
THIRD READING

Bill No: AB 2774
Author: Committee on Business and Professions (D)
Amended: 8/13/26 in Senate
Vote: 21

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 11-0, 6/29/26
AYES: Wahab, Choi, Archuleta, Arreguín, Caballero, Grayson, Menjivar, Niello,
Smallwood-Cuevas, Strickland, Umberg

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/13/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 78-0, 5/26/26 - See last page for vote

SUBJECT: Physical Therapy Board of California

SOURCE: Author

DIGEST: This bill extends the sunset date of the Physical Therapy Board of California (PTBC or Board) to January 1, 2031, and makes statutory improvements and policy reforms in response to issues raised during the board's sunset review.

ANALYSIS:

Existing law:

- 1) Regulates the practice of physical therapy by licensed physical therapists (PTs) and physical therapy assistants (PTAs) under the Physical Therapy Practice Act (Act) and establishes the PTBC until January 1, 2027, to administer and enforce the Act. (Business and Professions Code (BPC) §§ 2600, *et seq.*)
- 2) Authorizes the Board to employ an executive officer and other employees until January 1, 2027. (BPC § 2607.5)
- 3) Specifies that protection of the public is the highest priority for the PTBC in exercising its licensing, regulatory, and disciplinary functions. (BPC § 2602.1)

- 4) Defines physical therapy as the art and science of physical or corrective rehabilitation or of physical or corrective treatment of any bodily or mental condition of any person by the use of the physical, chemical, and other properties of heat, light, water, electricity, sound, massage, and active, passive, and resistive exercise; specifies that physical therapy includes evaluation, treatment planning, instruction and consultative services; and specifies that the practice of physical therapy includes the promotion and maintenance of physical fitness to enhance the bodily movement related health and wellness of individuals through the use of physical therapy interventions. (BPC § 2620(a))
- 5) Makes it unlawful to practice, or offer to practice, physical therapy in this state for compensation received or expected, or to claim to be a PT, unless licensed as a PT or otherwise authorized or exempt. (BPC §§ 2630, 2630.3, 2630.5)
- 6) Establishes licensing fee amounts for PTs and PTAs as follows:
 - a) PT application fee of \$125 and PT foreign graduate application fee of \$200, both of which the Board may decrease or increase, up to \$300. On or after January 1, 2016, both are set to \$300. (BPC §§ 2653, 2688(a), Title 16 of the California Code of Regulations (16 CCR) § 1399.50(a)-(b))
 - b) PT initial license fee of \$100, which the Board may decrease or increase, up to \$150. On or after January 1, 2016, fee set at \$150. (BPC § 2688(c), 16 CCR § 1399.50(c))
 - c) PT biennial license renewal fee of \$200, which the Board may decrease or increase, up to \$300. On or after January 1, 2016, fee set at \$300. (BPC § 2688(d)) (BPC § 2688(d)) CCR tit. 16 § 1399.50(d))
 - d) PTA application and initial license fee of \$125 and PTA foreign graduate application and initial license fee of \$200, which the Board may decrease or increase, up to \$300. On or after January 1, 2016, sets both at \$300. (BPC § 2688(e), 16 CCR § 1399.52(a)-(b))
 - e) PTA biennial license renewal fee of \$200, which the Board may decrease or increase, up to \$300. On or after January 1, 2016, fees set at \$300. (BPC § 2688(f), 16 CCR § 1399.52(c))
- 7) Makes it unprofessional conduct and grounds for disciplinary action for a licensee of a healing arts board to commit any act of sexual abuse, misconduct, or relations with a patient, client, or customer, as specified. (BPC § 726)

- 8) Establishes a registration program for people convicted of specified sex offenses to register with local law enforcement under the Sex Offender Registration Act. (Penal Code (PEN) §§ 290-290.024)
- 9) Requires the Board to deny an applicant for a PT or PTA license if the applicant is required to register under the Sex Offender Registration Act, except in specified cases of misdemeanor convictions for indecent exposure. (BPC § 2660.5, PEN §§ 290, 314)
- 10) Authorizes a person whose license has been revoked or suspended, or who has been placed on probation, to petition PTBC for reinstatement or modification of penalty, including modification or termination of probation, after a period of not less than the specified minimum periods has elapsed from the effective date of the decision ordering that disciplinary action. (BPC § 2661.7(a))
- 11) Prohibits a petition from being considered while the petitioner is under sentence for any criminal offense, including any period during which the petitioner is on court-imposed probation or parole or while there is an accusation or petition to revoke probation pending against the petitioner.
- 12) Authorizes the board to deny, without a hearing or argument, any petition filed within a period of two years from the effective date of the prior decision following a hearing, as specified. (BPC § 2661.7(f))

This bill:

- 1) Extends the sunset date for the PTBC to January 1, 2031.
- 2) Provides that should the PTBC be allowed to sunset in the future, the Board is subject to review by the appropriate policy committees of the Legislature.
- 3) Prohibits the Board from considering a petition for license reinstatement from any applicant for whom the following apply:
 - a) The petitioner is under sentence for any criminal offense, including any period during which the petitioner is on court-imposed probation or parole.
 - b) There is an accusation or petition to revoke probation pending against the petitioner.
 - c) Subject to § 480, the petitioner has been convicted of a crime that would result in automatic denial of an application for a license and either of the following apply:

- i) The petitioner is required to register pursuant to Section 290 of the Penal Code. This subparagraph does not apply to a petitioner who is required to register solely because of a misdemeanor conviction under Section 314 of the Penal Code.
 - ii) The conduct underlying the conviction was a violation of subdivision (m) of Section 2660.
- 4) Increases the range maximums for several license fees while retaining the current fee amount.

Background

Oversight Hearings and Sunset Review of Licensing Boards and Programs. In March 2026, the Senate Business, Professions and Economic Development Committee and the Assembly Committee on Business and Professions (Committees) began their comprehensive sunset review oversight of ten regulatory entities, including the PTBC. The Committees conducted three oversight hearings. This bill and the accompanying sunset bills are intended to implement legislative changes as recommended by staff of the Committees, and which are reflected in the Background Papers prepared by Committee staff for each agency and program reviewed this year.

Background on PTBC. The PTBC's primary function is to run the licensing, education, and disciplinary programs for PTs and PTAs. The PTBC also regulates unlicensed physical therapy aides and physical therapy students.

The practice of physical therapy combines art and science to enhance quality of life and movement potential through promotion, prevention, treatment/intervention, habilitation, and rehabilitation. This scope includes the physical, psychological, emotional, and social well-being of patients/clients. Physical therapy is delivered through collaboration between the physical therapist, patients/clients, other health professionals, families, caregivers, and communities. In this process, movement potential is assessed, and goals are established, using knowledge and skills unique to physical therapists. At the end of FY 2024-25, the PTBC reported 40,278 active, in-state licensees, including 31,023 PTs and 9,255 PTAs. It also reported 50 approved educational programs in California (20 PT and 30 PTA programs).

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

The 2026-27 Budget provides approximately \$7.509 million (Physical Therapy Fund) and 29.4 positions to support the continued operation of the Board's licensing and enforcement activities. The Board does not anticipate any additional

fiscal impact, as the bill adjusts the statutory fee ceilings without changing established fees, creating new programs, expanding enforcement duties, or adding to administrative workload. Although the bill increases these statutory caps, there will not be a corresponding increase in revenue until formal regulatory action is taken. Likewise, the bill increases the default floor, but maintains the Board's authority to decrease the fees as needed.

SUPPORT: (Verified 8/14/26)

Physical Therapy Board of California

OPPOSITION: (Verified 8/14/26)

None received

ARGUMENTS IN SUPPORT: The Physical Therapy Board of California writes, "AB 2774 includes several proposed provisions that strengthen PTBC's regulatory and administrative framework. These provisions reflect issues identified during the sunset review process and support PTBC's mission "to protect the people of California by the effective administration of the Physical Therapy Practice Act." The Board continues to work collaboratively with the Legislature and stakeholders on remaining sunset review items still under discussion. In the interim, PTBC is pleased to support the advancement of AB 2774."

ASSEMBLY FLOOR: 78-0, 5/26/26

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, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Muratsuchi, Celeste Rodriguez

Prepared by: Yeaphana La Marr / B., P. & E.D. /
8/17/26 9:53:50

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