SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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THIRD READING

Bill No: AB 742

Author: Elhawary (D), et al. Amended: 7/2/25 in Senate

Vote: 21

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 8-2, 7/7/25

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

Umberg, Weber Pierson NOES: Choi, Strickland

NO VOTE RECORDED: Niello

SENATE JUDICIARY COMMITTEE: 11-1, 7/15/25

AYES: Umberg, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern, Wahab,

Weber Pierson, Wiener

NOES: Niello

NO VOTE RECORDED: Valladares

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/29/25 AYES: Caballero, Cabaldon, Grayson, Richardson, Wahab

NOES: Seyarto, Dahle

ASSEMBLY FLOOR: 57-14, 6/3/25 - See last page for vote

SUBJECT: Department of Consumer Affairs: licensing: applicants who are

descendants of slaves

SOURCE: California Black Legislative Caucus

DIGEST: This bill requires each board within the Department of Consumer Affairs (DCA) to expedite the application of a descendant of an American Slave, effective on the date that a certification process for the descendants of American Slaves is implemented by the Bureau for Descendants of American Slavery (Bureau). This bill sets a sunset date for the provisions of this bill at four years after the bill becomes operative or January 1, 2032, whichever comes first.

Note: This bill becomes operative only upon enactment of Senate Bill 518 (Weber Pierson of 2025), which would create the Bureau.

ANALYSIS:

Existing law:

- 1) Establishes various boards and other entities within the DCA. (Business and Professions Code (BPC) § 101)
- 2) Requires boards within the DCA to expedite, and authorizes boards to assist, the initial licensure process for an applicant who has served as an active duty member of the Armed Forces of the United States and was honorably discharged or who, beginning July 1, 2024, is enrolled in the United States Department of Defense SkillBridge program. (BPC § 115.4)
- 3) Requires boards within the DCA to expedite the licensure process and waive any associated fees for applicants who hold a current license in another state and who are married to, or in a domestic partnership or other legal union with, an active duty member of the Armed Forces of the United States who is assigned to a duty station in this state under official active duty military orders. (BPC § 115.5)
- 4) Requires boards within the DCA to expedite, and authorizes boards to assist, the initial licensure process for applicants who have been admitted to the United States as a refugee, have been granted asylum by the Secretary of Homeland Security or the Attorney General of the United States, or have a special immigrant visa. (BPC § 135.4)
- 5) Requires the Medical Board of California (MBC), Osteopathic Medical Board of California, Board of Registered Nursing, and Physician Assistant Board to expedite licensure for applicants who demonstrate that they intend to provide abortions within the scope of practice of their license. (BPC § 870)
- 6) Requires the MBC to give priority review to the application of a physician and surgeon's applicant who demonstrates intent to practice in a medically underserved area or serve a medically underserved population. (BPC § 2092)
- 7) Requires the Insurance Commissioner to obtain the names of any slaveholders or slaves described in specified insurance records, and to make the information available to the public and the Legislature. (Insurance Code (IC) § 13811)
- 8) States that descendants of slaves, whose ancestors' owners were compensated

for damages by insurers, are entitled to full disclosure. (IC § 13813)

This bill:

- 1) Requires each board within DCA to expedite the application of any applicant who is a descendant of an American slave.
- 2) Makes the provisions of this bill operative only if Senate Bill 518 (Weber Pierson of 2025), which would establish the Bureau, is enacted and states that this bill becomes effective on the date that the certification process for the descendants of American Slaves is implemented by the Bureau.
- 3) Sets a sunset date for this bill at four years after this bill becomes operative or January 1, 2032, whichever comes first, and repeals the section.

Background

The DCA consists of 36 boards, bureaus, and other entities responsible for licensing, certifying, or otherwise regulating professionals in California, including 16 that issue licenses to healing arts professionals. As of March 2023, there were over 3.4 million active licensees who were issued a license by a DCA program.

The average processing time between application submission and license issuance varies depending on many factors outside the licensing programs' control, including the time: to obtain an applicant's criminal history; for the applicant to take and pass a required examination; for an applicant's school to send transcripts; and time for the applicant to resolve application deficiencies, among others.

AB 3121 (Weber, Chapter 319, Statutes of 2020) established a task force to study the issue of reparations for African Americans and make recommendations on the forms that reparations might take. The Task Force submitted the *California Reparations Report* to the Legislature on June 29, 2023 that provides a comprehensive history of numerous systemic injustices and discriminatory practices used to "restrict the freedom and prosperity of African Americans."

Chapter 10 of the Task Force's report, titled "Stolen Labor and Hindered Opportunity," addresses how African Americans have historically been excluded from occupational licenses, in large part due to laws disqualifying licenses for applicants with criminal records, which disproportionately impacts African Americans. This specific issue was addressed in California through enactment of AB 2138 (Chiu, Chapter 995, Statutes of 2018), which reduced barriers to licensure for individuals with prior criminal histories.

Several mandates already require DCA programs to expedite applications, including applications received from: 1) former members of the military; 2) military spouses, domestic partners, and those in any other legal union with a current member of the military stationed in California; 3) refugees and those granted asylum; 4) active-duty members of a regular component of the Armed Forces who are enrolled in the U.S. Department of Defense SkillBridge program under; and 5) specified healing arts licensees who intend to perform abortions.

In addition to AB 2862, two bills were introduced in 2024 to require expedited application processing from DCA healing arts programs. Those bills – SB 1067 (Smallwood-Cuevas of 2024), which would have required expedited licensure for applicants who intend to practice in a medically underserved area, and AB 2442 (Zbur of 2024), which would have required expedited licensure for applicants who demonstrate intent to provide gender-affirming health care or gender-affirming mental health care services – were vetoed. The Governor's veto message cited the number of existing expedite mandates was cited as a reason for veto. It is unknown how many additional applicants would be added to the aggregate as a result of this bill; however, whether each program receives one application or many, this bill does not address the concerns in the veto message.

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

According to the Senate Committee on Appropriations, DCA's Office of Information Services (OIS) reports a one-time cost of approximately \$305,000 to update all 302 different types of online applications and to post all paper applications that have been updated with the determined language to their respective program (various special funds). OIS notes it may absorb the \$30,000 Americans with Disabilities Act remediation and web posting of updates; however will require one-time resources for the remaining \$275,000 to contract with a vendor to update all online forms. The Board of Barbering and Cosmetology reports costs of approximately \$275,000 in the first year, and \$128,000 ongoing to develop and implement a process to expedite applications for specified applicants, which is not anticipated to be absorbable within existing resources. BBC notes additional costs of approximately \$25,000 to promulgate regulations and update translations for its eight applications, which is anticipated to be absorbable.

SUPPORT: (Verified 8/29/25)

Board of Behavioral Sciences Board of Supervisors for the City and County of San Francisco California Faculty Association California Federation of Teachers, California Affiliate of the AFT, AFL-CIO City of Oakland Contractors State License Board Greater Sacramento Urban League San Francisco Board of Supervisors

OPPOSITION: (Verified 8/29/25)

Californians for Equal Rights Foundation Carlsbad Citizens for Community Oversight Dental Board of California

ARGUMENTS IN SUPPORT: The Board of Behavioral Sciences writes, "The Board is supportive of this effort to remedy past discrimination that has led to descendants of slaves being underrepresented in numerous professions."

The California Faculty Association writes, "By granting prioritized consideration, this bill aims to rectify past discriminatory practices that have long denied Black Californians access to licensed professions."

This City of Oakland writes, "AB 742 will increase the number of applicants and recipients of licensure in various Businesses and professions where descendants of slaves have often been overlooked and underrepresented."

The Contractors State License Board (CSLB) writes, "CSLB has long supported increased professional licensure by underrepresented populations and recognizes the value in prioritizing licensing applications from descendants of slaves."

The Greater Sacramento Urban League writes, "AB 742 takes a critical step toward correcting [historical] injustices by ensuring that licensing boards prioritize applications from descendants of enslaved individuals and eliminate arbitrary waiting periods that delay their ability to enter the workforce."

ARGUMENTS IN OPPOSITION: The Californians for Equal Rights Foundation writes, "While AB 742 does not explicitly mention race, certifying descendants of American slaves is unambiguously employed as a race proxy... Advocating blatant government preferences with race-based considerations distorts the principle of equal opportunity into an illiberal tool of equal outcome."

Carlsbad Citizens for Community Oversight states, "Government preferences on the basis of race, cloaked in the scheme of "reparations," are unconstitutional and immoral. Instead of obsessing over race and lineage, the state shall grant professional licenses and certifications strictly based on individual merit." ASSEMBLY FLOOR: 57-14, 6/3/25

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Rogers, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NOES: Castillo, Davies, DeMaio, Dixon, Ellis, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Macedo, Patterson, Ta, Tangipa, Wallis NO VOTE RECORDED: Alanis, Chen, Flora, Lackey, Michelle Rodriguez, Blanca Rubio, Sanchez, Schiavo

Prepared by: Yeaphana La Marr / B., P. & E.D. / 8/29/25 20:52:59

**** END ****