

**BOARD FOR PROFESSIONAL ENGINEERS, LAND SURVEYORS, AND
GEOLOGISTS
DEPARTMENT OF CONSUMER AFFAIRS
CALIFORNIA CODE OF REGULATIONS, TITLE 16, DIVISIONS 5 AND 29.**

INITIAL STATEMENT OF REASONS

Hearing Date: January 14, 2020, from 10:00 a.m. to 12:00 p.m.

Subject Matter of Proposed Regulations: Fees and Certificates

Authority cited: Business and Professions Code (BPC) Sections 6716, 6765, 6799, 7818, 7854, 7887, 8710, 8749, and 8805.

References cited: BPC Sections 119, 122, 158, 6706.3, 6765, 6795, 6796, 6798, 6799, 7851, 7880, 7881, 7887, 8749, 8775.3, 8801, 8802, 8804, 8804.5, and 8805.

Section(s) Affected: Title 16, California Code of Regulations (CCR) sections 407 (Fees), 410 (Certificates), 3005 (Fees), and 3010 (Certificates).

Statement of Problem/Purpose:

The Board for Professional Engineers, Land Surveyors, and Geologists (Board) proposes to amend Sections 407, 410, and 3005 and to adopt Section 3010 of Divisions 5 and 29 of Title 16 of the CCR. The purpose for amending Sections 407 and 3005 is to standardize fees for services for all regulated professions under the Board's jurisdiction, address structural imbalances in the Board's budget and ensure future fiscal solvency. The purpose for amending Section 410 and adopting Section 3010 is to clarify under what circumstances certificates, including duplicate certificates, will be issued.

BPC sections 6716, 7818, and 8710 authorize the Board to adopt, amend, or repeal rules and regulations which are reasonably necessary to carry out the provisions of the chapters. BPC sections 6799, 7887, and 8805 prescribe and establish the statutory limits for the fees that the Board may charge and collect. BPC sections 6765, 7854, and 8749 authorize the Board to issue duplicate certificates and to adopt rules and regulations governing the issuance of such certificates.

The application, examination, renewal, retired, delinquent, and duplicate certificate fees have remained the same since 2012 and are disparate across the regulated professions. In this proposed rulemaking, the Board seeks to amend Sections 407 and 3005 to standardize said fees as detailed in **Attachment I**. Section 410 is proposed to be amended and Section 3010 is proposed to be added to address when and how the Board will issue certificates, including duplicate certificates. These changes will conform the regulations to statute and provide uniform treatment among Board applicants and licensees.

The Board anticipates the standardized fee structure proposed will foster an affordable path to licensure, align fees with the full cost of operational services, and set fees to

facilitate the effective administration of the Board while meeting the needs of the public, applicants, and licensees. The proposed fees will apply to the renewal of licenses that expire after the effective date of the amendments to the regulations. Other specified fees will be charged as of the effective date of the amendments to the regulations.

Necessity for Modifications to Fees in Sections 407 and 3005

The Board proposes to amend Sections 407 and 3005 of Divisions 5 and 29, respectively, of Title 16 of the CCR. The Board is proposing to standardize fees as detailed in **Attachment I**.

The necessity for this proposed regulatory action is to standardize fees for services for all regulated professions and ensure future fiscal solvency for the Board. Analysis of the Fund Condition statement confirms the Board must implement budgetary adjustments to address dissimilar fees amongst all professions it regulates and protect the Fund from becoming insolvent as projected in Fiscal Year (FY) 2020-21. Analysis of the Board's fund balance measured by Months in Reserve (MIR) projects that at the end of FY 2019-20, a 0.5-month reserve will exist. The Board's budget will become insolvent in FY 2020-21 with a deficit of -\$3.3 million and -3.1 MIR. In FY 2021-22, this deficit will be approximately -\$7.5 million or -6.8 MIR. The current fee structure is not comparable to the services provided. **Attachment II** details the Board's fund condition updated with the 2019-20 Governor's Budget Act. Standardizing the Board's various fee amounts across the professions and resolving the structural fund imbalance are unattainable without a fee change.

There are several factors that have created the need to standardize fees.

Background and Fund Consolidation:

Legislation enacted during the 4th Extraordinary Session of 2009 (ABX4 20) eliminated the Board for Geologists and Geophysicists and transferred all of that board's powers and jurisdiction to this Board. Legislation enacted in 2016 (Bonilla, Chapter 428, AB 177) merged the Geology and Geophysics Account into the Professional Engineer's and Land Surveyor's Fund. Upon jurisdictional oversight in 2009, the Board gradually started integrating staff and processes into relevant units. Upon merging the funds in 2016, the Board began a proactive study to standardize all regulatory fees across all of the Board's regulated professions. Initial steps were taken with legislation enacted in 2018 (Cannella, Chapter 154, SB 1098) that deleted the provision setting an initial license fee for a professional geologist or professional geophysicist and made the process of issuing a license the same as the process for professional engineers and professional land surveyors. Legislation also required a fee for filing an application for certification as a geologist-in-training identical to the engineer-in-training and land surveyor-in-training certifications issued by the Board. Conforming changes in legislation created consistency across all three Acts (Professional Engineers Act, Professional Land Surveyors' Act, and Geologist and Geophysicist Act). Standardizing fees across all of the Board's regulated professions and stabilizing the merged funds are additional steps to providing consistency in the Board's operations in accordance with the legislative mandates enacted in 2009.

Workload and Revenue:

On January 1, 2017, the Board stopped collecting an application fee for refile applicants. Prior to January 1, 2017, applicants were required to pay an application fee each time they applied and refiled to take an exam. A separate refile application fee is no longer required. If one needs to retake a California state-specific exam, one needs to submit the appropriate re-examination form and only the required exam fee(s) prior to being authorized by the Board to schedule to retake the exam(s). Additionally, professional engineer and professional land surveyor applicants who need to re-take a national exam now register directly with the national exam vendor and pay the exam fees directly to that vendor. The Board is not involved in that stage of the process and, therefore, does not need to collect a refile application fee.

These changes in the application process, while helping to expedite the process so that qualified individuals may be licensed sooner, have contributed to the decrease in the number of applications submitted to date and the historical revenue collected. Over two FYs (2016-17 and 2017-18), average revenue has decreased by \$657,000, and the direct impact in regulatory licenses has been a \$780,000 reduction from FY 2016-17 to FY 2017-18. Cyclical renewal fees have helped absorb the direct reduction in regulatory licenses but have not eliminated the structural imbalance in the Fund.

Fee disparity amongst the Board's regulated professions:

The processes for approving applicants for licensure and enforcing the licensing laws are generally the same for all professions regulated by the Board, and the costs incurred to perform those services are the same for all regulated professions. However, under the current fee structure, there is disparity amongst the Board's regulated professions. The Board believes that eliminating such disparity, to the extent feasible, would make its fee structure more equitable.

One example of a fee disparity between the regulated professions is the application fee charged to individuals applying under the Geology and Geophysicist Act (\$250 application fee) versus those applying under the Professional Engineers Act and Professional Land Surveyors' Act (\$125 application fee). This means applicants for licensure as professional geologists, professional geophysicists, certified engineering geologists, and certified hydrogeologists are charged double the fee that applicants for licensure as professional engineers and professional land surveyors are charged for the same service. This proposal would standardize the application fees charged for all certifications and licenses issued by the Board.

Another disparity is in the renewal fees. The current renewal fee for professional geologists and professional geophysicists is \$270 for a two-year renewal period, while the renewal fee for professional engineers and land surveyors is \$115 for a two-year renewal period. Since the same services are provided to all of the Board's regulated professions, the same renewal fee should be charged. This proposal would standardize the renewal fee so that it is the same for all license types issued and regulated by the Board.

Expenditures:

Increases in expenditures from four years ago to today have averaged 8%, or \$872,000, and are tied to increases in employee salaries and benefits, operating expenses related to examination development costs, and pro rata charges, which in themselves have been impacted by the increases in employee salaries and benefits, as follows:

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Actual Positions	48.0	51.0	50.0	47.0
Personal Services	\$3,675	\$4,184	\$4,535	\$4,621
Operating Expenses	\$3,580	\$3,621	\$3,706	\$4,829
Departmental Pro-rata	\$1,315	\$1,300	\$1,748	\$1,736

Note: Dollars represented in thousands

- Since FY 2014/15 salaries and wages, temporary help, and benefits increased by \$946,000 related to filling program vacancies, merit salary adjustments, retirement and healthcare increases, and bargaining unit salary adjustments. Operating expenses have increased by \$1,249,000 related to examination development contracts, examination expert consultant contracts, and enforcement. Departmental pro rata rose by \$421,000.

Expenditures by Program:

The Board is composed of four units – Enforcement, Licensing, Examination Development, and Administration/Executive Services – that support and enforce its statutes and regulations.

The Enforcement Unit receives and investigates all complaints related to professional engineering, land surveying, geology, and geophysics, and pursues disciplinary action, if warranted. This unit accounts for approximately 23%, or \$2.6 million, of total expenses in FY 2017/18.

The Licensing Unit reviews and processes applications, processes licenses and certificates for all license types under the Board's authority, and licenses qualified candidates. This unit accounts for approximately 25%, or \$2.9 million, of total expenses in FY 2017/18.

The Examination Development Unit develops and administers examinations, determines examination passing scores, and issues result notifications to licensure candidates. This unit accounts for approximately 21%, or \$2.3 million, of total expenses in FY 2017/18.

The Administrative Services Unit supports the Enforcement, Licensing, and Examination Development Units and maintains the day-to-day operations at the Board. This unit accounts for approximately 15%, or \$1.6 million, of total expenses in FY 2017/18.

DCA pro rata accounted for 16%, or \$1.7 million, in the Fund in FY 2017/18.

Expenditures by Program Component (list dollars in thousands)								
	FY 2014/15		FY 2015/16		FY 2016/17		FY 2017/18	
	Personnel Services	OE&E						
Enforcement	\$1,106	\$1,357	\$1,141	\$1,339	\$1,286	\$1,304	\$1,109	\$1,499
Examination	\$600	\$1,571	\$658	\$1,479	\$853	\$1,647	\$924	\$1,911
Licensing	\$896	\$292	\$1,246	\$325	\$1,320	\$269	\$1,525	\$820
Administration	\$784	\$301	\$965	\$420	\$898	\$450	\$739	\$479
Executive	\$289	\$60	\$175	\$58	\$180	\$37	\$323	\$120
DCA pro rata	\$0	\$1,315	\$0	\$1,300	\$0	\$1,748	\$0	\$1,736
TOTALS	\$3,675	\$4,895	\$4,184	\$4,922	\$4,535	\$5,454	\$4,621	\$6,564

Under the Board’s internal accounting practices, the Licensing Unit is sustained by application fees, the Examination Unit is sustained by examination fees, and the Administration Unit, Enforcement Unit, Executive, and pro rata are sustained by renewal fees. Tasks associated with processing for each regulatory fee and corresponding time allocated to each task for examination and application fees is illustrated in **Table A: Data Supporting Regulatory Fee Structure**.

Impact to Application, Renewal, Retired, Delinquent, and Duplicate Certificate Fees (Sections 407(a), (c), (d), (e), and (g), and 3005(a), (c), (d), (e), and (g)):

As discussed, the proposed fee changes will standardize fees amongst all professions regulated by the Board. The proposed fees are shown in **Attachment I**, and the improvements to the fund condition and alternatives are shown in **Attachment III** and further explained under “Consideration of Alternatives.”

Impact to Examination Fees (Sections 407(b) and 3005(b)):

For all California specific state examinations, the proposed fee changes will support the actual cost to develop, maintain, and administer examinations and standardize fees amongst all regulated professions. The fees for the National Association of State Boards of Geology (ASBOG®) examinations are set by the national organization. The proposed fees are shown in **Attachment I**, and the improvement to the fund condition and alternatives considered are shown in **Attachment III** and further explained under “Consideration of Alternatives.”

Transfer of Duplicate Certificate Fee from Section 410 to Section 407:

Currently, the fee to be charged for the issuance of a duplicate certificate to a professional engineer or a professional land surveyor is specified in Section 410, while other fees are listed in Section 407. The fee charged to professional geologists and professional geophysicists for duplicate certificates is specified in Section 3005, which also identifies other fees applicable to those professions. It is more appropriate to specify all fees to be charged in one regulatory section; therefore, the Board is proposing to specify the duplicate certificate fee in Section 407 and remove it from Section 410.

Change in Duplicate Certificate Fee in Section 3005(c):

The process and cost to issue a duplicate certificate is the same whether it is issued under the laws pertaining to professional engineers and land surveyors or those pertaining to professional geologists and geophysicists. As such, it is appropriate to charge the same fee of \$10 for this service across all of the Board's regulated professions.

Necessity for Other Amendments to Sections 407 and 3005:

The other amendments proposed to be made to Sections 407 and 3005 are to clarify wording, remove outdated procedures and processes, and standardize the wording and processes across all professions regulated by the Board. Descriptions of these changes are provided below.

Existing Subdivision (a) of Sections 407 and 3005:

This provision specifies the ways in which fees may be paid to the Board. The Board is able to accept payment by any valid method, so it is not necessary to specify how the payment is to be made. In addition, the methods currently listed are outdated and do not include all valid methods (such as credit or debit cards). Furthermore, with the rapid changes in technology, it would be highly likely that the Board would need to revise the list often.

Re-lettered Subdivision (c) of Section 407:

The proposed amendment will specify the date the new biennial renewal fee will begin, which is necessary to coincide with the effective date of the amendments to the regulation. It is not necessary to include a reference to prior fees that were charged. This text outdated and should be repealed

Re-lettered Subdivision (d) of Section 407 and Re-lettered Subdivision (g) of Section 3005 and Addition of New Paragraph (i) at the End of Sections 407 and 3005:

The proposed amendments would remove the definition of the word "license" from a singular subdivision and place it in its own paragraph and apply it to the use of the word in the entire section. Additionally, it was realized that two license types had been left out in the current version of the regulations; therefore, they are being included now (specifically, "photogrammetric surveyor" in 407 and "specialty geophysicist" in 3005) to list all license types. This will provide clarity as to the meaning of the word through the section and eliminate the need to reference each type of license or certificate in individual subdivisions.

Existing Subdivision (e) in Section 407:

This subdivision is being repealed because there are no longer any examinations that may be appealed. Therefore, it is no longer necessary to indicate the fee that would be charged for an examination appeal.

Re-lettered Subdivision (f) of Section 407:

The word "it" is being replaced with the words "the fees" for grammatical clarity.

Existing Subdivision (h) of Section 407:

The proposed amendments would repeal this subdivision regarding the return of renewal applications received after the statutory deadline without the required delinquency fees

because it is unnecessary. Pursuant to BPC Sections 6796 and 8802, payment of a delinquency fee is a precondition for renewal of an expired license, if renewal is attempted more than 60 days after expiration under the Professional Engineers Act or more than 30 days after expiration under the Professional Land Surveyors Act. Licensees are responsible for adhering with licensure requirements, and the current regulation places an unnecessary administrative burden on the Board to return applications and explain that the proper fees were not paid. Moreover, expired licensees receive notice that they failed to pay the delinquency fee via another mechanism. When the Board processes payment for renewal, if it is determined that the correct amount due has not been paid, then either an underpayment notice is generated to collect the additional owed fees or a refund is processed for any overpayment. Therefore, it is necessary to remove the description of the process that involves returning the application because it is unnecessarily burdensome and redundant of other Board procedures. Additionally, this subdivision will be replaced with a new subdivision (g) to address the payment of the delinquency fee [see explanation below regarding the addition of new subdivision (g)].

New Subdivision (g) of Section 407:

This new subdivision will partially replace existing subdivision (h), where the payment of the delinquency fee is currently addressed [see explanation above regarding the repeal of subdivision (h)]. BPC sections 6799 and 8805 provide that the delinquency fee shall be “no more than” 50% of the renewal fee in effect on the date of reinstatement. This subdivision will specify that the delinquency fee is set at exactly 50% of the renewal fee in effect on the date of reinstatement. This is the fee currently established in regulation.

Existing Subdivision (e) and New Subdivision (d) of Section 3005:

The proposed amendments would repeal existing subdivision (e) and replace it with a new subdivision (re-lettered as (d)) to indicate that the renewal fee for all licenses, as defined in Section 3005, will have the same renewal fee, with the renewal fee and the effective date of that renewal fee also specified. It is necessary to amend the renewal fee to standardize fees for services for all regulated professions and ensure future fiscal solvency for the Board. (See sections entitled “Statement of Problem/Purpose” and “Necessity for Modifications to Fees in Sections 407 and 3005,” above, for further details.)

Re-lettered Subdivision (e) in Section 3005:

This proposal replaces the specific license types with the term “license,” which is defined in Section 3005. As explained above under “Re-lettered Subdivision (d) of Section 407 and Re-lettered Subdivision (g) of Section 3005 and Addition of New Paragraphs at the End of Sections 407 and 3005,” a new paragraph (i) is proposed to be added at the end of Section 3005 to define the word “license” as used in the entire section in order to provide clarity as to the meaning of the word throughout the section and eliminate the need to reference each type of license or certificate in individual subdivisions.

Re-lettered Subdivision (f) in Section 3005:

The proposed amendments clarify how the date of filing of the fees will be determined based on transmittal through the U.S. mail and conforms the language to that currently used in re-lettered subdivision (f) of Section 407 to provide consistency amongst all of the Board’s regulated professions. It is necessary to allow for proof of mailing on a date

earlier than the postmark date to give applicants and licensees the benefit of the earlier date, if it happens to be earlier than the postmark date.

New Subdivision (h) in Section 3005:

A new subdivision (h) is proposed to be added to Section 3005 to specifically address under what circumstances refunds of fees will be made. The language used is that currently used in re-lettered subdivision (h) of Section 407, which is necessary to maintain consistency amongst all of the Board's regulated professions.

Necessity for Amendments to Section 410 and Adoption of Section 3010 (Certificates)

The Board proposes to amend Section 410 and adopt Section 3010 of Divisions 5 and 29, respectively, of Title 16 of the CCR relating to certificates. Currently, Section 410 addresses when and how the Board will issue certificates, including duplicate certificates, to professional engineers and professional land surveyors and specifies the fee to be charged for duplicate certificates. There is no section in the regulations promulgated under the Geologist and Geophysicist Act that addresses when and how the Board will issue certificates, including duplicate certificates, to professional geologists and professional geophysicists; however, the fee to be charged for duplicate certificates is specified in Section 3005. This proposal would also add Section 3010 to address when and how the Board will issue certificates, including duplicate certificates, to professional geologists and geophysicists. This is necessary to provide consistency regarding the procedures for all of the Board's regulated professions.

Furthermore, this proposal would amend Section 410 to remove the specific dollar amount of the fee and indicate that the fee to be charged for duplicate certificates is specified in Section 407, which is the section that lists all of the specific fees to be charged by the Board. Additionally, language is proposed to be added to Section 410 to clarify that the affidavit to be submitted includes destroyed or mutilated certificates, as well as lost certificates, since the preceding sentence requires an affidavit in all three of those circumstances.

Anticipated benefits from this regulatory action:
Sections 407 and 3005:

The proposed fee changes in Sections 407 and 3005 will standardize fees amongst all the professions regulated by the Board as well as ensure future fiscal solvency of the Board's fund. See **Attachment I** for description of fee changes. The Board last adjusted fees in April and May of 2012 and that fee structure has provided operational program support until FY 2017-18. The changes will also provide uniform treatment in other ways among Board licensees.

The Board's current, varied fee structure was last adjusted in 2012, and it no longer supports the actual costs of services provided today. The cost incurred to fulfill a current service is not equal to the current fee associated with that service. The Board operates under a special fund. Special funds created by statute, or administratively per Government Code section 13306, are used to budget and account for taxes, licenses, and fees that are restricted by law for particular activities of the government. The BPC

requires that the fees to take a licensing examination cannot exceed the actual cost to develop and administer the exam.

Sections 410 and 3010 (Certificates)

The proposed amendments to Section 410 will clarify that the fee to be charged for duplicate certificates for professional engineers and professional land surveyors is specified in Section 407, where all the fees charged by the Board are listed. They will also clarify wording, as explained previously. The proposed addition of Section 3010 will indicate when and how the Board will issue certificates, including duplicate certificates, to professional geologists and geophysicists, thereby standardizing the procedures addressed in regulations across all of the Board's regulated license types.

Underlying Data

As identified above, the increase in fees is based upon the following materials:

1. Amended Minutes from November 1, 2018, Board meeting
2. Minutes from May 13, 2019, Board meeting
3. BPELSG Fund Condition 2016-17 through 2021-22 (**Attachment II**)
4. BPELSG Fund Condition with fee increase 2016-17 through 2021-22
5. Restructured Fees Chart (**Attachment I**)
6. Standardized Fees Chart (**Attachment III**)
7. **Table A: Data Supporting Regulatory Fee Structure**
8. Workload and Revenue 2017-18 through 2019-20
9. Restructured Fees Chart – California State Agency Impact
10. Sample Salary Information – ZipRecruiter Job Recruitment postings for professional engineer, professional land surveyor, and professional geologist.

Business Impact:

The Board has made an initial determination that this proposed regulatory action will not have a significant statewide adverse economic impact directly affecting businesses, including affecting their ability to compete with businesses in other states. The determination is based on the fact that the action applies to individual application and license fees and no businesses. Also, this proposed regulatory action impacts State, Local, and public agencies that reimburse employees' license fees and concludes that there is a very small impact that won't affect hiring or budgets in a significant way. The proposed regulations will affect currently licensed professional engineers, professional land surveyors, professional geologists, professional geophysicists, certified engineering geologists, and certified hydrogeologists as it applies to the proposed change in license renewal fees. The proposed regulations will affect individuals who apply for a license as a professional engineer, professional land surveyor, professional geologist, professional geophysicist, certified engineering geologist, and certified hydrogeologist and for a certification as an Engineer-in-Training, Land Surveyor-in-Training, or Geologist-in-Training, as the required application and examination fees will be changing to a more standardized structure across all regulated professions.

Economic Impact Assessment:

This regulatory proposal will have the following effects:

- It will not create or eliminate jobs within the state of California because the regulation affects individuals rather than businesses. It is unlikely that the modified costs associated with licensure will significantly discourage or deter individuals from entering the Board's regulated professions.
- While the changes in fees by percentage (-233% to 63%) vary drastically, standardizing fees across all regulated professions is based on the economic value provided by an affordable path to licensure, aligning fees with the full cost of operational services, and setting fees to facilitate the effective administration of the Board while meeting the needs of the public, applicants, and licensees. Standardizing the fees across all of the Board's regulated professions also eliminates the disparity created by charging individuals who hold different types of licenses different fees for the same services. The fee changes are small in comparison to the average monthly salary across the regulated professions of an average \$7,760 per month and \$93,000 annually based on job recruitments attached as an exhibit in the Underlying Documents.
- It will not create new business or eliminate existing businesses within the state of California because the regulation does not make any changes or provide for any new provisions that would result in the creation or elimination of new businesses.
- It will not result in expansion of any businesses currently doing business within the state of California because the regulation does not make any changes or provide for new provisions that would directly affect the expansion of any businesses.
- This regulatory proposal will benefit the health and welfare of California residents because this proposal ensures the Board will remain fiscally solvent to administer and enforce the provisions of the Professional Engineers Act, Professional Land Surveyors' Act, and the Geologist and Geophysicist Act in the interest of consumer protection.
- This regulatory proposal should not affect worker safety because this proposal is specific to fees charged by the Board to its applicants and licensees and to the circumstances under which the Board issues certificates; it is not anticipated to impact current business practices or registration trends affecting worker safety.
- This regulatory proposal should not affect the state's environmental safety because it is specific to the fees charged by the Board to its applicants and licensees and to the circumstances under which the Board issues certificates; it is not anticipated to impact current business practices that may affect the state's environment.

Specific Technologies or Equipment

This regulation does not mandate the use of specific technologies or equipment.

Consideration of Alternatives:

Alternative fee structure options were considered in order to ensure suitability of the alternative chosen (Alternative 1), future fiscal solvency for the Board, and standardization of fees for services for all of the Board's regulated professions. The alternative fee structures that were considered and the overall impact on the fund of each alternative are detailed in **Attachment III**.

Alternative 1 – Ensures future fiscal solvency for the Board and its operations, standardizes fees across all of the Board's regulated professions, and provides an affordable path to licensure for all applicants. No reasonable alternative to the regulatory proposal would be either more effective in carrying out the purpose for which the action is proposed or would be as effective or less burdensome to affected private persons and equally effective in achieving the purposes of the regulation in a manner that ensures full compliance with the law being implemented or made specific.

Alternative 2 – Temporary fiscal solvency for the Board and its operations and standardization of fees across all professions. This alternative does not provide sufficient revenue to support the operations of the Board and restricts the path to licensure for all applicants seeking licensure in California by setting the applicant and exam fees higher than the selected alternative. Accordingly, this alternative was rejected.

Alternative 3 – Provides future fiscal solvency for the Board and its operations and standardizes fees across all professions. This alternative generates an excess amount of revenue beyond sufficient amounts to support the operations of the Board and restricts the path to licensure for all applicants seeking licensure in California by setting the applicant and exam fees higher than the selected alternative. Accordingly, this alternative was rejected.

Any proposal for a fee change other than what is being proposed will not allow the Board to equitably standardize fees across all of its regulated professions, resolve the structural imbalance of its fund, and keep the fund solvent. Keeping fees at the current levels would prevent the Board from fulfilling its consumer protection mandate because it would no longer have the available funds required to regulate the licensing professions by the end of FY 2019-20.