

Date of Hearing: April 21, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS

Marc Berman, Chair

AB 2773 Committee on Business and Professions – As Amended April 16, 2026

SUBJECT: California Board of Occupational Therapy: licensing: fees.

SUMMARY: Extends the sunset date for the California Board of Occupation Therapy (CBOT or Board) until January 1, 2031, establishes the CBOT’s authority to charge certain fees, recognizes additional pathways for satisfying fieldwork requirements for license application, and makes other technical changes and statutory improvements in response to issues raised during the sunset review process.

EXISTING LAW:

- 1) Provides for the regulation of veterinary medicine under the Occupational Therapy Practice Act (Act), which outlines the licensure requirements, scope of practice, and responsibilities of individuals practicing occupational therapy in the state. (Business and Professions Code (BPC) §§ 2570 *et seq.*)
- 2) Establishes the CBOT under the jurisdiction of the Department of Consumer Affairs (DCA), responsible for enforcing the Act, and regulating occupational therapists (OTs) and occupational therapy assistants (OTAs) until January 1, 2026. (BPC § 2570.19)
- 3) Requires the CBOT to meet and hold at least one regular meeting annually in the Cities of Sacramento, Los Angeles, and San Francisco. (BPC § 2570.19(g))
- 4) Authorizes the following persons to practice occupational therapy:
 - a) Any person licensed or otherwise recognized in this state by any other law or regulation when that person is engaged in the profession or occupation for which he or she is licensed or otherwise recognized,
 - b) Any person pursuing a supervised course of study leading to a degree or certificate in occupational therapy at an accredited educational program, if the person is designated by a title that clearly indicates his or her status as a student or trainee, and
 - c) Any person fulfilling the supervised fieldwork experience requirements of their educational program.(BPC § 2570.4)
- 5) Requires that applicants for licensure as an OT or OTA meet specified requirements, including that the applicant:
 - a) Has successfully completed the academic requirements of an educational program for OTs or OTAs that is approved by the CBOT and accredited by the American Occupational Therapy Association’s Accreditation Council for Occupational Therapy Education (ACOTE), or as otherwise specified, and

- b) Has successfully completed a period of supervised fieldwork experience approved by the CBOT and arranged by a recognized educational institution where he or she met their academic requirements.

(BPC § 2570.6)

- 6) Requires the CBOT to establish the following fees:
 - a) A licensing and renewal fee not to exceed \$150 a year,
 - b) An application fee not to exceed \$50,
 - c) A limited permit fee,
 - d) A fee to collect fingerprints for criminal history record checks, not to exceed the amount charged by the agency providing the record check, and
 - e) A fee to query the National Practitioner Data Bank for applicants for licensure and renewal of licensure, not to exceed the amount charged per query.

(BPC § 2570.16)

THIS BILL:

- 1) Requires that the limited permit fee not exceed \$125.
- 2) Establishes the following additional fees:
 - a) A pocket card fee not to exceed \$50,
 - b) A duplicate wall certificate fee not to exceed \$50, and
 - c) A fee for a letter of good standing, endorsements, or verification of licensure not to exceed \$50.
- 3) Specifies that supervised fieldwork requirements for licensure must be arranged by an ACOTE-accredited institution.
- 4) Authorizes any person completing a supervised entry-level doctoral capstone experience to practice occupational therapy, so long the practice constitutes a part of the experience necessary to meet their doctoral requirements.
- 5) Requires that applicants for licensure successfully complete a supervised entry-level doctoral capstone experience arranged by an ACOTE-accredited educational institution where the applicant has met their academic requirements.
- 6) On or before July 1, 2027, requires applicants and licensees to provide a current email address to the CBOT if they have one, and to notify the CBOT of any changes to their email address within 30 days; requires the CBOT to remind licensees of their obligation to report their email address with each renewal application.

- 7) Specifies that the CBOT shall meet at least three times a year, and that at least one meeting shall be in northern California and one shall be in southern California.
- 8) Extends the sunset date for the CBOT to January 1, 2031.
- 9) Makes technical changes to the Act, including adding gender-neutral language.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is the sunset review vehicle for the CBOT, authored by the Assembly Business and Professions Committee. The bill extends the sunset date for the Board and enacts technical changes, statutory improvements, and policy reforms in response to issues raised during the Board’s sunset review oversight process.

Background.

Sunset Review. Each year, the Assembly Committee on Business and Professions and the Senate Committee on Business, Professions and Economic Development hold joint sunset review oversight hearings to review the licensing boards under the DCA. The DCA boards are responsible for protecting consumers and the public and regulating the professionals they license. The sunset review process provides an opportunity for the Legislature, DCA, boards, and stakeholders to discuss the performance of the boards and make recommendations for improvements.

Each board subject to review has an enacting statute that has a repeal date, which means each board requires an extension before the repeal date. This bill is one of the “sunset” bills that are intended to extend the repeal date of the boards undergoing sunset review, as well as include the recommendations from the sunset review oversight hearings.

This year, there are five sunset review bills authored by the Assembly Committee on Business and Professions and five sunset review bills authored by the Chair of the Senate Business, Professions and Economic Development Committee.

SUNSET ISSUES FOR CONSIDERATION:

As part of the CBOT’s sunset review, a number of issues and priorities were raised by the Board’s staff, stakeholders, and legislative committees. These issues were first outlined in the CBOT’s “Sunset Review Report 2026” submitted to the Legislature in January. Subsequently, as part of the Joint Sunset hearings conducted by the Assembly Committee on Business and Professions and the Senate Business, Professions and Economic Development Committee, committee staff published background papers highlighting recommendations to the CBOT regarding issues raised in their report. The background paper is available on the Committee’s website: <https://abp.assembly.ca.gov/jointsunsethearings>. The CBOT is expected to provide the committees with formal responses to these recommendations by April 24, 2026, including recommended statutory revisions. In the meantime, this bill addresses certain issues discussed in the report and oversight hearing, while some remain in active deliberation between the Board and stakeholders.

Currently, AB 2773 addresses the following issues related to the administration, composition, and enforcement capabilities of the Board:

- 1) *Issue #1 – Fee Authority.* As described in the “Fiscal, Fund, and Fee Analysis” portion of this paper, the Board is an entirely special funded entity and does not receive appropriations from the state’s General Fund. The Board generates revenue from the fees associated with licensing occupational therapists and occupational therapy assistants, including application fees, initial licensure fees, biennial renewal fees, and fines for citations related to violations of the Act. Notably, the Board’s fee authority has remained largely unchanged since the passage of the Act in 2000, which states “initial license and renewal fees shall be established by the board in an amount that does not exceed a ceiling of one hundred fifty dollars (\$150) per year”¹. In other words, the Board has been limited to a statutory maximum of \$300 for each biennial license renewal since 2001. While the Board has been granted authority in previous sunset reviews to charge additional, smaller fees—such as a \$50 application fee, a \$25 retired licensee fee, and negligible fees for cost recovery related to criminal history and national practitioner data retrieval, their renewal authority has remained unchanged.

The issue of the Board’s fee authority was raised in its last sunset review, when the Board cited concern regarding increased external cost pressures (such as DCA pro rata, increased legal service charges from the Department of Justice, and increased cost of court reporters) and a decreasing revenue forecast. The Board said then, “despite underspending its annual budget authority for the past 10+ years, the imbalance of revenue earned relative to its expenditures cannot continue. Most fees are at the statutory maximum and the few fees that can be raised in regulation are insufficient to ensure solvency. Thus, statutory authority to increase current fees and establish new fees is necessary.” Furthermore, in correspondence to the Committees during the course of this sunset review, the Board has opined that various incidental costs incurred by the Board for licensed services—such as pocket licenses, letters of good standing, advanced practice approval, and more—either do not have a fee associated with them, or the statutory fee is insufficient to cover the administrative cost.

As a result of 2022 Sunset Review discussions, the Board formed an ad hoc Budget Committee dedicated to working with the Executive Officer to review revenue and expenditures, discuss potential fee scenarios, and provide recommendations to the full Board. This Budget Committee has worked extensively with the Executive Officer and the Board over the course of the sunset review period to deliberate multiple draft fee structures, and have revised recommendations based on changes to budget forecasts and feedback from stakeholders.

To fully address the fund imbalance and prepare for the future, the Board is seeking changes to the statutory maximums for some fees. The Board has approved the following draft fee structure, developed in consultation with the ad hoc Budget Committee:

Proposed Statutory Fee Structure – January 2026

¹ Business and Professions Code § 2570.16

Fee Type	Current Amount	Current Statutory Cap	Proposed Statutory Cap
Renewal Fee – OT	\$270	\$150/yr (\$300 biennially)	\$500 biennially
Renewal Fee – OTA	\$210	\$150/yr (\$300 biennially)	\$450 biennially
Delinquent Fee – OT	\$135	50% of renewal fee	Unchanged
Delinquent Fee – OTA	\$105	50% of renewal fee	Unchanged
Application Fee – OT	\$50	\$50	\$100
Application Fee – OTA	\$50	\$50	\$100
Limited Permit Fee – OT	\$100	Undefined	Undefined
Limited Permit Fee – OTA	\$100	Undefined	Undefined
Retired Status Fee	\$25	\$25	\$50
Advanced Practice App Fee	\$0	N/A	\$200
Pocket License*	\$25	\$25	\$50
Duplicate Wall Certificate*	\$25	\$25	\$50
License Verification/Letter of Good Standing	\$35	Undefined	\$50

**Current caps pursuant to Business and Professions Code § 122*

The Board contends that this fee structure would allow for the administrative costs of various incidental services offered to be properly recouped with an appropriate fee. They further note that the proposed changes would separate the statutory limit on renewal fees for each of the license types issued by the Board, allowing them to more carefully tailor renewal fees according to the separate license categories.

If increased statutory authority is granted, the Board’s fund could be brought into balance through a combination of an approved regulatory package to increase renewal fees to \$300, and a subsequent package to increase application fees, advanced practice application fees, duplicate license fees, license verification fees, and other incidental costs. Moreover, the Board has reiterated to the Committees that further adjustments to licensing fees, particularly impacting applications, initial licensure, and/or renewals, will be preceded by careful deliberation with proper opportunities for stakeholder input.

In a letter addressed to the Committees on March 16th, 2026, the Occupational Therapy Association of California (OTAC) wrote: “OTAC understands the need for fee increases to account for inflation and other economic factors to keep the Board financially solvent. While we support the proposed increase, we hope the Board has explored all possible cost-saving measures in other areas to ensure the increase is justified.”

Additionally, while the Board contends that certain fee authorizations would cover the cost of administration for certain incidental services they currently do not charge for, some of these services—particularly, approval for advanced practices—should be expected to decrease as the profession evolves and the Board continues to conform licensure requirements to increased education standards. Moreover, stakeholders argue that typically, individuals applying for advanced practice certification are newer graduates, and that adding an additional advanced practice fee would increase the already-long list of first-year costs for licensees (application fee, initial license, fingerprinting, and official transcripts). In other words, the Board should carefully consider what incidental services they request a fee for, and what amount is reasonable to

cover the cost of ongoing maintenance while not placing an undue burden on practitioners.

Staff Recommendation in the Background Paper: The Board should keep the Committees apprised as the proposed regulatory package to increase renewal fees is finalized. The Board should inform the Committees of specific incidental services that have insufficient fees to cover the cost of administration, and recommend statutory language to the Committees for consideration.

Current Recommendation: While discussions around further fee authority are ongoing, this bill establishes the requested fee authority for incidental services provided by the CBOT, including a pocket license fee, a duplicate wall certificate fee, and a fee for obtaining a letter of good standing or license verification from the Board. The bill would cap these fees at \$50 annually, and additionally would cap the limited permit fee, which is currently uncapped, at \$125 annually.

- 2) *Issue #9 – Doctoral Capstone Experience.* A Doctor of Occupational Therapy (OTD) is an advanced, doctoral-level degree offered to prospective OTs, or as a post-professional program to OTs who want to obtain additional education. Beyond a more comprehensive education curriculum that includes content on clinical leadership and certain specialized practices, OTD programs also include a mandatory “Doctoral Capstone Project” at the end of their study. This individual project, which ACOTE mandates must be at least 14 weeks in duration, allows students to relate theory and research they learn in their coursework to real-life practice, and synthesize in-depth knowledge in a specific area of interest within occupational therapy.

Capstone projects are developed through collaboration between the student, a doctoral-level faculty member, and a content expert. Prior to commencing the project, students must complete extensive preparation with their academic mentor, including a literature review, needs assessment, and defined project goal. Upon completion, students must disseminate their project and undergo a formal objective evaluation of their performance.

A key finding in the Board’s 2019 OTA Workforce Study conducted alongside California Community Colleges Centers of Excellence for Labor Market Research, was that “of the OTAs surveyed, many expressed interest in pursuing higher education to advance in the field of occupational therapy”². It is therefore plausible that the prevalence of doctoral capstone projects as part of OT educational fieldwork, particularly conducted in post-professional programs, will increase.

On pages 83 and 84 of their 2026 sunset report, the Board requested amendments to statute that recognize the role of doctoral capstone projects in the occupational therapy workforce, and that clearly allow students to count doctoral capstone experience toward their required supervised clinical hours for licensure.

² California Board of Occupational Therapy and the California Community Colleges’ Centers of Excellence for Labor Market Research. (2019). *Workforce Needs Assessment in California*. Retrieved from: https://www.bot.ca.gov/forms_pubs/publications.shtml

Staff Recommendation in the Background Paper: The Board should provide the Committees with any data regarding how many licensees possess an OTD degree and provide further recommendations to recognize and/or support doctoral capstone projects, if there are any.

Current Recommendation: This bill enacts statutory revisions to BPC § 2570.4 and BPC § 2570.6 to recognize doctoral capstone experience as a pathway for satisfying the fieldwork requirements for OT licensure, as recommended in the CBOT's 2026 Sunset Review Report.

- 3) *Issue #10 – Licensee Emails.* Several other DCA boards, including the Board of Behavioral Sciences, Medical Board, Dental Board, Physical Therapy Board, and Psychology Board, have added requirements to their laws that applicants, registrants, and licensees provide their respective board with a current email address if they possess one.

In its 2026 Sunset Review Report, the Board contends that such a requirement would be useful for its administration of licensees, as well as it would allow them to proactively communicate information about law changes, upcoming Board meetings, or other important updates to most of its licensee and registrant population. Currently, the Board relies on email subscription lists (i.e., a Listserv) or posting on social media pages to communicate to the licensed population.

Staff Recommendation in the Background Paper: The Board should provide the Committees with language to mandate that licensees provide the Board with a current email address.

Current Recommendation: This bill adds Section 2570.40 to the BPC, which requires that current licensees and applicants who possess an email address provide it to the CBOT no later than July 1, 2027, and further requires that licensees and applicants update their email information no later than 30 calendar days after a change occurs.

- 4) *Issue #11 – Technical Cleanup.* As the occupational therapy profession continues to evolve and the Legislature enacts new laws affecting the Practice Act, many provisions of statute become outdated, duplicative or superfluous. The Board has identified a few minor, necessary statutory revisions, such as the need to update requirements regarding meeting frequency and location, an issue identified on Page 85 of their sunset report. The Board should recommend any additional cleanup amendments that can be enacted during this sunset review process beyond administrative changes already highlighted above.

Staff Recommendation in the Background Paper: The Board should work with the Committees to enact any technical changes to the Business and Professions Code necessary to clarify language, improve efficiency and remove unnecessary statutes, and that have not otherwise been raised in this background paper.

Current Recommendation: This bill specifies that the CBOT shall meet at least three times a year, with at least one meeting per-calendar-year in northern California and one per-calendar-year in southern California. This recommendation was included in the CBOT's 2026 Sunset Review Report.

- 5) *Issue #12 – Continuation of the Board.* The health, safety, and welfare of consumers is protected by a well-regulated occupational therapy profession. Although the Board is facing an increased enforcement workload and a greater licensee population since the last sunset review, the Board has displayed a strong commitment to improve overall efficiency and effectiveness in operations, and has been responsive to inquiries from the Committees regarding current funding and administration. While outstanding issues impacting the profession remain, such as those outlined in this background paper, the CBOT and its staff continue to actively work with the Committees to identify solutions.

Staff Recommendation in the Background Paper: The practice of occupational therapy should continue to be regulated by the CBOT, and the Committees should continue to review the Board again on a future date to be determined.

Current Recommendation: This bill extends the CBOT's sunset date to January 1, 2031.

Current Related Legislation. AB 2771 (Committee on Business and Professions) is the sunset review vehicle for the California Board of Private Postsecondary Education. *This bill is currently pending in this committee.*

AB 2772 (Committee on Business and Professions) is the sunset review vehicle for the California Council for Interior Design Certification. *This bill is currently pending in this committee.*

AB 2774 (Committee on Business and Professions) is the sunset review vehicle for the Physical Therapy Board of California. *This bill is currently pending in this committee.*

AB 2775 (Committee on Business and Professions) is the sunset review vehicle for the State Board of Chiropractic Examiners. *This bill is currently pending in this committee.*

SB 1302 (Wahab) is the sunset review vehicle for the California Board of Registered Nursing (BRN). *This bill is currently pending in the Senate Business, Professions & Economic Development Committee.*

SB 1303 (Wahab) is the sunset review vehicle for the California Board of Naturopathic Medicine (CBNM). *This bill is currently pending in the Senate Business, Professions & Economic Development Committee.*

SB 1304 (Wahab) is the sunset review vehicle for the California Respiratory Care Board (RCB). *This bill is currently pending in the Senate Business, Professions & Economic Development Committee.*

SB 1363 (Wahab) is the sunset review vehicle for the California Board of Barbering and Cosmetology (BBC). *This bill is currently pending in the Senate Business, Professions & Economic Development Committee.*

SB 1368 (Wahab) is the sunset review vehicle for the California Speech-Language Pathology & Audiology & Hearing Aid Dispensers Board (SLPAHADB). *This bill is currently pending in the Senate Business, Professions & Economic Development Committee.*

Prior Related Legislation. AB 2671 (Berman), Chapter 290, Statutes of 2022, extended the CBOT’s sunset date to January 1, 2027, and enacted various technical reforms resulting from the sunset review process.

ARGUMENTS IN SUPPORT:

This bill is supported by the *Occupational Therapy Association of California (OTAC)*, who write: “OT practitioners are licensed and regulated by the [CBOT] and OTAC appreciates the role of the Board in oversight and enforcement of OT clinicians and the Occupational Therapy Practice Act.”

ARGUMENTS IN OPPOSITION:

There is no opposition on file.

IMPLEMENTATION ISSUES:

Doctoral Capstone Requirement. On pages 84 and 85 of their 2026 Sunset Review Report, the CBOT requested the amendment in this bill to BPC § 2570.6 to “accept completion of the entry-level doctoral degree as method of qualifying for licensure”. The intent of this request was to make it easier for OTD graduates who completed a capstone experience to obtain licensure, but not to restrict applicants who did not complete an OTD program. However, as written the bill unintentionally mandates that all applicants for licensure must complete a doctoral capstone experience. In correspondence with Committee staff, CBOT staff has insisted that this mandate is inadvertent, and has requested that changes to BPC § 2570.6 be removed from the bill.

AMENDMENTS:

To address the implementation issue above, strike Section 2 from the bill, and amend Section 1 of the bill as follows:

On page 3 after line 23:

(d) Any person completing a supervised entry-level doctoral capstone experience ~~requirements of subdivision (e) of Section 2570.6, if the experience constitutes a part of the experience necessary to meet the requirement of that provision.~~ *as part of the requirements for obtaining an occupational therapy doctorate degree from an ACOTE-accredited educational institution.*

REGISTERED SUPPORT:

Occupational Therapy Association of California

REGISTERED OPPOSITION:

There is no opposition on file.

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