

CONCURRENCE IN SENATE AMENDMENTS

AB 742 (Elhawary)

As Amended July 2, 2025

Majority vote

SUMMARY

Requires state licensing boards within the Department of Consumer Affairs (DCA) to expedite applications from individuals seeking licensure who are descendants of American slaves.

Senate Amendments

- 1) Replace language in the bill requiring boards to "prioritize applicants" to instead require boards to "expedite applications for applicants."
- 2) Make additional technical changes to language in the bill delaying its requirements until a certification process for the descendants of American Slaves is implemented by the Bureau for Descendants of American Slavery.

COMMENTS

Expedited Licensure. The DCA consists of 36 boards, bureaus, and other entities responsible for licensing, certifying, or otherwise regulating professionals in California. As of March 2023, there are over 3.4 million licensees overseen by programs under the DCA, including health professionals regulated by healing arts boards under Division 2 of the Business and Professions Code. Each licensing program has its own unique requirements, with the governing acts for each profession providing for various prerequisites including prelicensure education, training, and examination. Most boards additionally require the payment of a fee and some form of background check for each applicant.

The average duration between the submission of an initial license application and approval by an entity under the DCA can vary based on a number of circumstances, including increased workload, delays in obtaining an applicant's criminal history, and deficiencies in an application. Boards typically set internal targets for application processing timelines and seek adequate staffing in an effort to meet those targets consistently. License processing timelines are then regularly evaluated through the Legislature's sunset review oversight process.

The first expedited licensure laws specifically related to the unique needs of military families. The Syracuse University Institute for Veterans and Military Families found that up to 35 percent of military spouses are employed in fields requiring licensure. Because each state possesses its own licensing regime for professional occupations, military family members are required to obtain a new license each time they move states, with one-third of military spouses reportedly moving four or more times while their partner is on active duty. Because of the barriers encountered by military family members who seek to relocate their licensed work to a new state, it is understood that continuing to work in their field is often challenging if not impossible.

In an effort to address these concerns, Assembly Bill 1904 (Block) was enacted in 2012 to require boards and bureaus under the DCA to expedite the licensure process for military spouses and domestic partners of a military member who is on active duty in California. Two years later, Senate Bill 1226 (Correa) was enacted to similarly require boards and bureaus under the DCA to

expedite applications from honorably discharged veterans, with the goal of enabling these individuals to quickly transition into civilian employment upon retiring from service.

Statute requires entities under the DCA to annually report the number of applications for expedited licensure that were submitted by veterans and active-duty spouses and partners. For example, in Fiscal Year 2022-23, the MBC received 14 applications from military spouses or partners and 101 applications from honorably discharged veterans subject to expedited processing. In 2023, the federal Servicemembers Civil Relief Act (SCRA) imposed new requirements on states to recognize qualifying out-of-state licenses for service members and their spouses. This new form of enhanced license portability potentially displaces the need for expedited licensure for these applicants.

A decade after the first expedited licensure laws were enacted for military families, the Legislature enacted Assembly Bill 2113 (Low) in 2020 to require licensing entities under the DCA to expedite licensure applications for refugees, asylees, and Special Immigrant Visa holders. The intent of this bill was to address the urgency of allowing those forced to flee their homes to restart their lives upon acceptance into California with refugee status. It is understood that the population of license applicants who have utilized this new expedited licensure program across all DCA entities is, to date, relatively small.

Subsequently in 2022, the Legislature enacted Assembly Bill 657 (Cooper) to add another category of applicants eligible for expedited licensure. This bill required the MBC, OMBC, the BRN, and the PAB to expedite the license application for an applicant who demonstrates that they intend to provide abortions. This bill was passed in the wake of the Supreme Court's decision to overturn *Roe v. Wade*, which led to concerns that with approximately half of all states likely to pursue abortion bans, patients in those states would come to California to receive abortion services, creating a swell in demand for abortion providers. Assembly Bill 657 was passed to ensure that there is an adequate health care provider workforce to provide urgent reproductive care services.

State Efforts to Provide Reparations to Descendants of Slavery. In 2020, the Legislature enacted Assembly Bill 3121 (Weber), which formally established the Task Force to Study and Develop Reparation Proposals for African Americans, with a Special Consideration for African Americans Who are Descendants of Persons Enslaved in the United States. The bill's findings and declarations acknowledged that "more than 4,000,000 Africans and their descendants were enslaved in the United States and the colonies that became the United States from 1619 to 1865." The bill further found that as "a result of the historic and continued discrimination, African Americans continue to suffer debilitating economic, educational, and health hardships," including, among other hardships, "an unemployment rate more than twice the current white unemployment rate."

The Task Force created by AB 3121 was given responsibility for studying and developing reparation proposals for African Americans as a result of slavery and numerous subsequent forms of discrimination based on race. The Task Force was then required to recommend appropriate remedies in consideration of its findings, which were submitted as a report to the Legislature on June 29, 2023. The *California Reparations Report*, drafted with staff assistance from the California Department of Justice, totals over a thousand pages and provides a comprehensive history of the numerous past injustices and persistent inequalities and discriminatory practices. The report also includes a number of recommendations for how the

state should formally apologize for slavery, provide compensation and restitution, and address the pervasive effects of enslavement and other historical atrocities.

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. As discussed in the Task Force's report, "state licensure systems worked in parallel to exclusion by unions and professional societies in a way that has been described by scholars as "particularly effective" in excluding Black workers from skilled, higher paid jobs. White craft unions implemented unfair tests, conducted exclusively by white examiners to exclude qualified Black workers."

The report additionally describes how, as the use of licensure to regulate jobs increased beginning in the 1950s, African American workers continued to be excluded from economic opportunity, in large part due to laws disqualifying licenses for applicants with criminal records, which disproportionately impacted African Americans. This specific issue was previously addressed in California through the Legislature's enactment of Assembly Bill 2138 (Chiu/Low) in 2018, which reduced barriers to licensure for individuals with prior criminal histories by limiting the discretion of most regulatory boards to deny a new license application to cases where the applicant was formally convicted of a substantially related crime or subjected to formal discipline by a licensing board, with nonviolent offenses older than seven years no longer eligible for license denial.

In its discussion of issues relating to professional licensure, the Task Force concludes by stating that "while AB 2138 represents progress, other schemes remain in California which continue to have a racially discriminatory impact." The Task Force then provides several recommendations on how the Legislature could "expand on AB 2138." This includes a recommendation in favor of "prioritizing African American applicants seeking occupational licenses, especially those who are descendants [of slavery]."

On January 31, 2024, the California Legislative Black Caucus announced the introduction of the 2024 Reparations Priority Bill Package, consisting of a series of bills introduced by members of the caucus to implement the recommendations in the Task Force's report. Assembly Bill 2862 (Gipson) was introduced to implement the Task Force's recommendation that boards be required to prioritize African American applicants seeking licenses, especially applicants who are descended from a person enslaved in the United States. However, this bill ultimately did not pass the Senate Committee on Business, Professions, and Economic Development.

The following year, the California Legislative Black Caucus announced its "Road to Repair 2025 Priority Bill Package," which it described as "not only about acknowledging the past, but also a commitment to build a more just and equitable future by addressing the systemic barriers that Black Californians continue to face." This bill, included as part of that package, is similar to Assembly Bill 2862 from the prior session. However, this bill replaces prior references to African American applicants with a requirement that boards expedite applications for licensure for "descendants of American slaves."

Because there is currently no established way to prove this status, the bill's requirements are contingent on the Legislature also enacting Senate Bill 518 (Weber Pierson), which would establish a Bureau for Descendants of American Slavery. Once this Bureau has implemented a process for certifying descendants of American slaves, certified applicants would qualify for expedition under the bill. This requirement would be similar to existing expedited licensure

processes for military families, refugee applicants, and abortion providers. While this bill would only represent a single step in what could be considered a long journey toward addressing the malignant consequences of slavery and systemic discrimination, the author believes it would meaningfully address the specific impact those transgressions have had on African Americans seeking licensure in California.

According to the Author

"Descendant of slaves have faced historical barriers to accessing licenses due to longstanding impact of racial bias. By prioritizing descendants of slaves when applying for licenses, we hope to increase the number of applicants and recipients of licensure in various businesses and professions where descendants of slaves have often been overlooked and underrepresented. This is one small step in righting the wrongs of the past."

Arguments in Support

The *Greater Sacramento Urban League* supports this bill, writing: "For generations, Black Californians have faced systemic discrimination in licensing processes, limiting their ability to enter high-demand professions and contribute fully to California's workforce. The historical impacts of racial bias, mass incarceration, and unjust restrictions on licensing have disproportionately affected descendants of enslaved people, creating economic disparities that persist today. AB 742 takes a critical step toward correcting these 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

Pacific Legal Foundation opposes this bill, writing: "As currently drafted, AB 742 does not offer its ostensible race-based eligibility criteria as a remedy to specific instances of discrimination in state licensing. While the Task Force report prompting the legislation references state laws restricting individuals with certain criminal convictions from obtaining licenses that are more likely to impact African American workers, it makes no mention of any laws explicitly excluding or limiting African Americans from receiving a license. The justification for AB 742's race-based licensing thus amounts to addressing societal discrimination, which is insufficient as a compelling interest."

FISCAL COMMENTS

According to the Senate Committee on Appropriations, the DCA's Office of Information Services 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: most programs within the DCA anticipate absorbable costs, but the Board of Barbering and Cosmetology reports unabsorbable costs of \$275,000 in the first year and \$128,000 ongoing to develop and implement a process to expedite applications for specified applicants.

VOTES:

ASM BUSINESS AND PROFESSIONS: 12-2-4

YES: Berman, Ahrens, Bains, Caloza, Elhawary, Haney, Irwin, Jackson, Krell, Lowenthal, Nguyen, Pellerin

NO: Hadwick, Macedo

ABS, ABST OR NV: Flora, Alanis, Bauer-Kahan, Chen

ASM JUDICIARY: 8-2-2

YES: Kalra, Bryan, Connolly, Harabedian, Pacheco, Papan, Stefani, Zbur

NO: Macedo, Sanchez

ABS, ABST OR NV: Dixon, Bauer-Kahan

ASM APPROPRIATIONS: 11-3-1

YES: Wicks, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache

NO: Dixon, Ta, Tangipa

ABS, ABST OR NV: Sanchez

ASSEMBLY FLOOR: 57-14-8

YES: 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

NO: Castillo, Davies, DeMaio, Dixon, Ellis, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Macedo, Patterson, Ta, Tangipa, Wallis

ABS, ABST OR NV: Alanis, Chen, Flora, Lackey, Michelle Rodriguez, Blanca Rubio, Sanchez, Schiavo

UPDATED

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