


ISSUE MEMORANDUM

DATE	May 1, 2017
TO	Policy and Advocacy Committee
FROM	 Cherise Burns Central Services Manager
SUBJECT	Agenda Item #5(a) – Omnibus Proposal

Background:

Each year the Senate Business, Professions, and Economic Development Committee reaches out to the Boards and Bureaus within DCA regarding the need for clean-up language and non-controversial statutory changes to the Business and Professions Code (BPC) that all get combined into one large omnibus bill. These changes can be as simple as updating outdated statutory references to making changes that conform to legislation passed in the previous year or session.

For the 2017 legislative session, staff submitted a Request for Approval of Proposed Legislation Omnibus Proposal (Omnibus Proposal) for Board approval at its November 2016 Board Meeting, which was approved, and a revised Omnibus Proposal at its March 2017 Policy and Advocacy Committee Meeting and its April 2017 Board Meeting, which was approved as revised, to address additional issues brought to the Board's attention after initial submission of the proposal.

The Omnibus Proposal presented at the November 2016 Board Meeting covered clean up to existing statutory language relating to who pays the registration fees for psychological assistants so that it conforms to the changes made by the Board's Sunset Bill SB 1193 (Chapter 484, Statutes of 2016). At that time, the proposal switched who was responsible for paying the fee from the psychological assistant's primary supervisor to the psychological assistant since the psychological assistant would now be submitting their own registration. The Board approved the proposal and instructed staff to work with the Senate BP&ED to get the proposal included in the Committees annual omnibus bill. In January 2017, Board staff submitted the proposal to the Senate BP&ED staff for consideration. Board staff worked with Senate BP&ED and Senate Republican Caucus staff to include the provisions in the omnibus bill once Senate BP&ED amended a bill to be used as the Senate BP&ED omnibus bill.

After submission to Senate BP&ED, it was brought to the Board's attention that some psychological assistants are not paid for their work, and that we should therefore consider allowing either the primary supervisor or applicant pay the registration fee. In

order to address this concern, Board Staff revised the Omnibus Proposal and presented the revised proposal at the March 2017 Policy and Advocacy Committee meeting. The Committee approved the revised proposal to remove the specification of who pays the psychological assistant registration fee, and the Board subsequently approved these changes at its April 2017 Board Meeting. This provision would now allow anyone to pay the psychological assistant registration fee.

Another issue that was brought to staff's attention was the Board's artificially low and outdated delinquency fee, which has not been updated since 1978. In researching this issue, staff found multiple concerns with the current delinquency fee. The current \$25 delinquency fee for psychologists established in BPC 2987(h) is unevenly applied between psychologists and psychological assistants, where the fee for psychologists equates to six (6) percent of the renewal fee for an active license but the \$20 delinquency fee for psychological assistants equates to 50 percent of the \$40 renewal fee for psychological assistants, placing a larger penalty for late renewal on the training category than that of the licensed professional. Board staff also notes that the extremely low delinquency fee does not serve as much of a deterrent to renewing late, leaving the Board with a total delinquency rate ranging from 4.4 percent to 5.4 percent for calendar years 2014 through 2016; and it costs the Board \$15 to process each \$25 check for delinquency fees paid via check. While this delinquency rate may seem trivial, psychologists are often still practicing without a license when they fail to renew on time and sometimes fail to notice their license has expired for months, necessitating additional enforcement review in some cases. Additionally, in comparison to other boards, the Board's \$25 delinquency fee is extremely low, and is actually the lowest of all DCA entity license types as a percentage of the total renewal fee. Board staff also found that the Board's low delinquency fee for psychologists and its methodology for establishing that rate are not aligned with the majority of other DCA entities that use the rate methodology of 50 percent of the renewal fee, with a maximum of \$150, as specified in BPC Section 163.5.

At the April 2017 Board Meeting, Board staff presented these findings and a recommendation to amend BPC section 2987(h) to specify that the delinquency fee shall be 50 percent of the renewal fee for each license type, not to exceed one hundred and fifty dollars (\$150). These recommended changes were incorporated into the revised Omnibus Proposal, which was approved at the April 2017 Board Meeting.

After the April 2017 Board Meeting, the revised Omnibus Proposal with the psychological assistant fee changes and changes to the delinquency fee were sent to Senate BP&ED staff for consideration in their 2017 Omnibus Bill, which Senate BP&ED staff indicated would be incorporated into SB 547 (Hill) within the coming weeks. To date, SB 547 has not yet been amended. Future updates on the Omnibus Proposal will be incorporated into and reported to the Committee and Board in memos for SB 547.

Action Requested:

This item is for informational purposes only. No action is requested at this time.