# SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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#### THIRD READING

Bill No: AB 1501 Author: Berman (D)

Amended: 8/29/25 in Senate

Vote: 21

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 7-0, 6/30/25

AYES: Ashby, Archuleta, Arreguín, Menjivar, Smallwood-Cuevas, Strickland,

Umberg

NO VOTE RECORDED: Choi, Grayson, Niello, Weber Pierson

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/29/25

AYES: Caballero, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 75-1, 6/2/25 - See last page for vote

**SUBJECT:** Physician assistants and podiatrists

**SOURCE:** Author

**DIGEST:** This bill is the sunset bill for the Physician Assistant Board (PAB) and Podiatric Medical Board of California (PMBC) which makes various changes to the operations of PAB and PMBC stemming from the recent sunset review oversight of both boards.

#### **ANALYSIS:**

- 1) Establishes the PMBC within the Department of Consumer Affairs (DCA), until January 1, 2026, to administer and enforce the provisions of the Medical Practice Act that relate to the practice of podiatric medicine. (Business & Professions Code (BPC) § 2460)
- 2) Prescribes the fees that the PMBC shall charge licensees and applicants as follows:

- a) \$100 for each application for a certificate to practice podiatric medicine and \$100 if the application is accepted. (BPC § 2499.5(a))
- b) \$800 for the initial license fee, which PMBC may reduce by up to 50% if the applicant is currently enrolled in, or has recently graduated from, an approved postgraduate training program. (BPC § 2499.5(b))
- c) \$1,318 for each biennial (every two years) license renewal, reduced by 50 percent for a podiatrist's first renewal, provided they are enrolled or recently graduated from a postgraduate training program. (BPC § 2499.5(d))
- d) \$150 upon renewal of a delinquent license. (BPC § 2499.5(e))
- e) \$100 for a duplicate wall certificate. (BPC § 2499.5(f))
- f) \$50 for a duplicate receipt for a license renewal. (BPC § 2499.5(g))
- g) \$30 for endorsement. (BPC § 2499.5(h))
- h) \$100 for a letter of good standing or loan deferment. (BPC § 2499.5(i))
- 3) Establishes the PAB within the DCA, until January 1, 2026, to administer and enforce the Physician Assistant Practice Act. (BPC §§ 101(af), 3504)
- 4) Prohibits a physician and surgeon from supervising more than four physician assistants at any one time except during any state of war emergency, state of emergency, or state of local emergency, and at the request of a responsible federal, state, or local official or agency, or pursuant to the terms of a mutual aid operation plan established and approved pursuant to the California Emergency Services Act. Authorizes a physician and surgeon to supervise up to eight physician assistants at one time specified conditions are satisfied by all supervised physician assistants (BPC §§ 3516(b)(1) and 3516(b)(2))
- 5) Establishes the maximum fee amounts the PAB may charge its licensees and applicants as follows:
  - a) Maximum application fee of \$25 (BPC § 3521.1(a))
  - b) Maximum initial license fee of \$250 (BPC § 3521.1(b))
  - c) Maximum biennial (every two years) license renewal fee of \$300 (BPC § 3521.1(c))
  - d) The fee for license delinquency is fixed at \$25 (BPC § 3521.1(d))

- e) The duplicate license fee is fixed at \$10 (BPC § 3521.1(e))
- f) The fees for letters of endorsement, good standing, or verification of licensure are fixed at \$10 (BPC § 3521.1(f))

## This bill:

- 1) Extends the operations of PMBC and PAB until January 1, 2020.
- 2) Eliminates obsolete fee references for fees PMBC no longer charges.
- 3) Adds "podiatric surgeon" to the titles someone is prohibited from using unless they are a PMBC licensee.
- 4) States the policy of this state that a DPM shall be classified or treated as a DPM and shall not be classified or treated as an ancillary provider or other allied health professional in any health care setting or insurance reimbursement structure for any purpose.
- 5) Updates the DPM biennial licensure renewal fee to \$1,900.
- 6) Makes various necessary updates to reflect that PAB does not approve physician's assistant (PA) training programs
- 7) Updates PAB fees as follows:
  - a) An application fee not to exceed \$80 rather than the current \$25.
  - b) An initial license fee not to exceed \$500 rather than the current \$250.
  - c) A biennial license renewal fee not exceed \$500 rather than the current \$300.
  - d) A delinquency fee of \$75 rather than the current \$25.
  - e) A fee for a letter of endorsement, letter of good standing, or letter of verification of licensure of \$50 rather than the current \$10.
- 8) Makes various technical changes to fix incorrect cross-references and remove gendered language.

# **Background**

*PMBC*. The PMBC is a licensing entity responsible for administering and enforcing the parts of the Medical Practice Act that apply specifically to doctors of podiatric medicine (DPMs). Podiatry is a branch of medicine that focuses on the foot and ankle. In general, DPMs are licensed to diagnose and treat conditions of the foot and ankle to the same extent as a physician, including surgery, although DPMs may only perform ankle surgery in specified locations, such as general acute care hospitals. DPMs may also conduct partial foot amputations, treat ulcers above the ankle but below the knee, and perform additional services under the direct supervision of a physician and surgeon as an assistant in surgery, regardless of whether the surgery lies within the scope of DPM practice.

The PMBC reported a total of 2,378 licensees at the end of Fiscal Year (FY) 2023-24, 131 of whom were enrollees in a postgraduate residency program. In addition to certifying individual licensees, the PMBC is charged with approving podiatric medical schools and postgraduate residency programs to ensure that their graduates possess the competency to practice in California. The PMBC is also tasked with evaluating consumer complaints and initiating enforcement proceedings against licensees.

Despite 2021 fee increases, PMBC's current fiscal data indicate deficits in two of the past four fiscal years and projected deficits this year and next. Additionally, the decline in reserve funds that occurred between FY 2015-16 and FY 2019-20 was not remediated by the 2021 fee increase. The fund reserve remains around 3 months and is projected to fall in the near future, resulting in insolvency by FY 2025-26. PMBC proposes two scenarios for increasing the \$1,318 biennial license renewal fee: \$1,850 and \$1,950. Under the \$1,850 scenario, factoring in projected increased costs, the board expects to stabilize the declining fund reserve before the board reaches insolvency. However, under this scenario, the board projects that revenues will remain roughly equal to expenditures, so the fund reserve will not be replenished and will remain below 2 months. On the other hand, the \$1,950 proposal, evaluated under the same expenditure projections, will create a surplus of around \$100,000 per year to begin replenishing the dwindling fund reserve. This bill increases the biennial license renewal fee to \$1900.

*PAB*. The regulation of PAs began in California in 1975 with the passage of the Physician Assistant Practice Act. Prior to the regulation of PA's by an independent regulatory board the Physician Assistant Examining Committee (Committee), within the jurisdiction of the Medical Board of California, was responsible for oversight of the PA professions. The PAB's primary responsibility is protecting

consumers by reviewing license applicants to ensure they meet licensure requirements, expeditiously investigating and coordinating disciplinary matters, and managing a diversion and monitoring program for PAs who have alcohol or substance abuse issues. The PAB currently oversees a license population of over 18,000 PAs in the state.

PAs make clinical decisions and provide a broad range of diagnostic, therapeutic, preventative and health maintenance services. Examples of services offered by a PA include ordering x-rays and laboratory tests, performing diagnoses, administering immunizations, providing referrals within the healthcare system, performing minor surgery, and acting as first or second assistants during surgery. PAs are medical professionals that work under the supervision of licensed physicians. In California, physicians may supervise up to four PAs at a time, except for in limited home healthcare settings, in which a physician may supervise up to eight PAs. PAs can make any clinical decision or render any healthcare service that a physician can, subject to the constraints of a written practice agreement between the PA and their supervising physician.

PAs predominantly practice in primary care service settings such as private practice physician offices and hospitals; however, PAs also provide services in community health clinics and rural health clinics. As reported by the Bureau of Labor Statistics, nationally, the majority of PAs work in physicians' offices (55%) and in hospital settings (26%).

The PA Act has been updated several times over the decades to reflect changing realities in supervisory requirements and healthcare practices. The Act was updated in 2019 through SB 697 (Caballero, Chapter 707, Statutes of 2019), which changed the way PAs and physician and surgeons arrange and handle supervision. Among numerous other provisions, the bill allowed multiple physicians and surgeons to supervise a PA and redefined the supervision agreement. What was once referred to as a delegation of services agreement, is now referred to as a practice agreement. The agreement defines the medical services that a PA is authorized to perform, along with policies and procedures to ensure adequate supervision, methods for evaluating competency, the specific authorizations for furnishing or ordering drugs or devices, and any other provisions agreed to by the supervising physician and surgeon and the PA.

On March 30, 2020, the Governor issued Executive Order N-39-20 authorizing the Director of the Department of Consumer Affairs to waive any statutory or regulatory professional licensing relating to healing arts during the duration of the

COVID-19 pandemic – including rules relating to examination, education, experience, and training. DCA-20-67 waived BPC § 3516 (b), the statute limiting physicians to only supervise four PAs and also waived requirements that a practice agreement or written delegation of services agreement exist for a PA to perform medical services. In 2023, AB 1070 (Low, Chapter 827, Statutes of 2023) updated the ratio to authorize one physician to supervise up to eight PAs, if the PAs are only performing home health evaluations. Several states no longer have practice agreement requirements and a number of states have eliminated supervision ratios entirely. This bill updates the physician to PA ratio from 1:4 to 1:8 and directs further discussion about the practice agreement issue by stating Legislative intent for a study on efforts in other states to update practice agreement statutes and the potential benefits or detriments, if any, to patient care if similar statutes were implemented in California.

PAB is primarily funded by licensee renewal fees, which are \$300 per licensee. This amount has not been adjusted since FY 2001-02. The Board is experiencing a steady decline in its fund balance, from \$4,243,000 in FY 2022-23 to a projected \$3,022,000 by FY 2025-26. PAB proposed fee adjustments that it says will have a minimal financial impact on applicants and licensees while significantly enhancing the Board's ability to protect the public and to efficiently perform its licensing duties. This bill updates PAB's fee schedule.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Committee on Appropriations, PAB reports revenue increases of approximately \$43,000 in Fiscal Year (FY) 2025-26 and \$86,000 annually thereafter from the proposed floor fee level increases. If all fees are set to the new statutory caps, revenues to the PAB would increase by up to \$2.4 million per year. PAB notes it would incur minor and absorbable costs to promulgate regulations to increase fees within the statutory limit. PMBC notes updating the biennial renewal fee as proposed by this bill will increase revenues by approximately \$288,000 in FY 2025-26 and \$576,000 annually thereafter. The Office of Information Services within the Department of Consumer Affairs reports minor costs of approximately \$9,000 to deactivate obsolete fee codes for the PAB and PMBC, which is anticipated to be absorbable through the redirection of existing IT maintenance resources.

SUPPORT: (Verified 8/29/25)

California Academy of Physician Assistants

**OPPOSITION:** (Verified 8/29/25)

## None received

ASSEMBLY FLOOR: 75-1, 6/2/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schultz, Sharp-Collins, Solache, Soria, Stefani, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NOES: DeMaio

NO VOTE RECORDED: Sanchez, Schiavo, Ta

Prepared by: Sarah Mason / B., P. & E.D. / 9/2/25 18:22:39

\*\*\*\* END \*\*\*\*