Relevant Meeting Materials that include:
 - A. Board memo entitled "Overview and Discussion of the Board's Fund Balance Reserve" dated February 14, 2025
 - B. Attachment A: 2020 Before and After Fee Comparison
 - C. Attachment B: 0773 - Behavioral Science Fund Analysis of Fund Condition showing 50 % Reductions - 24 Months and 50 % Reductions - 48 Months, prepared 1.27.2025
 - D. Attachment C: Relative Statutes and Regulations
2. Board Meeting May 8-9, 2025: Agenda, Meeting Minutes and Relevant Meeting Materials that include:
 - A. Board memo entitled "Discussion and Possible Action to Initiate a Rulemaking to Amend CCR, Title 16, Sections 1816, 1816.1, 1816.2 and 1816.4 (Fee Reductions)" dated May 1, 2025
 - B. Attachment A: Current Fee Structure Projections 0773 - Behavioral Science Fund Analysis of Fund Condition "Status Quo," prepared 04.28.2025
 - C. Attachment B: Four Year Fee Reduction Projections (Table Showing Board of Behavioral Sciences Other Regulatory Fees & Permits and Renewal Fees (50% Reduction) and Report "0773 - Behavioral

- D. Attachment C: Proposed Regulatory Language: Fee Reductions Title 16, Division 18, California Code of Regulations, Sections 1816, 1816.1, 1816.2 and 1816.4.

BUSINESS IMPACT

The Board has made an initial determination that the proposed regulatory action would not have any statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This initial determination is based on the following facts:

Adopting this regulation will temporarily reduce fees for individuals regulated by the Board from July 1, 2026, through June 30, 2030, as set forth in the table that follows:

Board of Behavioral Sciences Other Regulatory Fees & Permits and Renewal Fees

Revenue Category	Current Fee Amount	Proposed Fee Amount	Fee Decrease Amount
App Exam/License Fees			
LMFT			
Associate Application	\$150	\$75	\$75
Evaluation Application	\$250	\$125	\$125
Initial License Application	\$200	\$100	\$100
Law & Ethics Application	\$150	\$75	\$75
Clinical Exam Application	\$250	\$125	\$125
LCSW			
Associate Application	\$150	\$75	\$75
Evaluation Application	\$250	\$125	\$125
Initial License Application	\$200	\$100	\$100
Law & Ethics Application	\$150	\$75	\$75
LEP			
Evaluation Application	\$250	\$125	\$125
Written Exam Application	\$250	\$125	\$125
Initial License Application	\$200	\$100	\$100
LPCC			
Associate Application	\$150	\$75	\$75
Evaluation Application	\$250	\$125	\$125
Initial License Application	\$200	\$100	\$100
Law & Ethics Application	\$150	\$75	\$75
Renewal Fees			
LMFT			
Biennial Renewal	\$200	\$100	\$100
Associate Renewal (annual)	\$150	\$75	\$75
LCSW			
Biennial Renewal	\$200	\$100	\$100
Associate Renewal (annual)	\$150	\$75	\$75
LEP			
Biennial Renewal	\$200	\$100	\$100
LPCC			
Biennial Renewal	\$200	\$100	\$100
Associate Renewal (annual)	\$150	\$75	\$75

ECONOMIC IMPACT ASSESSMENT

This Board has determined that this regulatory proposal will have the following effects:

- It will not create or eliminate jobs within the State of California because the regulations temporarily reduce application and license fees from July 1, 2026, through June 30, 2030.
- It will not create new businesses or eliminate existing businesses within the State of California because the regulations temporarily reduce application and license fees from July 1, 2026, through June 30, 2030.
- It will not affect the expansion of businesses currently doing business within the State of California because the regulations temporarily reduce applications and license fees from July 1, 2026, through June 30, 2030.

The above determinations were made for the following reasons: The proposed regulation simply reduces various Board fees temporarily and results in costs savings to individuals and businesses in the state.

The regulations are estimated to result in cost savings of approximately \$10.4 million per year as follows:

Board of Behavioral Sciences Other Regulatory Fees & Permits and Renewal Fees			
Revenue Category	Proposed Fee Amount	Projected Applications	Cost Savings
App Exam/License Fees			
LMFT			
Associate Application	\$75	5,384	\$403,763
Evaluation Application	\$125	3,106	\$388,311
Initial License Application	\$100	2,589	\$258,900
Law & Ethics Application	\$75	6,480	\$485,966
Clinical Exam Application	\$125	5,061	\$632,653
LCSW			
Associate Application	\$75	5,265	\$394,907
Evaluation Application	\$125	3,357	\$419,645
Initial License Application	\$100	2,549	\$254,919
Law & Ethics Application	\$75	7,451	\$558,860
LEP			
Evaluation Application	\$125	184	\$22,950
Written Exam Application	\$125	262	\$32,771
Initial License Application	\$100	196	\$19,586
LPCC			
Associate Application	\$75	2,381	\$178,596
Evaluation Application	\$100	1,327	\$132,732
Initial License Application	\$125	1,093	\$136,668
Law & Ethics Application	\$75	2,800	\$209,967
Subtotal:			\$4,531,194
Renewal Fees			
LMFT			
Biennial Renewal	\$100	19,760	\$1,975,999
Associate Renewal (annual)	\$75	11,818	\$886,375
LCSW			
Biennial Renewal	\$100	13,129	\$1,312,855
Associate Renewal (annual)	\$75	14,614	\$1,096,061
LEP			
Biennial Renewal	\$100	725	\$72,529
LPCC			
Biennial Renewal	\$75	4,426	\$331,964
Associate Renewal (annual)	\$100	1,970	\$196,988
Subtotal:			\$5,872,770
Total Savings:			\$10,403,964

Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment

The anticipated benefits of this regulatory proposal are: (1) to ensure the Board's fund balance reserve complies with the law at BPC Section 128.5(b); (2) to reduce barriers in the licensure process, (3) to provide cost savings to applicants, registrants, and licensees; and, (4) to allow the Board to withstand economic uncertainties while

retaining the flexibility to pursue any necessary budget realignments in the future.

Specifically, this regulatory proposal affects the health and welfare of California residents as it provides approximately \$10.4 million annually in cost savings spread among approximately 150,000 of the Board's licensees and applicants.

This regulatory proposal does not affect worker safety because it does not relate to worker safety.

This regulatory proposal does not affect the state's environment because it is not related to the environment.

SPECIFIC TECHNOLOGIES OR EQUIPMENT

The proposed regulations do not mandate the use of specific technologies or equipment.

CONSIDERATION OF ALTERNATIVES

No reasonable alternative to the regulation would be either more effective in carrying out the purpose for which the action is proposed or would be as effective or less burdensome to affected private persons and equally effective in achieving the purposes of the regulation in a manner that ensures full compliance with the laws being implemented or made specific.

No such alternatives have been proposed, however, the Board welcomes comments from the public.

Description of reasonable alternatives to the regulation that would lessen any adverse impact on small business:

No such alternatives have been proposed, however, the Board welcomes comments from the public.