

- 7) Specifies that it is unprofessional conduct and grounds for disciplinary action for a healthcare professional to knowingly present any false or fraudulent claim for the payment of a loss under a contract of insurance or knowingly prepare make or subscribe any writing, with intent to prepare or use the same. (BPC § 810(a))
- 8) Requires the BCE to revoke the license of any licensee, for a period of ten years, upon a second conviction for insurance fraud; specifies that after expiration of the ten-year period, a licensee can apply for license reinstatement. (BPC § 1003(b))
- 9) Requires the BCE and other boards to automatically revoke a license in cases where a licensee has been convicted of two insurance fraud convictions related to worker's compensation insurance or Medi-Cal. (BPC § 810(c)(2))
- 10) Requires the MBC to automatically revoke a license when a licensee has been convicted of a sex offense which requires registration as a sex offender. (BPC § 2232; Penal Code (PEN) § 290)
- 11) Requires the MBC to automatically suspend a license when a licensee has been convicted of a serious felony, as defined. (BPC § 2232.5(b)(3); Penal Code (PEN) § 1192.7)
- 12) Establishes the procedures for interim suspension order hearings for California licensing boards. (BPC § 494)
- 13) States that in criminal proceedings against a licensee, the BCE and other boards may voluntarily appear to furnish pertinent information, make recommendations regarding specific conditions of probation, or provide any other assistance necessary to promote the interests of justice and protect the interests of the public, or may be ordered by the court to do so, if the crime charged is substantially related to the qualifications, functions, or duties of a licensee (PEN § 23)
- 14) Prohibits the practice veterinary medicine or any branch thereof, unless such person holds a valid, unexpired, and unrevoked license from the California Veterinary Medicine Board (CVMB). (BPC § 4825)
- 15) States that a person practices veterinary medicine or a branch thereof when the do any of the following: represents themselves as engaged in the practice of veterinary medicine or any of its branches; diagnoses or prescribes a drug, or treatment for the prevention, cure, or relief of an animal ailment; administers a treatment or medicine for the prevention, cure, or relief of an animal ailment; performs a surgical or dental operation upon an animal; performs a tendonectomy, onychectomy, or any type of claw removal on a feline; performs any manual procedure for the diagnosis of pregnancy, sterility, or infertility upon livestock or Equidae; collects blood from an animal for the purpose of transferring or selling the blood to a licensed veterinarian at a registered premise; or uses any words, letters or titles as to induce the belief that the person using them was engaged in the practice of veterinary medicine. (BPC § 4826)
- 16) Requires the VMB to adopt regulations delineating animal health care tasks and an appropriate degree of supervision required for those tasks that may be performed

solely by a registered veterinary technician (RVT) or licensed veterinarian. (BPC § 4836(a))

17) Defines “musculoskeletal manipulation (MSM)” as the system of application of mechanical forces applied manually through the hands or through any mechanical device to enhance physical performance, prevent, cure, or relieve impaired or altered function of related components of the musculoskeletal system of animals; specifies that the performance of MSM upon animals constitutes the practice of veterinary medicine; and authorizes DCs to perform MSM under the direct supervision of a veterinarian, as specified. (California Code of Regulations, (CCR) tit. 16, § 2038)

This bill:

- 1) States Legislative intent to work with stakeholders to examine licensed chiropractors holding specialized certification who provide chiropractic care to animal patients and evaluate opportunities to expand access to qualified animal chiropractic care while ensuring appropriate consumer and animal protections are in place.
- 2) Authorizes the BCE to deny a license for conduct that, if committed in this state by a California-licensed physician or chiropractor, would constitute an act of sexual abuse, misconduct, or relations with a patient, as specified.
- 3) Requires BCE to distribute a licensee directory electronically, or, if requested, by mail and free of charge for the cost of the publication and distribution.
- 4) Requires the BCE to set penalty fees for the delinquent renewal of a satellite office certificate, certificate of registration of a chiropractic corporation, or continuing education provider status in accordance with existing law.
- 5) Authorizes the BCE to establish, by regulation, a system for the issuance and renewal of a chiropractic facility permit and charge fees to cover the reasonable regulatory cost to administer this chiropractic facility permit system.
- 6) Authorizes the BCE to automatically revoke a chiropractic license if the licensee is required to register as a sex offender or has been convicted of any offense that, if committed or attempted in this state, would have required the licensee to register as a sex offender, except as specified.
- 7) Authorizes the BCE to automatically suspend a chiropractic license following a conviction of a serious felony, as defined.

FISCAL EFFECT: This bill is keyed fiscal by Legislative Counsel. According to the Assembly Committee on Appropriations, the bill will result in annual costs of approximately \$7 million to extend the operation of the BCE.

COMMENTS:

1. **Purpose.** This bill is the sunset review vehicle for the Bureau for Private Postsecondary Education, authored by the Assembly Committee on Business and Professions. The bill extends the Bureau's sunset date and enacts technical changes, statutory improvements, and policy reforms in response to issues raised during the Bureau's sunset review oversight process.
2. **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 10 regulatory entities including the BCE. The Committees conducted three oversight hearings. This bill and the accompanying sunset bills are intended to implement legislative changes as recommended by the staff of the Committees, and which are reflected in the Background Papers prepared by the Committee staff for each agency and program reviewed this year.
3. **Background on the BCE.** The BCE's purpose is to protect Californians from both licensed and unlicensed individuals who engage in the fraudulent, negligent, or incompetent practice of chiropractic. Chiropractic is a healthcare discipline that emphasizes the body's ability to heal itself. The practice focuses on the interaction between the vertebral column and the nervous system and that relationship's impact on overall health. The primary treatment procedure is the chiropractic adjustment or spinal manipulative therapy, but other manual therapies are also utilized. Chiropractic also emphasizes lifestyle interventions like nutrition or exercise counseling.

The licensed practitioners of chiropractic are DCs. In alignment with the foundations of their practice, DCs are authorized to manipulate and adjust the spinal column and other joints of the human body and manipulate the related muscle and connective tissue during the course of those manipulations and adjustments. DCs may also use all necessary mechanical, hygienic and sanitary measures incident to the care of the human body during the course of chiropractic manipulations or adjustments.

The BCE was responsible for regulating approximately 10,700 DC licensees at the end of Fiscal Year (FY) 2024-25. In addition to licensing individual licensees, the BCE oversees 106 providers of chiropractic continuing education and 20 chiropractic programs throughout the United States and Canada. The BCE's mission statement, as stated in its *2026 Sunset Review Report*, is: "to protect the health, welfare, and safety of the public through licensure, education, engagement, and enforcement in chiropractic care." The BCE was last reviewed in 2021, and its last Sunset Review Report was completed in 2022.

4. **Sunset Review Oversight of BCE.** The following are select issues pertaining to the BPPE along with background information concerning the particular issue.

a) Budget and Fund Condition

Background. According to the BCE, for the past 2 years, its expenditures have outpaced its revenues. This issue of the BCE's imbalanced budget was previously raised by the BCE when it requested a fee increase during its 2022 sunset review.

Over the past 8 years, the BCE's fees have been statutorily increased twice. In 2018, the legislature increased the annual renewal fee for a DC license—the BCE's primary source of revenue from \$300 to \$313 and established fixed fee amounts for other services provided by the BCE. This fee increase went into effect on January 1, 2019. Most recently, following the BCE's last sunset review in 2022, the legislature increased the DC license renewal fee from \$313 to \$336, set a new statutory cap of \$500 for DC license renewal fees, and adjusted other fixed fee amounts based on the findings and recommendations of a 2021 fee study.

Despite the BCE's two recent fee increases in 2018 and 2022, the BCE states that its budget is still structurally imbalanced. The BCE's 2026 fiscal data shows a decline in fund reserves for FY 2024/25 and projects further declines for FY 2025/26 and FY 26/27. Additionally, the board has projected that without a fee increase, the fund will become insolvent by the end of FY 2027/28. The BCE's fund reserve, (in months of reserve funding) was: 10.1 for FY 2023/24; 4.7 for FY 24/25; and 2.4 for FY 25/26. The BCE has proposed a new increase in fees as part of the 2026 sunset review process, stating that an adjustment to the fee schedule could help avoid further depletion of the BCE's reserve funds and possible insolvency.

This bill will be amended to update the BCE's revenue and support solvency.

b) Fee Authority for Chiropractic Facility Permit

Background. The BCE states that the satellite certificate program has several limitations which could be remedied by phasing out the satellite certificate and replacing it with a chiropractic facility permit.

The BCE has proposed the chiropractic facility permit as a replacement for the satellite certificate. The chiropractic facility permit is a location-based permit for fixed places of practice, which would include the business name and physical address of the practice, as well as the name and license number of each DC associated with the facility. According to the BCE, if created and implemented, the chiropractic facility permit would essentially phase out the satellite certificate, except in the case of sole practitioners, who maintain multiple office locations.

This bill authorizes the BCE to promulgate regulations to establish a chiropractic facility permit program and assess associated fees.

c) **Denial of Licensure for Formal Discipline Involving Sexual Abuse or Misconduct.**

Background. The BCE currently lacks statutory authority to deny licensure to applicants who have been convicted of a crime or subjected to discipline by another licensing board, under certain circumstances. The BCE asserts that it should be granted the authority to deny licensure to an applicant if they were subject to professional discipline for sexual misconduct that occurred at least 7 years prior to the date of application with the BCE, because sexual misconduct and abuse are serious ethical violations that should be evaluated during the licensure process, no matter when they occurred. The BCE's request is not unprecedented because the MBC already has the authority to deny licensure for applicants who were formally disciplined by another licensing board at least 7 years prior to the date of application for licensure by the MBC.

This bill authorizes the BCE to consider an applicant's history of formal discipline, based on sexual abuse or misconduct, by other licensing boards which occurred at least 7 years prior to the date of application for licensure by the BCE.

d) **Enforcement Program Enhancements and Automatic License Suspension for Conviction of Serious Felony**

Background. According to the BCE, the board has developed proposals for several changes to its enforcement program during the 2026 sunset review period. These proposed changes are aimed at increasing the efficiency of the BCE's internal processes and the strength of its consumer protection functions. In order to effectuate these proposed changes, the BCE has requested several amendments to the BPC.

Currently, the BCE does not have the authority to automatically suspend a license in cases where a licensee has been convicted of a serious felony, which is defined as a felony that represents an immediate and significant threat to public safety. Some professional licensing boards in California have similar requirements to those requested by the BCE. The California State Bar requires automatic license suspension when an attorney is convicted of a crime of moral turpitude. This suspension is enforced by the Supreme Court of California, which in its discretion may, decline to impose or set aside the suspension. Additionally, the MBC is required to automatically suspend a license in cases where a licensee is convicted of a serious felony. The amendments requested by the BCE are similar in content and drafting to the regulations which apply to the MBC on this topic.

The bill authorizes BCE to automatically revoke a chiropractic license if the licensee is required to register as a sex offender or has been convicted of any offense that, if committed or attempted in this state, would have required the licensee to register as a sex offender, except as specified and authorizes the BCE to automatically suspend a chiropractic license following a conviction of a serious felony, as defined. The bill will also be amended to add additional authority for action if a DC engaged in insurance fraud.

e) Animal Chiropractic

Background. DCs in California can currently serve animal patients pursuant to regulations adopted decades ago by the CVMB. Over the last few decades, the role of licensed healthcare providers who seek to adapt their training and education for use along the veterinary care continuum has been under consideration by BCE and the Legislature. Throughout this time, the topic has been contemplated via legislative efforts, raised in staff background papers and in hearings during the sunset review oversight process for the CVMB and other licensing boards, and discussed at regulatory board meetings.

The Veterinary Act authorizes veterinarians to provide animal chiropractic because a veterinarian's license is a plenary license, meaning it grants a veterinarian authority to practice any aspect of veterinary medicine that the veterinarian is competent to provide. While a veterinarian may choose to specialize in a practice area such as surgery, pathology, or rehabilitation, or treat a subset of animal populations like equine and large animals, the veterinary license does not require the attainment of any specialty license to practice within the full scope of veterinary medicine. Licensed veterinarians may also acquire additional certifications focusing on treatment modalities such as animal chiropractic care. On the other hand, there is no lawful avenue for veterinarians to practice on or treat human conditions based on any additional certifications specific to veterinarians.

Like the Chiropractic Act, the BCE's regulations do not contemplate the use of chiropractic on animals, specifically limiting the DC scope to "the human body." However, since 1998, the CVMB's regulations have specifically authorized DCs to provide musculoskeletal manipulation (MSM) services to animal patients under the direct supervision of, and within the licensed veterinary premises of, a veterinarian who authorizes that treatment or care. The regulations define MSM as:

"... the system of application of mechanical forces applied manually through the hands or through any mechanical device to enhance physical performance, prevent, cure, or relieve impaired or altered function of related components of the musculoskeletal system of animals. MSM when performed upon animals constitutes the practice of veterinary medicine."

This regulation authorizes licensed DCs to perform MSM on animals while working under the direct supervision of a veterinarian with the following protocol:

- 1) The supervising veterinarian must complete the following, prior to authorizing a DC to complete an initial examination or perform treatment:

Examine the animal patient;

Have sufficient knowledge to make a diagnosis of the animal's medical condition;

Assume responsibility for making clinical judgments regarding the animal's health and need for medical treatment, including a determination that MSM will not be harmful to the animal patient;

Discuss with the owner or their authorized representative a course of treatment, and be readily available or have made arrangements for follow-up evaluation in the event of adverse reactions or failure of the treatment regimen; and

Obtain a signed acknowledgement from the owner or their authorized representative that MSM is considered to be an alternative (nonstandard) veterinary therapy.

- 2) After the DC has completed an initial examination or treatment, the doctor of chiropractic must consult with the supervising veterinarian to confirm that MSM is appropriate and to coordinate complementary treatment.
- 3) At the time a DC is performing MSM, the supervising veterinarian must be on the premises in an animal hospital setting or in the general vicinity of the treatment area in a range setting.
- 4) The supervising veterinarian must ensure that accurate and complete records of MSM treatments are maintained in the animal patient's veterinary medical record.

DCs who fail to comply with the provisions of the regulations are considered to be engaged in the unlicensed practice of veterinary medicine and are subject to a citation and fine by CVMB or criminal prosecution. However, outside of the enforcement actions, the total number of DCs who provide MSM treatments to animal patients is unknown because they are not required to report to either the BCE or the CVMB.

BCE reports that there are 41 California DCs who currently possess active certification in animal chiropractic.

The issue of non-veterinarian practices adapted for use on animals has been brought up in the context of other professions, and the tension typically focuses on the level of supervision required of the non-veterinarian. One proposed framework designed to settle that tension attempts to split the difference by strengthening the front-end requirements and allowing the supervising veterinarian to determine the level of supervision. This provider-extender framework is loosely based on the physician-physician assistant delegation model. In that model, the supervising provider determines what services and under what circumstances the supervised provider is authorized to provide.

The following are key components of that model:

- 1) Define the practice.

- 2) Require the relevant human healthcare license and standardized education, training, and continuing education in the adapted animal practice.
- 3) Require veterinarian-determined supervision. If no determination is made, the default direct supervision.
- 4) Consideration of animal-specific differences.
- 5) Delineate the disciplinary roles of the CVMB and the relevant board of the adapted practice. Specifically, the CVMB maintains primary jurisdiction over veterinary practices and the original board maintains secondary and cross-cutting jurisdiction.
- 6) Require the adapted practitioner to register with the CVMB.
- 7) Require the supervising veterinarian to examine the animal and establish a veterinarian-client-patient relationship.
- 8) Require standard consumer disclosures.
- 9) Establish premises, safety protocol, and inspection requirements.
- 10) Clarify that the liability for services lies with the treating provider.
- 11) Protect titles as necessary.
- 12) Authorize fees.

The bill should be amended on a future date to incorporate a framework to recognize licensed DCs who wish to further practice animal chiropractic.

The California Chiropractic Association (CalChiro) expresses its support for this bill, “provided it includes statutory language establishing a framework for animal chiropractic...We support the Committee’s effort to provide clarity for consumers and professionals by incorporating animal chiropractic provisions into the Chiropractic Act. Locating this language within the Chiropractic Act ensures that chiropractors remain regulated by the Board that already licenses, oversees, and disciplines the profession, strengthening oversight and consumer protection. CalChiro respectfully requests clarification that any registration with the California Veterinary Medical Board is intended for notification and transparency purposes only. Other states, including Ohio, maintain public listings of animal chiropractic providers through their chiropractic boards, which has proven to be an effective and accessible model for both consumers and regulators.”

CalChiro notes that “The proposed framework applies only to highly trained, certified, and insured animal chiropractic professionals who receive education and training in collaboration with veterinary professionals on the safe application of animal chiropractic care.” The organization suggests updates to the number of hours of direct supervision that would be required in order for a DC to practice on animals and believes that an alternative to a practice agreement between a DC

and veterinarian should be explored. CalChiro also believes that requiring a separate facility for animal chiropractic and human chiropractic services will limit access and premises should be shared for both clients.

The California Veterinary Medical Association (CVMA), Southern California Veterinary Medical Association, Sacramento Valley Veterinary Medical Association, and American Veterinary Medical Association are opposed to allowing DCs to expand their practice to work on animals without veterinary supervision, as expressed in opposition to efforts this year to amend the Chiropractic Act to allow DCs with specified certification to practice on animals. The organizations note that the process that resulted in existing MSM regulations was open and fair, and welcomed all stakeholders to present information to help the CVMB craft a regulation that best served the interests of animals and consumers alike. The resulting regulation clearly delineated the responsibilities of both the supervising veterinarian and the chiropractor in delivering MSM services to animal patients and continues to safeguard animal welfare by providing a straightforward roadmap for veterinarians and chiropractors to follow relative to the use of MSM on animals. They note that allowing chiropractors to work on animals without veterinary supervision poses a threat to both animal welfare and consumer protection. According to the organizations, “there are approximately eight certification programs in the United States that offer animal-centric training to chiropractors and do so via online self-study and/or a few weekend classes (except for a couple of programs that are live/in-person.) Because the core education of chiropractors is focused on a very specific facet of human medicine, the certifications offered in animal chiropractic do not give chiropractors the necessary education or experience needed to safely manage animal patients without veterinary supervision.”

The organizations note that “Hundreds of California veterinarians possess animal chiropractic certification, which—when coupled with their Doctorate in Veterinary Medicine—provides consumers with comprehensive chiropractic care in addition to traditional veterinary services.” They also cite existing pathways for chiropractors to also work on animals provided that they do so under veterinary supervision. “In the case of a registered veterinary premises, the veterinarian must be in the building when the chiropractor is seeing patients. In the case of a “range setting,” the veterinarian must be in the general vicinity when the chiropractor is seeing patients. These scenarios provide for patient safety and consumer supervision that adequately protects California’s consumers and animals.”

CVMA is opposed to scope expansion that allows human health practitioners to work on animals without adequate supervision by a California licensed veterinarian, noting that unsupervised work is dangerous for both the animal and consumer and that this undermines the veterinary medical degree itself, as well as the professional standards of good veterinary medicine by assuming that anyone can practice on animals if they take only limited additional coursework.

BCE believes chiropractors performing animal chiropractic should be registered and regulated by BCE rather than the CVMB since animal chiropractic is a complementary and alternative therapy, distinct from traditional veterinary

medicine and not included in standard veterinary education. BCE believes that because it already regulates chiropractors' education, training, and professional conduct, it is the appropriate entity to oversee this area of practice by chiropractors while collaborating with VMB on animal-specific practice standards, safety protocols, and veterinary-chiropractor coordination of care, an approach that BCE believes avoids placing one profession in the position of setting and enforcing standards for another. BCE notes that chiropractors routinely coordinate care with primary care physicians and specialists when treating human patients, and similar collaboration is expected in animal care."

- 5. Arguments in Support.** BCE supports this bill, writing that "This bill significantly strengthens consumer protection by authorizing the Board to automatically revoke a license to practice chiropractic when a licensee has been convicted of a sex offense and to automatically suspend a license following a conviction of a serious felony. This bill also removes the seven-year limitation on denying a license to an applicant based on prior formal discipline when that discipline was based on conduct that would have constituted an act of sexual abuse, misconduct, or relations with a patient, if committed in this state by a licensed chiropractor. Chiropractic is a hands-on profession that requires direct physical contact between the doctor and the patient during nearly every treatment session. Primary chiropractic interventions such as spinal and extremity manipulation and soft tissue therapies necessitate close proximity and physical touch. An estimated 66 percent of licensees primarily practice as sole practitioners, further underscoring the need for strong consumer protection in cases involving sex offenses, serious felonies, or sexual misconduct. Further, while the Board has found that the licensing reforms originally enacted by AB 2138 (Chiu, Chapter 995, Statutes of 2018), which were intended to reduce barriers to licensure for individuals with a criminal history, have been effective in streamlining the Board's background review process and providing opportunities for licensure, existing law prevents the Board from considering any formal discipline against an applicant that occurred more than seven years before the date of their application. As a result, without legislative action, applicants previously disciplined for acts of sexual abuse or misconduct can eventually qualify for licensure without any safeguards in place, such as a probationary license with appropriate conditions. This bill closes this consumer protection gap by allowing the Board to instead focus on the applicant's demonstration of rehabilitation, regardless of the age of the prior discipline, when determining their present fitness to practice chiropractic.

SUPPORT AND OPPOSITION:

Support:

Board of Chiropractic Examiners

Opposition:

None received

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