California State Assembly

BUSINESS AND PROFESSIONS

MARC BERMAN
CHAIR

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AGENDA

Tuesday, April 7, 2026
9 a.m. -- 1021 O Street, Room 1100

BILLS HEARD IN FILE ORDER

*	1.	AB 1587	Ta	Prescription drug refills: prescriber notifications.
	2.	AB 1637	Caloza	Physicians and surgeons: medical records.
	3.	AB 1758	Nguyen	Sellers of travel.(Tax Levy)
*	4.	AB 1760	Arambula	Dentistry.
*	5.	AB 1767	Berman	Department of Consumer Affairs: public members of boards: conflicts of interest.
	6.	AB 1775	Ward	Veterans.
*	7.	AB 1778	Patterson	Controlled substances: testosterone.
*	8.	AB 1785	Hoover	California Uniform Controlled Substances Act: online retailer.
	9.	AB 1933	Hoover	Land surveyors: records of survey.
*	10.	AB 1939	Flora	Professional fiduciaries: corporate practice.
*	11.	AB 1965	Sharp-Collins	Cannabis: testing: quality assurance.
	12.	AB 1973	Aguiar-Curry	Abortion: authorized procedures.
	13.	AB 2141	Patterson	Pharmacies: license discipline: stipulated settlement and disciplinary order.
*	14.	AB 2250	Aguiar-Curry	Cannabis: cannabinoids.
*	15.	AB 2256	Chen	Radiologist assistants.
	16.	AB 2477	Chen	Structural pest control.
	17.	AB 2506	Hart	Cannabis licensure: tribal government licensure.
	18.	AB 2633	Gipson	Secondhand dealers.

* *Proposed for Consent*

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1587 (Ta) – As Amended March 18, 2026

SUBJECT: Prescription drug refills: prescriber notifications.

SUMMARY: Clarifies that a pharmacist who is dispensing an emergency refill of a medication to a patient is only required to inform the patient's prescriber if a prescriber is identified.

EXISTING LAW:

1) Establishes the Pharmacy Law. (Business and Professions Code (BPC) §§ 4000 *et seq.*)

2) Establishes the California State Board of Pharmacy (BOP) to administer and enforce the Pharmacy Law. (BPC § 4001)

3) Provides that protection of the public shall be the highest priority for the BOP in exercising its licensing, regulatory, and disciplinary functions. (BPC § 4001.1)

4) Authorizes the BOP to adopt rules and regulations as may be necessary for the protection of the public. (BPC § 4005)

5) Defines "pharmacist" as a natural person to whom a license has been issued by the BOP which is required for any person to manufacture, compound, furnish, sell, or dispense a dangerous drug or dangerous device, or to dispense or compound a prescription; allows a pharmacist to authorize the initiation of a prescription consistent with the accepted standard of care. (BPC § 4036; § 4051)

6) Declares pharmacist practice to be a dynamic, patient-oriented health service that applies a scientific body of knowledge to improve and promote patient health by means of patient-care activities to optimize appropriate drug use, drug-related therapy, disease management and prevention, and communication for clinical and consultative purposes and that pharmacist practice is continually evolving to include more sophisticated and comprehensive patient care activities. (BPC § 4050)

7) Authorizes a pharmacist to perform specified functions and provide specified services as part of their scope of practice. (BPC § 4052)

8) Authorizes a pharmacist to refill a prescription for a dangerous drug or dangerous device without the prescriber's authorization if the prescriber is unavailable to authorize the refill and if, in the pharmacist's professional judgment, failure to refill the prescription might interrupt the patient's ongoing care and have a significant adverse effect on the patient's well-being, subject to additional requirements. (BPC § 4064)

9) Requires records of manufacture and of sale, acquisition, receipt, shipment, or disposition of dangerous drugs or dangerous devices to be at all times during business hours open to inspection by authorized officers of the law, and preserved for at least three years from the date of making. (BPC § 4081)

THIS BILL:

Clarifies that a pharmacist is only required to inform the prescriber within a reasonable period of time of any refills dispensed pursuant to the law authorizing emergency refills if a prescriber is identified.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the author. According to the author:

> Delays in care should not place patients in a position where they need to ration life-saving medication as they seek continued care. AB 1587 ensures that patients who undergo a transition between doctors or insurance coverage can have a previously established prescription refilled by the pharmacist. This bill will buy precious time for patients whose lives rely on this medication.

Background.

California State Board of Pharmacy. The BOP is the regulatory body within the Department of Consumer Affairs responsible for overseeing the practice of pharmacy in California. The BOP is currently estimated to regulate over 50,700 pharmacists, 1,300 advanced practice pharmacists, 4,400 intern pharmacists, and 65,700 pharmacy technicians across a total of 32 licensing programs. In addition to regulating professionals, the BOP oversees and licenses pharmacies, clinics, wholesalers, third-party logistic providers, and automated drug delivery systems.

Emergency Refill Authority. The Pharmacy Law generally prohibits a pharmacist from refilling a prescription for a dangerous drug or device except upon authorization of the prescriber. This authorization may be given orally or at the time of giving the original prescription. When no refills were authorized at the time the prescription was written, a refill may be subsequently requested by the patient or the pharmacist on behalf of the patient.

Notwithstanding these requirements and restrictions, the Pharmacy Law has long provided for a drug or device to be refilled by a pharmacist if the prescriber is unavailable to authorize the refill and if, in the pharmacist's professional judgment, failure to refill the prescription could result in harm to the patient. Historically, a pharmacist was required to make efforts to contact the patient's prescriber, refill only an amount of the prescription sufficient to maintain the patient until the prescriber can be contacted, and make specified disclosures to the patient. This authority was broadened in 1997 through BOP's sunset bill, SB 1349 (Committee on Business and Professions), to expand the conditions allowing for an emergency refill and remove refill amount limit and patient disclosure requirements.

In 2025, language was included in the BOP's most sunset bill to transition provisions of the Pharmacy Law establishing a pharmacist's scope of practice to a standard of care model for specified patient care services. This language was the result of a recommendations made to the Legislature by the BOP's Standard of Care Ad Hoc Committee following seven workgroup convenings of interested stakeholders. Under the new model, pharmacists were provided greater authority to utilize their professional judgment in making patient care decisions, rather than having to follow more prescriptive rules in the delivery of specifically identified services.

One of the changes made in the BOP's most recent sunset bill was to the existing emergency refill law. Specifically, AB 1503 (Berman) repealed the requirement that a pharmacist make every reasonable effort to contact the prescriber prior to refilling a prescription without a prescriber's authorization. The bill also repealed the requirement that the pharmacist make an appropriate record, including the basis for proceeding with an emergency refill. Under current law, a pharmacist would still be required to subsequently inform the prescriber within a reasonable period of time of any refills dispensed.

This bill would add greater clarity to the current emergency refill authority by providing that a pharmacist is only required to inform the prescriber of any refills dispensed if a prescriber is identified. The author argues that many vulnerable patients, especially those experiencing homelessness, can lose access to their physician and have difficulty finding a new one, often due to network limitations and a paucity of providers in the state's Medi-Cal program. This bill is intended to ensure that those patients who do not currently have a prescriber are still able to have their urgently needed medications refilled by pharmacists.

Prior Related Legislation. AB 1503 (Berman), Chapter 196, Statutes of 2025 extended the sunset date for the BOP and made various changes in response to issues raised during the BOP's sunset review oversight process, including changes to the authority for pharmacists to dispense an emergency refill.

AB 1349 (Committee on Business and Professions), Chapter 549, Statutes of 1997 extended the sunset date for the BOP and made extensive technical revisions, including changes to the authority for pharmacists to dispense an emergency refill.

ARGUMENTS IN SUPPORT:

The *California Pharmacists Association* supports this bill, writing: "Even short delays in therapy for conditions such as cardiovascular disease, diabetes, or epilepsy can result in significant harm, including hospitalization or worse. This bill ensures that pharmacists can use their clinical training to prevent these dangerous gaps in care. Additionally, clarifying that pharmacists and pharmacies are not subject to liability when acting in good faith under these circumstances provides necessary protection for providers making time-sensitive clinical decisions in the best interest of their patients. The bill's adjustment to prescriber notification requirements is also reasonable, recognizing that in some cases a prescriber may not be readily identifiable."

ARGUMENTS IN OPPOSITION:

None on file.

REGISTERED SUPPORT:

Biocom California
California Senior Legislature
California Pharmacists Association
Universities Allied for Essential Medicines
Five individuals

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Robert Sumner / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1637 (Caloza) – As Introduced January 26, 2026

SUBJECT: Physicians and surgeons: medical records.

SUMMARY: Clarifies that a physician and surgeon is responsible for their own patient medical documentation and prohibits anyone from altering a physician and surgeon's patient documentation.

EXISTING LAW:

1) Regulates the practice of medicine under the Medical Practice Act. (Business and Professions Code (BPC §§ 2000-2529.8.1)

2) Establishes the Medical Board of California (MBC) to administer and enforce the Medical Practice Act. (BPC §§ 2000-2028.5)

3) Specifies that the terms "license" and "certificate" are synonymous for purposes of the Medical Practice Act. (BPC § 2040)

4) Makes it unlawful to practice medicine or use the title "physician" unless the person has been issued an active "physician's and surgeon's certificate" by the MBC. (BPC §§ 2050-2052, 2054(a))

5) Requires the MBC to take disciplinary action against any licensee who is charged with unprofessional conduct. (BPC § 2234)

6) Specifies that unprofessional conduct includes the failure of a physician and surgeon to maintain adequate and accurate records of the provision of services to their patients for at least seven years after the last date of service to a patient. (BPC § 2266)

7) Makes it a misdemeanor to violate specified provisions of the Medical Practice Act, including the adequate and accurate records requirement. (BPC § 2314)

THIS BILL:

1) Specifies that a physician and surgeon's patient medical documentation is the responsibility of that physician and surgeon, regardless of the clinical setting.

2) Prohibits the altering, modification, or editing of a physician and surgeon's patient notes, after-visit summaries, and diagnosis and treatment plans except by the authoring physician and surgeon.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *Union of American Physicians and Dentists*. According to the author, "Trust is the lifeblood of any healthcare system. Without it, care is compromised, expertise is doubted, and lives are put at risk. [This bill] protects our patients and strengthens physician-patient relationships. Under current law, any person has the authority to electronically alter medical documentation, leaving patient care vulnerable to manipulation, misinformation, and irreversible harm. There is a discrepancy with who is responsible and who is held accountable for medical record-keeping. [This bill] draws clear lines of responsibility by ensuring that physician-authored notes, diagnoses, and treatment plans cannot be modified by anyone other than the physician who created them."

Background. The Medical Practice Act requires all physicians to maintain adequate and accurate records of the services they provide to their patients for a minimum of seven years. The act also makes the failure to do so unprofessional conduct, meaning the physician is subject to disciplinary action by the MBC. The severity of the action, which ranges from probation to revocation of the license,[1] is proportional to the gravity of the violation.

The act does not specify what constitutes a failure to maintain the records other than adequacy, accuracy, and retention. The sponsor argues that this lack of specificity opens the door for someone other than a physician to modify the physician's records. This bill reinforces that it is the authoring physician who is responsible for the records while also making it unlawful for anyone else to modify the records.

Prior Related Legislation. SB 815 (Roth), Chapter 294, Statutes of 2023, added the seven year minimum to the adequate and accurate records requirement.

SB 668 (Polanco), Chapter 13, Statutes of 1996, which primarily dealt with optometric assistants, added the adequate and accurate records requirement.

AB 1894 (Polanco) of 1994 was substantially similar to SB 668. *AB 1894 died pending a hearing in the Senate Business and Professions Committee*.

SB 613 (Calderon) of 1991 was a broader version of AB 1984 that would have restricted the data gathering activities of optometric assistants and medical assistants.

ARGUMENTS IN SUPPORT:

The *American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO* writes in support:

> [This bill] establishes a clear and essential standard: that a physician and surgeon retains full responsibility for, and control over their patient medical documentation. By ensuring that patient notes, after-visit summaries, and diagnosis and treatment plans cannot be altered, modified, or edited by anyone other than the authoring physician, this bill protects the integrity of the medical record and reinforces the physician's clinical judgment.

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[1] Med. Bd. of Cal., Manual of Model Disciplinary Orders and Disciplinary Guidelines 24 (12th ed. 2016), www.mbc.ca.gov/Download/Documents/disciplinary-guidelines.pdf.

> This protection is increasingly important in modern healthcare environments where documentation may pass through multiple hands, including administrative staff, third-party contractors, and electronic health record systems that allow for downstream edits. Unauthorized or inappropriate alterations to physician documentation can lead to serious consequences, including compromised patient safety, clinical errors, liability concerns, and erosion of trust between patients and providers.
>
> For public sector physicians in particular who often work in high-volume, resource-constrained settings, maintaining the accuracy and integrity of the medical record is critical. These physicians must be able to rely on their documentation as a true and unaltered reflection of their clinical decision-making. [This bill] ensures that accountability remains where it belongs: with the licensed physician responsible for the patient's care.

ARGUMENTS IN OPPOSITION:

There is no opposition on file.

IMPLEMENTATION ISSUES:

New Crime vs. Safe Harbor. This bill attempts to prevent situations where a physician is liable for the content of patient records that may have been modified by someone else. However, it does not directly clarify that a physician is not liable for improper modifications made by others. Instead, it prohibits others such as administrative staff or other physicians from making modifications.

Enforcement Against Non-Physicians. If a physician or other relevant licensee under the BPC violates the modification prohibition under this bill, the MBC or relevant licensing board can take disciplinary action against them. However, for unlicensed staff or business entities, the enforcement process is less straightforward. Because there is no license to take action against, there is little a licensing board can do. Instead, the violation would have to be prosecuted as a misdemeanor crime by law enforcement.

Prohibition Against Appropriate Delegation. The MBC adopted a "support if amended" position on this bill at its February 26, 2026, meeting. In its letter to the author, MBC staff wrote that the MBC "believes that the integrity of medical records is vital to patient care and the [MBC's] enforcement functions and appreciates the intent of your legislation. During their discussion, however, the [MBC] expressed concerns that [this bill] could inadvertently prevent a physician from delegating authority to another person to draft or modify patient records on their behalf."

AMENDMENTS:

1) To reduce repetitive and undefined terms, amend this bill as follows:

   On page 2, lines 3-5:

   > **2266.1.** *(a) For purposes of this section, "patient notes" means notes, after-visit summaries, and diagnosis and treatment plans.*

(b) A physician and surgeon's patient ~~medical documentation~~ *notes* shall be the responsibility of that physician and surgeon, regardless of the clinical setting.

2) To address concerns from the MBC and other stakeholders regarding individuals who should be authorized to modify a physician's notes, amend the bill as follows:

On page 2, lines 5-8:

(c) A physician and surgeon's patient notes~~, after visit summaries, and diagnosis and treatment plans~~ shall not be altered, modified, or edited in any fashion by anyone other than the authoring physician and ~~surgeon.~~ *surgeon or any of the following:*

(1) A scribe, medical assistant, or other authorized individual delegated by the authoring physician and surgeon.

(2) A physician and surgeon who is adding to an authoring physician and surgeon's patient notes if patient care has been transferred from the authoring physician and surgeon to the physician and surgeon who is making the additions.

(3) A physician and surgeon altering, modifying, or editing the patient notes of a physician and surgeon postgraduate training licensee, intern, resident, or postdoctoral fellow who the physician and surgeon is supervising.

REGISTERED SUPPORT:

American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO

REGISTERED OPPOSITION:

There is no opposition on file.

Analysis Prepared by: Vincent Chee / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1758 (Nguyen) – As Amended March 16, 2026

SUBJECT: Sellers of travel.

SUMMARY: Increases the maximum amount that sellers of travel (SOT) may be required to pay to fund the operations of the Travel Consumer Restitution Corporation (TCRC) from $30 to $60, and authorizes the TCRC to increase the maximum, with approval of the Attorney General (AG), each year to account for inflation.

EXISTING LAW:

1) Defines "seller of travel" as a person who sells, provides, furnishes, contracts for, arranges, or advertises that they can or may arrange, or has arranged, wholesale or retail, either of the following: (1) air or sea transportation, either separately or in conjunction with other travel services or (2) land or water vessel transportation, other than sea carriage, either separately or in conjunction with other travel services if the total charge to the passenger exceeds $300, except as specified. (Business and Professions Code (BPC) § 17550.1(a))

2) Defines "person aggrieved" as a passenger located in California at the time of sale, or a person located in California at the time of sale who made any payment on behalf of the passenger for air or sea transportation or travel services, who has sustained a loss as a result of the failure of a seller of travel to refund payments made by or on behalf of a passenger as payment for air or sea transportation or travel services, where a refund is due as a result of the bankruptcy, insolvency, cessation of operations, or material failure to provide the transportation or travel services purchased by the passenger, regardless of whether the passenger or a person making payment on behalf of the passenger initially contracted with that seller of travel. (BPC § 17550.37(a))

3) Requires a SOT to apply for registration with the AG not less than 10 days before doing business in California. (BPC § 17550.20)

4) Defines "participant" as a registered SOT with its principal place of business in California, who does business with persons located in California, or is a registered SOT that does business in California, from one or more locations in California, and is an issuer or subsidiary of an issuer that has a security listed on a national securities exchange, as specified. meets specified requirements. (BPC § 17550.36)

5) Requires participants to maintain a corporation under the nonprofit Mutual Benefit Corporation Law operating under the name "Travel Consumer Restitution Corporation." (BPC § 17550.39(a))

6) Specifies that it is the purpose of the TCRC to provide restitution to a person aggrieved, as specified. (BPC § 17550.38(a)

7) Specifies that restitution must be paid from the Travel Consumer Restitution Fund (restitution fund) established by the TCRC. (BPC § 17550.38(c))

8) Requires the TCRC to establish and maintain an operations fund for the payment of costs of operations and administration. (BPC § 17550.43(a))

9) Requires the TCRC to establish and maintain a restitution fund for the payment of claims. (BPC § 17550.43(d))

10) Requires participants making their initial payment of assessments to pay to the TCRC an initial, one-time $75 assessment per location from which the participant does business in California to provide additional funding for the *operations* of the corporation and an initial, one-time $200 assessment per location from which the participant does business in California to provide additional funding for the *restitution* fund. (BPC § 17550.43(b))

11) Requires the TCRC to bill and collect from each participant an annual assessment that, in the aggregate, must consist of assessments for the operations fund and the restitution fund. (BPC § 17550.44(a))

12) Specifies that the annual assessment for the operations fund cannot exceed $35 per year for each location in the state from which a participant does business. (BPC § 17550.44(b))

13) States that if at any time during the fiscal year the board of directors of the TCRC determines that the operations fund will be insufficient to pay the costs of operations and administration for the current or next fiscal year, the TCRC must do either or both of the following:

    a) Make an emergency assessment of participants, not more than once per fiscal year, up to $65 per year for each location in the state from which a participant does business.

    b) Transfer any or all interest earned on the restitution fund to the operations fund, provided that no transfer results in a restitution fund balance of less than $1,200,000.

    (BPC § 17550.44(e))

14) Requires the TCRC to notify the AG if any assessment is not paid within 60 days of the due date, and requires the AG to suspend the registration of the participant who has not paid. (BPC § 17550.45)

15) Authorizes any person aggrieved who suffers a loss of more than $50 for air or sea transportation or travel services to file a claim with the TCRC. (BPC § 17550.47(a))

16) Allows a person aggrieved to recover up to $15,000 from the TCRC per person aggrieved, not to exceed the amount paid to the participant by or on behalf of the person aggrieved for the transportation or travel services. (BPC § 17550.47(b))

17) Requires any SOT that is not a participant in the restitution fund who is doing business with persons located in California to make a clear and conspicuous disclosure, both orally and in writing, that the SOT is not a participant in the restitution fund, and any SOT doing business from any location in California with persons located outside California must make a clear and conspicuous disclosure, both orally and in writing, that the transaction is not covered by the restitution fund. (BPC § 17550.25)

THIS BILL:

1) Specifies that the annual assessment for the operations fund shall not exceed $60 (currently $35) per year for each location in the state from which a participant does business.

2) Authorizes the TCRC, with the approval of the AG, to increase the maximum amount of this assessment no more than once per fiscal year in an amount not to exceed any one-year increase in the California Consumer Price Index for the immediately preceding year as compiled and reported by the Department of Industrial Relations.

3) States that the Act provides for a tax levy within the meaning of Article IV of the California Constitution and shall go into immediate effect.

FISCAL EFFECT: Unknown. This bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *California Coalition of Travel Organizations*. According to the author:

> For nearly three decades, the cap on assessments supporting California's Travel Consumer Restitution Fund has remained unchanged. In that time, costs have increased, putting pressure on a program that protects consumers when travel services are not delivered. [This bill] makes a modest update to ensure the fund remains stable and continues to serve Californians. This bill provides a responsible and measured approach by allowing limited adjustments tied to inflation while maintaining oversight.

Background.

Sellers of Travel. An SOT is anyone who sells, provides, furnishes, contractors for, arranges, or advertises they can arrange air or sea transportation, either separately or in conjunction with other travel services such as hotels and rental cars, or land or water vessel transportation (other than sea carriage), either separately or in conjunction with other travel services, that costs the consumer more than $300. Air carriers, ocean carriers, lodging establishments, government-authorized transportation providers, and individual agents of registered SOT are not SOT.

SOT must register with the AG's office before they can operate lawfully in California. Registration is valid for one year and costs $100 per business location. Registered SOT must display their registration number on all advertising, are required to provide the services purchased by the passenger or provide a refund, and comply with various other financial, disclosure, and advertising requirements. Registered SOT range from small businesses such as Yoga Shala Sacramento, which offers international yoga retreats, to large companies such as Costco Travel, which offers packaged vacations, hotels, cruises, and rental cars exclusively for Costco members.

Travel Consumer Restitution Corporation and Travel Consumer Restitution Fund. In addition to registering with the AG's office, any SOT that does business in California and whose principal place of business is in California, or that does business in California from at least one location in California and is a publicly traded company, must participate in the restitution fund administered by the TCRC. The TCRC is a nonprofit organization that manages the restitution fund and

decides restitution claims. The restitution fund provides refunds to customers who paid for travel services they did not receive and who, at the time of sale, were in California.

Participating SOT are currently required to pay an initial $75 assessment per business location to cover the TCRC's operating costs and an initial $200 assessment per business location to be deposited into the restitution fund. Thereafter, SOT are subject to annual assessment capped at $35 per business location for the TCRC's operating costs and $200 per business location for the restitution fund, if the restitution fund is less than $1,600,000. The TCRC may charge an emergency assessment up to $65 per business location once per year to cover the TCRC's operating expenses and $150 per business location twice per year if the balance of the restitution fund is less than $900,000. Since its inception, the TCRC has collected only one emergency assessment. In 2020, the TCRC changed administrators, necessitating the creation of a new website. The TCRC collected a $50 emergency assessment to cover the cost of the new website.

Since then, the number of registered SOT has declined from approximately 6,000 in 2020 to less than 4,000 at present, and this does not account for the loss of additional locations associated with these SOT. Meanwhile, the TCRC reports that operating costs (e.g., insurance, wages, office supplies, website maintenance, telephone expenses, and credit card service fees) have increased. In Fiscal Year 2024-2025, the TCRC's reported operating and administrative costs were $204,314. According to the TCRC's administrator, SOT paid $235,475 in assessments to fund the TCRC's operations, including $71,885 in late fees. Had SOT paid their annual assessments on time, the TCRC would have experienced a deficit. As late fees are an unreliable source of revenue, the TCRC feels it is necessary to increase the annual assessment paid by SOT.

The $35 annual assessment cap for operations has been in statute since 1998. Adjusted for inflation, $35 in 1998 is equal to roughly $70 today. This bill would allow the TCRC to charge up to $60 and increase the maximum assessment annually in accordance with the Consumer Price Index.

Prior Related Legislation. SB 95 (Umberg) of 2025 would have specified that a travel consolidator is a SOT, defined "travel consolidator" as an entity that purchases tickets or vouchers for air transportation from an air carrier and resells the tickets or vouchers to travel agencies or directly to passengers at a discount, and required an air carrier to refund a person who purchases a ticket or voucher for air transportation if they are a victim of fraud committed by the SOT, the air carrier has actual knowledge of the SOT's fraudulent business practice, and the person is unable to procure a refund from the SOT within a reasonable time. *SB 95 was held on the Senate Appropriations Committee Suspense File.*

SB 2175 (Alpert), Chapter 924, Statutes of 1998, in part, authorized the TCRC to impose an emergency assessment of up to $65 per year if the TCRC determines that its operations fund is insufficient to cover its costs.

SB 1348 (Senate Business, Professions and Economic Development Committee), Chapter 790, Statutes of 1997, in part, increased the annual fee assessed by the TCRC for administering the restitution fund from $25 to $35.

AB 918 (Speier), Chapter 1123, Statutes of 1994, required all SOT to register annually with the AG, created a non-profit-trust corporation supervised by the AG to administer a consumer restitution fund, also created by AB 918, and required registered California SOT to pay an initial assessment of not more than $200 to the restitution fund and $25 as an operations assessment.

ARGUMENTS IN SUPPORT:

As the sponsor of this bill, the *California Coalition of Travel Organizations* writes:

> Operation of the [Restitution] Fund is supported entirely through annual assessments paid by participating travel businesses. The current maximum assessment of $35 per location was last increased in 1997 and has never been adjusted. Over time, administrative and operational costs associated with maintaining the fund have increased, creating concerns about the long-term stability of the program The bill increases the cap from $35 to $60 per year for each location in California from which a travel business operates and allows limited future adjustments tied to inflation. This update helps ensure the fund remains financially stable and able to reimburse consumers when travel services are not provided due to fraud, bankruptcy, or business closure.

REGISTERED SUPPORT:

California Coalition of Travel Organizations (Sponsor)

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Kaitlin Curry / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1760 (Arambula) – As Introduced February 9, 2026

SUBJECT: Dentistry.

SUMMARY: Makes numerous minor changes and technical corrections to various provisions of the Dental Practice Act.

EXISTING LAW:

1) Enacts the Dental Practice Act. (Business and Professions Code (BPC) §§ 1600 *et seq.*)

2) Establishes the Dental Board of California (DBC) within the Department of Consumer Affairs (DCA) to administer and enforce the Dental Practice Act. (BPC § 1601.1)

3) Declares that protection of the public shall be the highest priority for the DBC and that whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount. (BPC § 1601.2)

4) Defines "dentistry" as the diagnosis or treatment, by surgery or other method, of diseases and lesions and the correction of malpositions of the human teeth, alveolar process, gums, jaws, or associated structures; diagnosis or treatment may include all necessary related procedures as well as the use of drugs, anesthetic agents, and physical evaluation. (BPC § 1625)

5) Establishes the requirements for the Licensure by Portfolio pathway, wherein an applicant completes the written examination of the National Board Dental Examination of the Joint Commission on National Dental Examinations and additional examinations after furnishing evidence of having met specified dental education requirements, along with other application requirements. (BPC § 1628)

6) Requires the DBC to conduct a review of the portfolio examination, a recently eliminated pathway to licensure wherein an applicant built a portfolio of completed clinical experiences and clinical competency examinations in lieu of taking a single examination to demonstrate their competence to practice dentistry. (BPC § 1632.6)

7) Establishes the requirements and parameters for the Licensure by Credential pathway, through which applicants who are licensed in good standing as dentists in another state meet specified clinical practice requirements to qualify for licensure in California. (BPC § 1635.5)

8) Requires licensed dentists who wish to perform elective facial cosmetic surgery to possess a permit to perform specified categories of elective facial cosmetic surgical procedures. (BPC § 1638.1)

9) Establishes various fees charged to licensees of the DBC. (BPC § 1724)

10) Establishes a Dental Assisting Council within the DBC to consider all matters relating to dental assistants and make appropriate recommendations to the DBC and the standing committees of the DBC. (BPC § 1742)

11) Declares the intention of the Legislature to permit the full utilization of dental assistants in order to meet the dental care needs of all the state's citizens and for the DBC to consider the recommendations of the Dental Assisting Council. (BPC § 1740)

12) Defines a "dental assistant" as an individual who, without a license, may perform basic supportive dental procedures, as defined, under the supervision of a licensed dentist; requires the employer of a dental assistant to ensure that the dental assistant has completed specified courses approved by the DBC, including courses specifically required to perform certain functions. (BPC § 1750)

13) Specifies that a dental assistant must complete a DBC-approved eight-hour course in infection control prior to performing any basic supportive dental procedures involving potential exposure to blood, saliva, or other potentially infectious materials. (BPC § 1750(c))

14) Specifies that a dental assistant must complete a DBC-approved course in radiation safety prior to performing radiographic procedures. (BPC § 1750(f)(3))

15) Authorizes a dental assistant to perform specified duties under the general supervision and pursuant to the order, control, and full professional responsibility of a licensed dentist. (BPC § 1750.1)

16) Requires applicants for a dental sedation assistant permit to successfully complete a two-hour DBC-approved course in the Dental Practice Act and an eight-hour DBC-approved course in infection control. (BPC § 1750.4)

17) Establishes the education and training requirements for licensure by the DBC as a registered dental assistant (RDA) through several available pathways. (BPC § 1752.1)

18) Establishes the requirements for licensure by the DBC as a registered dental assistant in extended functions (RDAEF). (BPC § 1753)

19) Authorizes an RDAEF to perform all duties and procedures that an RDA is authorized to perform and to perform specified additional procedures under direct supervision and pursuant to the order, control, and full professional responsibility of a licensed dentist. (BPC § 1753.5)

20) Requires RDAEFs to complete approved courses in several of the additional procedures they are authorized to perform prior to performing those procedures. (BPC § 1753.6)

21) Provides that a radiation safety course approved by the DBC shall have the main purpose of providing theory, laboratory, and clinical application in radiographic techniques and establishes requirements for radiation safety course providers. (BPC § 1754.5)

22) Provides that an infection control course approved by the DBC shall have the main purpose of providing theory and clinical application in infection control practices and principles where the protection of the public is its primary focus and requires an unlicensed dental assistant who is not enrolled in a DBC-approved program for registered dental assisting or an alternative dental assisting program to complete one of the two infection control certification course models. (BPC § 1755)

THIS BILL:

1) Repeals the requirement that applicants through the Licensure by Examination pathway furnish satisfactory evidence of financial responsibility or liability insurance for injuries sustained or claimed to be sustained by a dental patient in the course of the examination as a result of the applicant's actions.

2) Provides that if an applicant fails a section of a required examination after three attempts to successfully complete that section, the applicant shall retake the entire examination on subsequent attempts.

3) Deletes obsolete references to the prior Licensure by Portfolio pathway.

4) Makes changes to the requirements for the Licensure by Credential pathway.

5) Provides that each member of the elective facial cosmetic surgery credentialing committee shall serve at the pleasure of the DBC and allows for meetings of the credentialing committee to take place in closed session.

6) Revises the minimum requirements for infection control and radiation safety courses and authorizes the DBC to audit those courses.

7) Makes numerous additional minor changes and technical revisions to the Dental Practice Act.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *Dental Board of California*. According to the author:

> This legislation, sponsored by the Dental Board of California, contains various technical and substantive cleanup provisions to the Dental Practice Act approved by the Board between November 2024 and February of this year. This bill serves as a comprehensive omnibus vehicle to refine the Business and Professions Code, ensuring statutory language reflects current Board policies, corrects outdated cross-references, and removes expired pathways to licensure. The justification for pursuing this bill now, rather than waiting for the Board's next sunset review in 2028, centers on the need to protect the dental consumers of California with administrative urgency, and legislative efficiency. While "Sunset" bills are most common for traditional substantive and non-substantive changes, waiting for the Board's next Sunset cycle would leave in place several statutory impediments and inconsistencies for effective administration of the Dental Practice Act in California.

Background.

Dental Board of California. The DBC is responsible for licensing and regulating dental professionals in California. The DBC was originally created as the Board of Dental Examiners in 1885 during the twenty-sixth session of the California Legislature. Today, the DBC licenses an estimated 112,000 dental professionals, of which approximately 43,500 are licensed dentists; 46,000 are RDAs; and 2,300 are RDAEFs. The DBC is also responsible for setting the duties and functions of unlicensed dental assistants. Dental hygienists are licensed and regulated by a separate and distinct regulatory body, the Dental Hygiene Board of California.

The Dental Assisting Council within the DBC makes recommendations regarding the DBC's regulation of dental assistants. Three categories of dental assistants are regulated by the DBC, distinguished by what duties they may perform based on their training. This includes unlicensed dental assistants, authorized to perform "basic supportive dental procedures"; RDAs, authorized to perform more complex duties; and RDAEFs, authorized to perform additional restorative procedures following diagnosis and intervention by a dentist.

Sunset review. In order to ensure that California's myriad professional boards and bureaus are meeting the state's public protection priorities, authorizing statutes for these regulatory bodies are subject to statutory dates of repeal, at which point the entity "sunsets" unless the date is extended by the Legislature. The sunset process provides a regular forum for discussion around the successes and challenges of various programs and the consideration of proposed changes to laws governing the regulation of professionals. Currently, the sunset review process applies to approximately three dozen different boards and bureaus under the DCA, as well as the Department of Real Estate and three nongovernmental nonprofit councils.

The DBC last underwent sunset review in 2024. The background paper for the DBC's sunset review oversight hearing contained a total of 17 issues and recommendations, each of which was eligible to result in statutory changes enacted through the DBC's sunset bill. SB 1453 (Ashby) was subsequently enacted to extend the DBC's sunset and make various technical changes, statutory improvements, and policy reforms in response to issues raised during the Legislature's joint sunset review of the DBC.

Licensure by Portfolio. Issue #6 in the DBC's sunset background paper discussed the Licensure by Portfolio pathway. Under this pathway, instead of taking a single examination, students built a portfolio of completed clinical experiences and competency examinations in six subject areas over the course of their clinical training during dental school. The portfolio option was intended to give students an alternative to being tested on a live patient over the course of one weekend; however, concerns were raised that because California was one of the first states to establish this pathway, dentists who have obtained their license through that portfolio pathway faced difficulties when seeking reciprocal acknowledgment of qualification by other states.

Following the DBC's sunset review in 2019, the DBC requested that the DCA's Office of Professional Examination Services (OPES) review the Licensure by Portfolio examination. OPES subsequently raised several psychometric issues of concern and recommended that the DBC initiate a process to eliminate that pathway to licensure. The DBC then ultimately voted to recommend repealing Licensure by Portfolio from the Dental Practice Act. The DBC noted in its sunset report that this pathway has been utilized by a small number of applicants since it was originally established but requires a significant amount of time and effort to maintain, including updating the necessary examination for licensure through this pathway. SB 1453 subsequently eliminated the Licensure by Portfolio pathway; this bill would repeal vestigial provisions of law referencing that obsolete program.

Licensure by Credential. Issue #7 in the DBC's sunset background paper discussed the pathway through which applicants who are licensed in good standing as dentists in another state meet specified clinical practice requirements to qualify for licensure in California. The DBC provided language in SB 1453 to clarify clinical practice work requirements and how much credit residency programs will count towards the total hours required for licensure. This bill would make additional changes to the requirements for licensure under that pathway.

Dental Assistant Training. Dental assistants are one of three types of dental practitioners that assist licensed dentists, the other two being RDAs and RDAEFs. RDAs and RDAEFs are licensed by the DBC and can perform relatively complex services. Dental assistants are unlicensed and may perform "basic supportive dental procedures," which are procedures that are elementary from a technical standpoint, are completely reversible, and are unlikely to result in hazardous conditions for the patient.

Dental assistants are not licensed, so they are indirectly regulated by the DBC through requirements on their dentist employers. Dentist employers are responsible for the services provided by their DA employees, so they must provide proper training and oversight. They must also document compliance with all relevant requirements. When there is an adverse event, the employing or supervising dentist's license may be subject to discipline by the DBC.

In addition to any training needed to successfully incorporate a dental assistants into a dental practice, employers of dental assistants also have statutorily and regulatorily required training requirements. The Dental Practice Act specifies that dental assistant employers are responsible for dental assistants completing a DBC-approved two-hour course on the Dental Practice Act and maintaining certification in basic life support. The act also requires dental assistant employers to ensure dental assistant employees complete other DBC-approved courses prior to performing certain functions, including courses in radiation safety and infection control. This bill would make modifications to the requirements for those courses.

Additional Technical Changes. Issue #16 in the DBC's background paper recognized that there are amendments to the Dental Practice Act that are technical in nature but may improve DBC operations and the enforcement of the law. SB 1453 included myriad technical changes to the Dental Practice Act suggested by committee staff or the DBC. This bill would make various additional minor changes and technical corrections to the Dental Practice Act recommended by the DBC.

Current Related Legislation. AB 873 (Alanis) would update requirements for an unlicensed dental assistant to complete an infection control and radiation safety courses and makes numerous other conforming changes to the Dental Practice Act. *This bill is pending in the Senate Committee on Business, Professions, and Economic Development.*

SB 1311 (Wahab) would make various conforming changes to existing requirements for unlicensed dental assistants to complete an infection control course. *This bill is pending in the Senate Committee on Appropriations.*

SB 1445 (Committee on Business, Professions, and Economic Development) would make various noncontroversial and technical changes. *This bill is pending in the Senate Committee on Business, Professions, and Economic Development.*

Prior Related Legislation. SB 1453 (Ashby), Chapter 483, Statutes of 2024, extended the sunset date for the DBC and made various technical changes, statutory improvements, and policy reforms in response to issues raised during the Legislature's joint sunset review of the DBC.

AB 481 (W. Carrillo) of 2023 would have made numerous changes to the education, scope of practice, and regulation of dental auxiliaries, including dental assistants, orthodontic assistants, and RDAs. *This bill was held on suspense in the Senate Committee on Appropriations.*

AB 2276 (W. Carrillo) of 2022 would have authorized unlicensed dental assistants to polish teeth and apply dental sealants. *This bill was held on suspense in the Assembly Committee on Appropriations.*

AB 1519 (Low, Chapter 865, Statutes of 2019) extended the DBC's sunset date and made various technical changes, statutory improvements, and policy reforms in response to issues raised during the Legislature's joint sunset review of the DBC.

ARGUMENTS IN SUPPORT:

The *Dental Board of California* (DBC) is sponsoring this bill. The DBC writes: "This bill consolidates technical, non-controversial, and substantive cleanup items approved by the Board—In public meetings between November 2024 and February 2026—to refine various provisions of the Dental Practice Act (DPA) and ensure statutory language aligns with current regulatory standards and consumer protection needs. While these items are typically addressed during the Sunset Review process, waiting for the Board's next cycle in 2028–2029 would leave in place several statutory impediments and inconsistencies for effective administration of the DPA. This bill serves as a comprehensive omnibus vehicle to optimize the Board's efficiency and protect the public."

ARGUMENTS IN OPPOSITION:

None on file.

IMPLEMENTATION ISSUES:

Several of the proposed changes to the Dental Practice Act contained in this bill are duplicative or in conflict with changes proposed in other legislation. For example, both AB 873 (Alanis) and SB 1311 (Wahab) would revise the requirements of a DBC-approved infection control course. These parallel efforts will need to be reconciled prior to enactment.

REGISTERED SUPPORT:

Dental Board of California *(Sponsor)*
California Association of Dental Assisting Teachers
California Dental Assistants Association
California Extended Functions Association

REGISTERED OPPOSITION:

None on file.

Analysis Prepared by: Robert Sumner / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1767 (Berman) – As Amended March 19, 2026

SUBJECT: Department of Consumer Affairs: public members of boards: conflicts of interest.

SUMMARY: Defines "close family member" for purposes of existing conflict of interest laws applicable to public members of state licensing boards.

EXISTING LAW:

1) Establishes the Department of Consumer Affairs (DCA) within the Business, Consumer Services, and Housing Agency. (Business and Professions Code (BPC) § 100)

2) Enumerates various regulatory boards, bureaus, committees, and commissions under the DCA's jurisdiction. (BPC § 101)

3) Establishes a rate of compensation for board members at $100 per diem. (BPC § 103)

4) Requires members of boards within the DCA to take an oath of office. (BPC § 105)

5) Provides that for state licensing boards within the DCA, the appointing authority has power to remove from office at any time any member of any board appointed by the appointing authority for continued neglect of duties required by law, or for incompetence, or unprofessional or dishonorable conduct. (BPC § 106)

6) Additionally authorizes the Governor to remove from office any member of a licensing board within the DCA if it is shown that the member disclosed questions on the board's examination to an applicant. (BPC § 106.5)

7) Prohibits a public member or lay member on a state licensing board within the DCA from being, or having been within five years of their appointment, any of the following:

    a) An employer, or an officer, director, or substantially full-time representative of an employer or group of employers, of any licensee of a board, except for a person who maintains infrequent employer status with a licensee, or maintains a client, patient, or customer relationship with a licensee that does not constitute more than two percent of the practice or business of the licensee.

    b) A person maintaining a contractual relationship with a licensee of a board that would constitute more than two percent of the practice or business of the licensee, or an officer, director, or substantially full-time representative of that person or group of persons.

    c) An employee of a licensee of a board, or a representative of the employee, except for a person who maintains an infrequent employee relationship or renders professional or related services to a licensee if the employment or service does not constitute more than two percent of the employment or practice of the member of the board.

    (BPC § 450)

8) Provides that, in order to avoid a potential for a conflict of interest, a public member of a board shall not:

   a) Be a current or past licensee of that board.

   b) Be a close family member of a licensee of that board.

   (BPC § 450.2)

9) Prohibits a public member from having any financial interest in any organization subject to regulation by the board of which they are a member. (BPC § 450.3)

10) Prohibits a public member or lay member from having been engaged in pursuits which lie within the field of the industry or profession, or have provided representation to the industry or profession, regulated by the board of which they are a member within the preceding five years, or from engaging in those pursuits or provide that representation during their term of office. (BPC § 450.5)

11) Allows for a public member to be appointed without regard to age so long as the public member has reached the age of majority prior to appointment. (BPC § 450.6)

12) Provides that the term "board" includes a board, advisory board, commission, examining committee, committee or other similarly constituted body exercising powers within the Business and Professions Code. (BPC § 452)

13) Requires every newly appointed board member shall, within one year of assuming office, complete a training and orientation program offered by the DCA regarding, among other things, the individual's functions, responsibilities, and obligations as a member of a board. (BPC § 453)

THIS BILL:

Defines "close family member" for purposes of prohibited conflicts of interest for public member on state licensing boards within the DCA to mean a parent, stepparent, sibling, child by blood, adoption, or marriage, spouse, domestic partner, cohabitant, stepchild, immediate in-law, aunt, uncle, first cousin, grandparent, or grandchild.

FISCAL EFFECT: This bill is keyed nonfiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the author. According to the author:

> Our state licensing boards all serve a critical mission to protect the public. While the practice acts for each board establish membership composition requirements that include disinterested members of the public, existing law does not clearly define what sort of family relationships could pose a conflict of interest for a public board member. AB 1767 would improve the Business and Professions Code by establishing a clear definition for "close family member," thereby assuring that all our state licensing boards include members who advocate for the public without any direct or indirect financial influence on their decision making.

Background.

Department of Consumer Affairs. The DCA is a department within the Business, Consumer Services, and Housing Agency that primarily exists to provide administrative support services to the various individual boards, bureaus, and other entities that comprise and fund the department. As of the DCA's most recent annual report to the Legislature, the DCA consists of 36 distinct regulatory entities, including 27 boards, seven bureaus, one commission, and one program. In total, the DCA oversees more than 3.2 million licensees across more than 280 license types falling within the respective jurisdiction of each board, bureau, or other licensing entity. The DCA also administers the Arbitration Certification Program, which currently certifies and monitors twenty third-party arbitration programs to ensure compliance with California law relating to new vehicle warranties.

Public Board Members. State licensing boards are typically comprised of two categories of appointed members. "Professional members" are appointed from within the licensed profession overseen by the board, which provides for expert perspectives and ensures that the actions of licensees are judged by their similarly educated peers. Some state licensing boards additionally have members who are licensed representatives of other boards with a vested interest in a board's decision making. "Public members," meanwhile, are intended to be independent members of the public with no direct or indirect financial interest in the profession being overseen. Out of the twenty healing arts boards placed under the Department of Consumer Affairs, all but four of them feature a majority of professional members.[1]

Identifying the appropriate balance of professional and public board members serving on state licensing boards has been heightened concern since 2015, when the Supreme Court of the United States issued a ruling in *North Carolina State Board of Dental Examiners v. Federal Trade Commission (NC Dental)*.[2] This case originated in 2010 when the Federal Trade Commission (FTC) brought an administrative complaint against the North Carolina State Board of Dental Examiners for its exclusion of non-dentists from the practice of teeth whitening. The FTC alleged that the board's decision was an uncompetitive and unfair method of competition under the Federal Trade Commission Act. In February 2015, the Court agreed with the FTC and determined that the board was not acting as a state agent and could be sued for its actions.

NC Dental placed limitations on the immunity of regulatory boards controlled by active market participants, requiring that "active state supervision" be established as a check against anticompetitive behavior. This is because individuals who are directly affected by their own rulemaking may not be able to detect their biases, purposefully or inadvertently placing their benefit over those of the public. Or, as the Supreme Court stated: "Dual allegiances are not always apparent to an actor."

This bill would add greater clarity to California law in regards to public members of state licensing boards by clarifying the application of existing conflict of interest prohibitions. Under current law, a public member may not be either a current or past licensee of the board, or a "close family member" of a licensee of the board. However, "close family member" is not defined.

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[1] The California Acupuncture Board, Board of Behavioral Sciences, and Bureau of Vocational Nursing and Psychiatric Technicians each have a one-member public majority; the Respiratory Care Board has an equal number of licensee and public members, in addition to a physician member.

[2] *North Carolina State Board of Dental Examiners v. Federal Trade Commission*, 574 U.S. 494 (2015)

The definition established for "close family member" in this bill would apply the term to a parent, stepparent, sibling, child by blood, adoption, or marriage, spouse, domestic partner, cohabitant, stepchild, immediate in-law, aunt, uncle, first cousin, grandparent, or grandchild.

Current Related Legislation. AB 686 (Berman) would extend current prohibitions against state cannabis officials having specified financial interests or relationships within the licensed cannabis industry to additional appointed officials within the Department of Cannabis Control. *This bill is pending on the Senate Floor.*

Prior Related Legislation. AB 2060 (Quirk) of 2022 would have changed the membership composition of the Medical Board of California so that a majority of the board consist of public members who are not practicing physicians. *This bill died on the Assembly Floor.*

REGISTERED SUPPORT:

None on file

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Robert Sumner / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1775 (Ward) – As Introduced February 9, 2026

NOTE: This bill is double referred and previously passed the Assembly Committee on Military and Veterans Affairs on an 8-0 vote.

SUBJECT: Veterans.

SUMMARY: Provides that an individual who received a discharge from the United States Armed Forces solely as a result of federal action to restrict military service by transgender individuals is eligible for programs administered by licensing entities within the Department of Consumer Affairs (DCA) to assist honorably discharged military members and their spouses.

EXISTING LAW:

1) Establishes the Department of Veterans Affairs (CalVet). (Military and Veterans Code § 60)

2) Establishes the DCA within the Business, Consumer Services, and Housing Agency. (Business and Professions Code (BPC) § 100)

3) Enumerates various regulatory boards, bureaus, committees, and commissions under the DCA's jurisdiction, including healing arts boards under Division 2. (BPC § 101)

4) Defines "board" as also inclusive of "bureau," "commission," "committee," "department," "division," "examining committee," "program," and "agency." (BPC § 22)

5) States that boards within the DCA must establish minimum qualifications and levels of competency and license persons desiring to engage in the occupations they regulate, upon determining that such persons possess the requisite skills and qualifications necessary to provide safe and effective services to the public. (BPC § 101.6)

6) Provides that any licensee or registrant of any board within the DCA whose license expired while the licensee or registrant was on active duty as a member of the California National Guard or the United States Armed Forces, may, upon application, reinstate their license or registration without examination or penalty. (BPC § 114)

7) Requires boards within the DCA to waive renewal fees, continuing education requirements, and other renewal requirements as determined by the board, if any are applicable, for a licensee or registrant called to active duty as a member of the United States Armed Forces or the California National Guard. (BPC § 114.3)

8) Requires boards within the DCA to inquire in every application for licensure if the individual applying for licensure is serving in, or has previously served in, the military. (BPC § 114.5)

9) Extends protections for licensees or registrants whose licenses expire while on active duty to a licensee or registrant whose license was obtained while in the armed services. (BPC § 115)

10) Requires boards within the DCA to expedite, and authorizes boards to assist, the initial licensure process for an individual applicant who has served as an active duty member of the Armed Forces of the United States and was honorably discharged or who is enrolled in the United States Department of Defense SkillBridge program. (BPC § 115.4)

11) Requires most boards within the DCA to expedite the licensure process and waive any associated fees for an individual applicant who holds a current license in another state and who is 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 California under official active duty military orders. (BPC § 115.5)

12) Requires boards within the DCA to issue a temporary license to an applicant who is 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 California under official active duty military orders. (BPC § 115.6)

13) Requires the DCA to compile specified information on military and spouse licensure into an annual report for the Legislature. (BPC § 115.8)

14) Requires the DCA and boards within the DCA to publish information pertinent to all licensing options available to military spouses on the home page of the internet website of the department or board. (BPC § 115.9)

15) Conforms state law with federal requirements enabling the portability of professional licenses for servicemembers and military spouses. (BPC § 115.10)

THIS BILL:

1) Provides that a board within the DCA shall expedite, and may assist, the initial licensure process for an applicant who supplies satisfactory evidence to the board that the applicant has served as an active duty member of the Armed Forces of the United States and received a discharge solely as a result of Executive Order No. 14183 issued on January 27, 2025 in the same manner as an applicant who was honorably discharged.

2) Requires the DCA to include the number of applications for expedited licenses received from military members and military spouses who received a discharge solely as a result of Executive Order No. 14183 issued on January 27, 2025 in its annual report to the Legislature.

3) Requires CalVet to prioritize veteran recipients of services provided under the Veteran's Military Discharge Upgrade Grant Program who are able to demonstrate their less than honorable characterization of service was connected to a mental health condition, traumatic brain injury, sexual assault or harassment, or sexual orientation or who are able to demonstrate their characterization of service was connected to gender identity.

4) Requires CalVet to establish the Veteran's Housing and Supportive Services Grant Program and to prioritize veteran recipients of services provided under that program who are able to demonstrate their less than honorable characterization of service was connected to a mental health condition, traumatic brain injury, sexual assault or harassment, or sexual orientation or who are able to demonstrate their characterization of service was connected to gender identity.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is co-sponsored by *Equality California*, *Out in National Security*, and *SPARTA Pride.* According to the author:

> AB 1775 is a vital lifeline to ensure we provide critical housing, employment, and transition-to-civilian-life support for service members being discharged from the U.S. military as a result of President Donald Trump's Executive Order (EO) 14183, which targets transgender service members. California has a responsibility to step in when the federal government turns its back on people who served honorably. These service members are being forced out of service not because of misconduct or performance, but because of who they are. AB 1775 ensures that California does not compound that injustice by leaving veterans without housing, jobs, or a clear path to stability.

Background.

Expedited Licensure. The DCA consists of 36 boards, bureaus, and other entities responsible for licensing, certifying, or otherwise regulating professionals in California. As of the DCA's 2025 Annual Report, there are over 3.2 million licensees overseen by programs under the DCA. Each licensing program has its own unique requirements, with the governing acts for each profession establishing prerequisites including education, training, examination, and the payment of fees.

The average length of time 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 sunset review oversight process by the Assembly Committee on Business and Professions and the Senate Committee on Business, Professions, and Economic Development.

The Legislature has enacted laws requiring boards within the DCA to expedite the applications of certain applicants for licensure. 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, AB 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, SB 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.

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. In August 2024, the DCA received an award for its Federal Professional License Portability and State Registration Portal, which allows servicemembers and their spouses to apply online for registration in California under the SCRA.

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 2024-25, the Board of Registered Nursing MBC received 718 applications for a registered nurse license from honorably discharged veterans subject to expedited processing. Of these expedited applications, 456 resulted in the issuance of a license by the board.

Federal Treatment of Transgender Service Members. Transgender individuals have existed throughout human history, including within the Armed Forces. However, transgender people have long faced arbitrary and draconian obstacles to serving openly in the military. In 1963, the United States Army established Regulation 40-501, which banned transgender people from serving under the notion that they were "mentally unfit."[1]

In July 2015, Secretary of Defense Ash Carter announced the creation of "a working group to study the policy and readiness implications of welcoming transgender persons to serve openly." The Office of the Under Secretary of Defense for Personnel and Readiness within the Department of Defense sponsored a study by the RAND National Defense Research Institute, which supported permitting transgender individuals to serve openly in the military.[2] In June 2016, the Obama Administration announced that it would allow transgender individuals to openly serve in the United States Armed Forces.[3] However, this policy was reversed by the Trump Administration in August 2017 through a memorandum disqualifying transgender persons from military service.[4] While federal courts initially issued injunctions delaying the effect of this discriminatory policy, the memorandum was ultimately allowed to take effect by the Supreme Court of the United States.[5]

In January 2021, President Joe Biden issued Executive Order 14004 – *Enabling All Qualified Americans to Serve Their Country in Uniform*. Declaring that "the All-Volunteer Force thrives when it is composed of diverse Americans who can meet the rigorous standards for military service, and an inclusive military strengthens our national security," the Biden Administration formally established a policy "to ensure that all transgender individuals who wish to serve in the United States military and can meet the appropriate standards shall be able to do so openly and free from discrimination." This executive order formally rescinded the policy established under the Trump Administration's prior memorandum.

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[1] Gaur, Vaishali. "The Legal History of LGBTQ+ People in the Military." *FindLaw*, January 2025.
[2] Schaefer, Agnes Gereben, et al. *Assessing the Implications of Allowing Transgender Personnel to Serve Openly*. RAND Corporation, National Defense Research Institute, 2016.
[3] "Secretary of Defense Ash Carter Announces Policy for Transgender Service Members." *U.S. Department of Defense*, June 2016.
[4] "Presidential Memorandum for the Secretary of Defense and the Secretary of Homeland Security." *Federal Register*, August 2017.
[5] Stohr, Greg. "Supreme Court Lets Trump's Transgender Military Ban Take Effect." *Bloomberg*, January 2019

When President Donald Trump took office for his second term in January 2025, he immediately reversed the actions of the Biden Administration in support of transgender service members. Executive Order 14183 – *Prioritizing Military Excellence and Readiness* referred to "radical gender ideology" within the Armed Forces established "to appease activists unconcerned with the requirements of military service like physical and mental health, selflessness, and unit cohesion." President Trump's executive order rescinded the Biden Administration's policy of inclusion for transgender people in the military and prohibited the use of preferred pronouns for transgender service members.

The implementation of Executive Order 14183 has resulted in significant confusion and destabilized transgender service members subject to involuntary separation from the Armed Forces. The immediate effects of the Trump Administration's policy have been chaotic and inconsistent, and the long-term effects of the policy on service members remain uncertain. In the meantime, the author contends that California law should expressly provide that programs intended to support honorably discharged service members obtain professional licenses are available to individuals discharged as a result of Executive Order 14183, regardless of how the discharge is officially processed by the Department of Defense. These programs enable veterans to more smoothly transition to civilian life by expediting their ability to enter into new careers requiring licensure or registration.

Veteran Programs Under CalVet. This bill would additionally establish new requirements for CalVet to help fund service providers who provide assistance to veterans. Specifically, the bill would require CalVet to prioritize veteran recipients under the Veteran's Military Discharge Upgrade Grant Program who are able to demonstrate their less than honorable characterization of service was connected to a mental health condition, traumatic brain injury, sexual assault or harassment, or sexual. The bill would also require CalVet to establish a Veteran's Housing and Supportive Services Grant Program, which would require similar prioritization of recipients. These provisions of the bill are within the jurisdiction of the Committee on Military and Veterans Affairs, which previously heard and passed this bill.

Prior Related Legislation. AB 2442 (Gipson) of 2024 would have required state licensing boards under the DCA to prioritize applicants who demonstrate that they intend to provide gender-affirming health care or gender-affirming mental health care services. *This bill died in the Senate Committee on Business, Professions, and Economic Development*.

SB 143 (Committee on Budget and Fiscal Review), Chapter 196, Statutes of 2023 conformed state statutes with federal law enabling the portability of professional licenses for servicemembers and spouses if certain requirements are met.

AB 657 (Cooper), Chapter 560, Statutes of 2022 requires specified boards under the DCA to expedite applications from applicants who demonstrate that they intend to provide abortions.

AB 2113 (Low), Chapter 186, Statutes of 2020 requires entities under the DCA to expedite applications from refugees, asylees, and special immigrant visa holders.

SB 1226 (Correa), Chapter 657, Statutes of 2014 requires entities under the DCA to expedite applications from honorable discharged veterans.

AB 1904 (Block), Chapter 399, Statutes of 2012 requires entities under the DCA to expedite applications from military spouses and partners.

ARGUMENTS IN SUPPORT:

Equality California (EQCA) is a co-sponsor of this bill. EQCA argues that the bill "ensures eligibility for expedited professional licensing to support a smooth transition into civilian life, establishes no-cost housing services for discharged veterans, and prioritizes access to discharge upgrades through the Veteran's Military Discharge Upgrade Grant Program." EQCA further writes: "At a time when transgender people are facing unprecedented attacks across the country, AB 1775 ensures that transgender veterans who have served our country honorably are not abandoned and reaffirms California's commitment to fairness and opportunity for all who serve."

ARGUMENTS IN OPPOSITION:

None on file.

REGISTERED SUPPORT:

Equality California *(Co-Sponsor)*
Out in National Security *(Co-Sponsor)*
SPARTA Pride *(Co-Sponsor)*
Advocates for Trans Equality
Alliance for TransYouth Liberation
California Association of Veteran Service Agencies
California Commission on the Status of Women and Girls
California Legislative LGBTQ Caucus
California LGBTQ Health and Human Services Network
CalPride Valle Central
City of West Hollywood
Courage California
Disability Rights California
El/La Para Translatinas
Families United for Trans Rights (FUTR) East Bay Chapter
Gender Affirming Professionals
Lavender Democrats OC
Lyon-Martin Community Health Services
Modern Military Association of America
National Women's Law Center Action Fund
PFLAG Clayton-Concord
PFLAG Fresno
PFLAG San Francisco
Planned Parenthood Affiliates of California
Public Counsel
Rainbow Families Action Bay Area
San Diego Pride
Service Women's Action Network
Swords to Plowshares
The San Diego LGBT Community Center
The TransLatin@ Coalition
TransCanWork

Transgender Military Hub
Viet Rainbow of Orange County

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Robert Sumner / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1778 (Patterson) – As Introduced February 9, 2026

NOTE: This bill is double referred and if passed by this Committee will be re-referred to the Assembly Committee on Public Safety.

SUBJECT: Controlled substances: testosterone.

SUMMARY: Removes or reclassifies testosterone from Schedule III of California's Uniform Controlled Substances Act (UCSA), contingent upon it being removed or reclassified pursuant to federal Controlled Substances Act (CSA).

EXISTING LAW:

1) Establishes the UCSA in California, which divides controlled substances into five schedules ranging with the most serious and heavily controlled substances, classified as Schedule I, to the least serious and most lightly controlled substances, classified as Schedule V, and imposes various reporting and enforcement provisions specific to each schedule. (Health and Safety Code (HSC) §§ 11000 *et. seq.*)

2) Establishes and enumerates the groups of substances which are designated as Schedule III under the UCSA. (HSC § 11056)

3) Establishes that anabolic steroids and chorionic gonadotropin, including testosterone as Schedule III controlled substances under the UCSA. (HSC § 11056(f))

4) Authorizes only a licensed physician, dentist, podiatrist, veterinarian, naturopathic doctor, registered nurse, certified nurse-midwife, optometrist, or out-of-state prescriber to write or issue a prescription, subject to their respective scope of practice. (HSC § 11150)

5) Provides that a prescription for a controlled substance shall only be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of their professional practice, and that the responsibility for the proper prescribing and dispensing of controlled substances is upon the prescribing practitioner, but a corresponding responsibility rests with the pharmacist who fills the prescription. (HSC § 11153)

6) Requires prescribers of UCSA controlled substances to comply with specified requirements which include: the forms that prescriptions must be written on; the required information included in a prescription form; and the manner that a prescription must be dispensed. (HSC § 11164)

7) Authorizes specified healing arts professionals licensed under the Department of Consumer Affairs (DCA) to prescribe, furnish, or administer controlled substances to a patient when the patient is suffering from a disease, ailment, injury, or infirmities attendant upon old age, other than addiction to a controlled substance, and only in the quantity and for the length of time as are reasonably necessary. (HSC § 11210)

8) Authorizes persons who, under applicable federal laws or regulations, are lawfully entitled to use controlled substances for the purpose of research, instruction, or analysis, to obtain and use specified controlled substances upon registration with and approval by the California Department of Justice (DOJ). (HSC § 11212)

9) Makes possession of a non-narcotic Schedule III controlled substance a misdemeanor subject to imprisonment in county jail for up to one year, and a felony in cases where the person has one or more prior convictions for an offense classified as a violent felony or one that requires registration as a sex offender. (HSC § 11377(a))

10) Makes possession for sale of a non-narcotic Schedule III substance a felony subject to imprisonment in county jail for 16 months, 2 years or 3 years. (HSC § 11378)

11) Makes trafficking of a non-narcotic Schedule III substance a felony subject to imprisonment in county jail for 2, 3, or 4 years. (HSC § 11379)

12) Makes manufacturing, producing, or preparing a non-narcotic Schedule III controlled substance either directly or indirectly by chemical extraction or independently by means of chemical synthesis a felony punishable by imprisonment in county jail for 3, 5, or 7 years and a fine of up to $50,000. (HSC § 11379.6(a))

13) Makes offering, manufacturing, producing, or preparing a non-narcotic Schedule III controlled substance either directly or indirectly by chemical extraction or independently by means of chemical synthesis a felony punishable by imprisonment in county jail for 3, 4, or 5 years. (HSC § 11379.6(e))

THIS BILL:

1) Conforms testosterone's classification under California's UCSA to its classification under the federal CSA. Testosterone is currently a Schedule III substance under California's UCSA and the federal CSA.

2) Provides that if testosterone is reclassified or exempted from the federal CSA, this bill automatically reclassifies or exempts testosterone from California's UCSA.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the author. According to the author:

> AB 1778 is about ensuring consistency and clarity in our laws. If the federal government changes how testosterone is classified, California should not be stuck operating under outdated rules that create confusion for doctors, pharmacists, and patients. Right now, state law would not automatically adjust if federal law changes, and this opens the door to unnecessary red tape and conflicting standards. AB 1778 simply keeps California aligned with federal scheduling decisions, providing a clear and consistent framework moving forward.

Background.

Overview of Testosterone. Testosterone is the primary male sex hormone, although it is also produced by females in lesser quantities. Testosterone is critical to the development of male reproductive organs and other secondary sexual characteristics which are developed during puberty, such as muscle and bone mass, and body hair. Testosterone is primarily produced by the testis, but it is also produced by both the male and female adrenal glands.

Humans naturally produce testosterone, but it can also be chemically synthesized. Chemical synthesis of testosterone was first achieved in 1935, although research on full synthesis was being conducted as far back as the 1860s. Contemporary synthesis of testosterone is typically accomplished though microbial fermentation of plant cholesterol. Synthetic testosterone is typically administered via transdermal patches and gels, intramuscular injections, or ingestion.

Medical Usage of Testosterone. Research has shown that testosterone has several therapeutic uses. As a result, it is approved by the FDA to treat a number of conditions, and it is included in the World Health Organization's list of essential medicines. One of the primary, on-label uses for testosterone in the US is "testosterone replacement therapy" (TRT). TRT is most commonly used in the treatment of hypogonadism in cisgendered men, which is a condition that causes decreased natural testosterone production.

Testosterone is also a primary hormone used by transgender men in transgender hormone therapy (THT). THT is a form of gender affirming healthcare employed by many transgender men to facilitate gender transition. Gender-affirming care encompasses medical interventions such as prescription hormone therapy, surgical procedures, and mental health support aimed at aligning an individual's physical body with their gender identity. Testosterone is one of the main hormones used in THT due to its role in the development of secondary male sex characteristics, including facial and body hair, increased bone density and muscle mass, and decreased estrogen production. According to a recent study, approximately 70% of transgender men in the US have at one point used testosterone as part of THT. For many transgender individuals, these interventions are not merely elective but are necessary for alleviating gender dysphoria and improving overall well-being.

Illicit and Off-label Usage of Testosterone. Although there are a number of approved medical uses for testosterone, it also has a history of illicit and off label use. The most prominent illicit usage of testosterone has been anabolic hormone and "steroid doping" in sports. Usage of anabolic hormones and steroids in sports, like testosterone, date as far back as the 1950s. In 1975, the International Olympic committee banned the usage of anabolic hormones and steroids by athletes. Despite the Olympic ban, and similar bans by other athletic organizations, illicit hormone and steroid use continued to persist as a problem in both amateur and professional athletic circles. This trend was one of primary reasons that the US congress passed the Anabolic Steroid Act of 1990, which added testosterone, as well as other anabolic hormones and steroids, to the federal CSA as Schedule III substances. Soon after, California's USCA followed this scheduling.

More recently, interest in off-label testosterone use has expanded beyond the world of athletics, driven in part by alternative health influencers and social media trends. A significant percentage of people in the US have either used or expressed interest in using off-label testosterone for

general health and wellness. According to a 2025 report by CBS News[1], prescriptions for TRT rose from 7.3 million in 2019 to over 11 million in last year. According to the report, many consumers are seeking TRT as a "fountain of youth", purporting increased vitality, energy, and libido. However, with increased use of testosterone as a wellness drug has also come increased research into potential risks. According to the same report, studies show "slight increased risk of certain heart, lung and kidney conditions" for individuals with low testosterone using TRT, and notes the risks for individuals with normal testosterone levels may be higher. Additionally, both the Mayo Clinic and Cleveland Clinic have found TRT can affect fertility by reducing sperm count, cause acne and worsen sleep apnea.

Regulation of Testosterone. Testosterone's wide on-label and illicit usage has led to the creation of many regulations concerning its manufacture, use, possession, and sale at both the state and federal level. Some of the most important regulations concerning testosterone are contained within the federal Controlled Substances Act (CSA), and the California Uniform Controlled Substances Act (UCSA). Some substances used in prescription hormone therapy, such as testosterone, are scheduled as Class III as controlled substances under the CSA and UCSA, and are therefore subject to strict requirements in the prescribing and dispensing of those substances. Treatments involving prescription hormone therapy are also subject to professional oversight by state licensing boards under the DCA pursuant to various healing arts practice acts.

The UCSA, as well as the federal CSA classify controlled substances into one of five schedules. Drugs falling within Schedules II through V may be prescribed only by health practitioners in possession of a federal Drug Enforcement Agency (DEA) registration and are ranked according to the drug's potential for abuse, with lower numbered schedules representing drugs with a higher risk of abuse or dependence. Testosterone is currently a Schedule III substance on the UCS and the CSA. Schedule III substances are those defined as having a moderate potential for physical and psychological dependence, but that have some form of recognized medical value. According to the DEA, examples of other Schedule III substances include Tylenol with codeine, ketamine, and other anabolic steroids.

The UCSA and the CSA are typically aligned on how medications are classified, but there have been conflicts between the federal and state acts, typically when the federal government reschedules a substance or exempts a specific drug from the CSA. When this occurs, statute in California typically must be legislatively amended to reconcile the differences. When a drug is scheduled differently at the federal and state level, it can create confusion and legal challenges for healing arts professionals, who are licensed by various medical boards under the DCA. These professionals are permitted to administer, prescribe, and dispense controlled substances under varying degrees of control, and subject to rigorous tracking and reporting requirements. When the federal and state schedules are not aligned for a particular controlled substance, it can create conflicting obligations for health care providers which can have adverse effects on providers and patients alike.

The increased interest in testosterone has led to an increase in research on the risks and benefits of its usage. In 2025, the federal Food and Drug Administration (FDA) assembled an expert panel to discuss this research. This panel made three major requests of the FDA which were: remove testosterone from Schedule III of the federal CSA, expand the FDA approved uses for

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[1] Moniuszko, S. (2025, February 26). *Testosterone replacement therapy is rising in popularity. What is it and what are there risks?* CBS News. https://www.cbsnews.com/news/what-is-testosterone-replacement-therapy-risks/

testosterone to include age related low testosterone, and remove the black box warning about a correlation between testosterone use and prostate cancer risk from testosterone prescription labels. This panel received significant pushback from a contingent of medical experts who claimed that the panel's conclusions did not reflect the body of scientific research about the potential risks of testosterone usage. Following this panel the FDA opened a public comment period on February 9, 2026, regarding testosterone labeling and scheduling, and rulemaking is currently ongoing. Recognizing that ongoing conversations at the federal level may lead to the change of scheduling, or entire removal, of testosterone in the federal CSA, this bill would similarly remove or reschedule testosterone in the California USCA contingent on whatever action the federal government takes.

Current Related Legislation. AB 1785 (Hoover) would expand the definition of "retail distributor" under the Uniform Controlled Substances Act to include online retailers for purposes of selling ephedrine, pseudoephedrine, norpseudoephedrine, or phenylpropanolamine products (PSE medications), subject to the same reporting requirements and distribution limits. *This bill is currently pending in this committee.*

Prior Related Legislation. AB 1152 (Patterson), Chapter 183, Statutes of 2025 required that if human chorionic gonadotropin (hCG) is rescheduled or removed from the federal CSA, hGC would also be rescheduled or removed from California's UCSA, to conform with federal law. At the time the law was enacted, hCG was a Schedule III controlled substance under the federal CSA.

AB 82 (Ward), Chapter 679, Statutes of 2025 prohibited prescriptions for testosterone or mifepristone from being reported to the Department of Justice (DOJ), the Controlled Substances Utilization Review and Evaluation System (CURES) or a contractor working for or with either the DOJ or CURES. This bill also required the removal of records regarding the prescription of mifepristone and testosterone from the DOJ and CURES prior to January 1, 2027.

SB 497 (Wiener), Chapter 497, Statutes of 2025 required warrants for law enforcement requests for patient health care information contained in California's state healthcare database. This warrant requirement includes requests for data pertaining to prescriptions for hormones such as testosterone and other hormones, when they are prescribed pursuant to legally protected health care activity.

AB 2018 (Rodriguez), Chapter 98, Statutes of 2024 removed fenfluramine, which was a Schedule IV controlled substance, from the UCSA.

AB 2589 (Bigelow), Chapter 81, Statutes of 2018 exempted human chorionic gonadotropin (hCG) from the regulations associated with Schedule III controlled substances when possessed, sold to, purchased by, transferred to, or administered by a licensed veterinarian, or a licensed veterinarian's designated agent, exclusively for veterinary use.

ARGUMENTS IN SUPPORT:

This bill is supported by the *California Pharmacists Association (CPhA),* who argue: "AB 1778 represents a practical step toward a more cohesive regulatory system that enhances compliance, reduces confusion, and supports pharmacists in delivering high-quality care."

ARGUMENTS IN OPPOSITION:

None on file.

REGISTERED SUPPORT:

California Pharmacists Association

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Connor Urschel / B. & P. / (916) 319-3301; Edward Franco / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1785 (Hoover) – As Introduced February 9, 2026

SUBJECT: California Uniform Controlled Substances Act: online retailer.

SUMMARY: Expands the definition of "retail distributor" under the Uniform Controlled Substances Act (UCSA) to include online retailers for purposes of selling ephedrine, pseudoephedrine, norpseudoephedrine, or phenylpropanolamine products (PSE medications), subject to the same reporting requirements and distribution limits.

EXISTING LAW:

1) Establishes the UCSA, which divides controlled substances into five schedules ranging with the most serious and heavily controlled substances, classified as Schedule I, to the least serious and most lightly controlled substances, classified as Schedule V, and imposes various reporting and enforcement provisions specific to each schedule. (Health and Safety Code (HSC) §§ 11000 *et. seq.*)

2) Requires that any manufacturer, wholesaler, retailer, or other person or entity in California that sells, transfers, or otherwise furnishes PSE medications, or PSE compounds, to any other person or entity shall submit a report to the California Department of Justice (DOJ) of all of those transactions. (HSC § 11100(a))

3) Requires that any person or entity in California selling, transferring, or otherwise furnishing any PSE medication to another person or entity to obtain a letter of authorization and proper identification from the purchaser, as defined. (HSC § 11100(c))

4) Requires that any person or entity who sells or transfers PSE medications to another person or entity submit a report to the DOJ containing information related to PSE medication transactions, including purchaser identification information, within a specified timeframe. (HSC § 11100(d))

5) Exempts PSE medication transactions that are lawfully sold over the counter without a prescription so long as the PSE medication is in solid or liquid form, and an individual transaction does not involve more than three packages, or nine grams, of a PSE medication. (HSC § 11100(e)(6))

6) Makes failure to submit required transaction reports a misdemeanor subject to imprisonment for up to either six months for a first offense, or one year for a second offense, and a fine of up to $5000 for a first offense, or $100,000 for a second offense. (HSC §11100(f))

7) Makes it unlawful for any person or entity to furnish a PSE medication to a person under 18 years of age. (HSC § 111100(g)

8) Defines "retail distributor", for purposes of PSE distribution reporting and permitting requirements, as an entity that meets all of the following requirements:

   a) Is a grocery store, general merchandise store, drugstore, or other related entity,

b) Is limited in their role as a PSE distributor to exclusively sell PSE medications for personal use, both in volume and number of sales, and

c) Sell directly to customers via walk-in or face-to-face transactions.

(HSC § 11100(h)(5))

THIS BILL:

1) Expands the definition of "retail distributor," for purposes of PSE distribution reporting and permitting requirements, to also include "an online retailer."

2) Clarifies that the sale of PSE medications for personal use by a retail distributor can be facilitated via direct in-store sales, or online sales fulfilled via delivery, in-person pickup, or curbside pickup.

3) Makes technical amendments related to gender-neutral language.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *Consumer Healthcare Products Association*. According to the bill's author:

> This bill allows for the online sale of Pseudoephedrine (PSE) medications while maintaining all federal and state mandated security restrictions. Online retailers would still be required to validate a person's identity to ensure they have not already purchased their legally allowable maximum of PSE.

Background.

PSE Medications. Pseudoephedrine is a central nervous system stimulant that serves as an effective nasal decongestant and sinus reliever, and is primary ingredient in many allergy and cold medications. There are derivatives and alternative formulations of pseudoephedrine, including ephedrine, norpseudoephedrine, and phenylpropanolamine, which have similar therapeutic effects. These drugs, also called "PSE medications", have many therapeutic uses and are commonly used to treat allergies, cold symptoms, asthma, and obesity, and other respiratory ailments. It is typically administered either orally or via injection. . Popular PSE medications on the consumer market include "Sudafed," "Claritin-D," and "Mucinex D." In addition to their many therapeutic uses, PSE medications are chemical precursors to methamphetamine, a Schedule II controlled substance under both the federal Controlled Substances Act (CSA) and California's UCSA. As a result, there are a number of state and federal laws which regulate the manufacture, distribution, sale, possession, and usage of PSE medications.

Ephedrine and Controlled Substance Regulation. Both the federal CSA and California's USCA classify controlled substances into one of five schedules, and largely mirror one another. Drugs falling within Schedules II through V may be prescribed only by health practitioners in possession of a federal Drug Enforcement Agency (DEA) registration, and are scheduled according to the drug's potential for abuse and harm. The federal CSA also classifies certain chemicals that, while not designated as controlled substances under the CSA's drug schedule,

have been identified as precursors for the manufacture of scheduled drugs. Chemicals included on List I of the CSA have legitimate medical uses but are also crucial ingredients to the manufacture of other drugs included on the CSA's controlled substance schedule. California maintains its own controlled substance schedule under the UCSA. Like the Federal CSA, California's UCSA also contains a list of precursor chemicals which, although not scheduled, are subject to a number of restrictions due to their potential use in the manufacture of more egregious controlled substances.

Regulation of PSE Medicines in California. In California, PSE medications are not a scheduled substance, but they are listed as precursor chemicals under the UCSA. As such, PSE medications are subject to a number of regulations concerning their manufacture, distribution, sale, furnishing, possession and usage. Additionally, PSE medications are considered "List I" substances under the federal CSA.

Many of the recordkeeping, age verification, and distribution limit requirements related to PSE medications resulted from the passage of the Combat Methamphetamine Epidemic Act (CMEA) by the federal government in 2005. Recognizing the potential for PSE medications to be used in the illegal manufacture of methamphetamine, this act established controls on the manufacture, distribution, sale, furnishing, and possession of PSE medications, including reporting requirements and minimum age limits. Specific to retail distributors of PSE medications, the CMEA required that they ensure customers are not furnished with more than three packages, or nine grams, of a PSE medication within a 30-day period. Further, retail distributors must ensure customers purchasing PSE medications are at least 18 years of age. Many of the requirements set out by the CMEA are mirrored in California's USCA, and they helped shape subsequent California legislation concerning PSE medications.

Currently, PSE medications can only be lawfully sold by in California by retail distributors who register with the Department of Justice and make periodic reports to the department containing information about PSE medication sales. Additionally, "retail distributors" are limited to a grocery store, general merchandise store, drugstore, or other related entity that sells PSE products directly to consumers. However, online retailers are currently not included under this definition of retail distributor and as a result, are not able to sell PSE medications in California.

As a result, the author and sponsors have put forward this bill to include "online retailers" under the wider definition of "retail distributor" under the USCA for purposes of selling PSE medications, and would clarify that such sales can occur either directly in-person, or online via direct delivery to the consumer, in-person pickup, or curbside pickup. Consumers purchasing from an online retailer would still be subject to the same monthly transaction limits as physical retailers and would be subject to the same age verification requirements. Furthermore, online retailers would still be required to retain and report transaction information to the DOJ relevant to PSE medication sales.

Current Related Legislation. AB 1778 (Patterson) would remove or reclassify testosterone from Schedule III of California's UCSA, contingent upon it being removed or reclassified pursuant to federal CSA. *This bill is pending in this committee.*

AB 2030 (Lowenthal) would prohibit the sale, offer of sale, or delivery of an over-the-counter weight loss or diet supplement, including those containing ephedrine group alkalids, to any person 18 years or younger, and would institute an ID check when purchasing certain diet and weight loss supplements. *This bill is pending in the Assembly Judiciary Committee.*

Prior Related Legislation. SB 1144 (Strickland), Chapter 867, Statutes of 2012, a public safety omnibus bill, made several substantive and technical changes to the Health and Safety, Labor, and Penal codes, including technical changes to the California UCSA.

AB 162 (Runner), Chapter 978, Statutes of 1999 made sale of more than three packages or more than 9 milligrams of ephedrine or related substances by a retail distributor a misdemeanor.

ARGUMENTS IN SUPPORT:

This bill is sponsored by the *Consumer Healthcare Products Associations (CHPA)*, who writes: "By permitting online sales of popular pseudoephedrine (PSE)-containing products — including Sudafed, Claritin-D, Allegra-D, Mucinex-D, Zyrtec-D, and more — this bill would make it easier for consumers to obtain some of the most reliable and effective treatments available for cold, allergy, and sinus symptoms."

ARGUMENTS IN OPPOSITION:
None on file.

REGISTERED SUPPORT:

Consumer Healthcare Products Association *(Sponsor)*

REGISTERED OPPOSITON:

None on file

Analysis Prepared by: Connor Urschel / B. & P. / (916) 319-3301; Edward Franco / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1933 (Hoover) – As Introduced February 13, 2026

SUBJECT: Land surveyors: records of survey.

SUMMARY: Requires a county surveyor to return a record of survey to the respective licensed land surveyor or civil engineer that submitted it, and revises requirements related to a county surveyor's examination of a submitted record of survey.

EXISTING LAW:

1) Provides for the licensure and regulation of land surveyors by the Board of Professional Engineers, Land Surveyors and Geologists (BPELSG) within the Department of Consumer Affairs (DCA) under the Professional Land Surveyor's Act (Act). (Business and Professions Code (BPC) §§ 8700 *et seq.*)

2) Establishes various activities that, either in a public or private capacity, constitute the practice of land surveying, including but not limited to:

   a) Locating, relocating, establishing, reestablishing, or retracing the alignment or elevation for any of the fixed works embraced within the practice of civil engineering.

   b) Determining the configuration or contour of the earth's surface, or the position of fixed objects above, on, or below the surface of the earth by applying the principles of mathematics or photogrammetry.

   c) Locating, relocating, establishing, reestablishing, or retracing any property line or boundary of any parcel of land, right-of-way, easement, or alignment of those lines or boundaries.

   d) Making any survey for the subdivision or resubdivision of any tract of land.

   e) Determining the position for any monument or reference point that marks a property line, boundary, or corner, or setting, resetting, or replacing any monument or reference point.

   (BPC § 8726)

3) Authorizes a licensed land surveyor to perform land planning in connection with the land surveying activities authorized under the Act. (BPC § 8761.2)

4) Authorizes licensed land surveyors and registered civil engineers to administer and certify oaths when:

   a) It becomes necessary to take testimony for the identification or establishment of old, lost or obliterated corners;

   b) A corner or monument is found in a perishable condition, and it appears desirable that evidence concerning it be perpetuated; or

c) The importance of the survey makes it desirable to administer an oath to his assistants for the faithful performance of their duty.

(BPC § 8760)

5) Authorizes land surveyors, after making a field survey in conformity with their practice, to file a record of survey with the county surveyor in the county in which the field survey was made, and specifies certain instances in which this report filing is mandatory. (BPC § 8762)

6) Requires that the record of survey shall, among other applicable activities, demonstrate all monuments found, set, reset, replaced, or removed, describing their kind, size, and location, and giving other data relating thereto. (BPC § 8764(a)(1))

7) Requires that the filed record of survey shall be examined by the county surveyor for accuracy and compliance with the law within 20 working days of receipt, or within additional time as may be mutually agreed upon by county surveyor or the licensed land surveyor. (BPC § 8766)

8) Requires that, if the record of survey complies with the above examination requirements, the county surveyor endorse a statement of their examination on the record of survey, or otherwise provide a written statement of changes necessary to make it compliant, at which time the licensed land surveyor or civil engineer shall correct and re-submit the record of survey within 60 days. (BPC § 8767)

9) Requires that a permanent monument shall be reset in the surface of new construction or otherwise set to perpetuate the location if any monument could be destroyed, damaged, covered disturbed or otherwise obliterated, and that a corner record or record of survey shall be filed with the county surveyor prior to the recording of a certificate of completion for the project. (BPC § 8771(c))

10) Requires survey monuments to be permanently and visibly marked or tagged with the certificate number of the surveyor or civil engineer setting it, each number to be preceded by the letters “L.S.” or “R.C.E.,” respectively, or shall be marked with the name of the public agency that set it. (BPC § 8772)

11) Requires that a person authorized to practice land surveying in California shall complete, sign, stamp, and file a “corner record” with the county surveyor in the county where the corners are situated, defined as a written record of corner establishment or restoration pursuant to the Survey of the Public Lands of the United States published by the federal Bureau of Land Management, as well as every accessory to such corner. (BPC § 8773(a))

12) Clarifies that any person authorized to practice land surveying may file a corner record for any property corners, property controlling corners, reference monuments, or accessories to a property corner. (BPC § 8773)

13) Requires that a corner record submitted to the county surveyor or engineer of a respective county shall be examined for accuracy and compliance with certain laws within 20 working days of receipt. (BPC § 8773.2)

14) Requires that, when conducting a corner record, the licensed land surveyor or registered civil engineer shall reconstruct or rehabilitate the monument of such corner, and accessories to such corner, so that the monument shall be left by them in as permanent a condition as reasonably possible for future use. (BPC § 8773.3)

THIS BILL:

1) Specifies that, when returning a record of survey for corrections, the county surveyor shall return it to the licensed land surveyor or registered civil engineer who presented it.

2) Requires that, when examining a corner record for compliance with law, a county surveyor shall verify compliance with Section 8772 of the Business and Professions Code related to proper setting and tagging of monuments.

3) Makes technical changes related to gender-neutral language.

FISCAL EFFECT: Unknown. This bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *California Land Surveyors Association***.** According to the author:

> This is a common-sense bill that promotes greater reliability and consistency in the land surveying review process. This bill aims to address potential concerns related to the misrepresentation of licensed surveyors and inconsistencies when reviewing records. AB 1933 makes clarifying technical changes to California's Professional Land Surveyors' Act to improve these land surveying procedures.

Background. Land surveyors are an important part of civil administration, land development and property law. Land surveyors establish and update property boundary lines, ensure property boundaries are accurate, aid in creating maps, and provide information regarding topography and geographic features that is critical to construction and civil engineering projects. Land surveyors work with, or sometimes directly for, state and local governments, and can also provide mapping and property information for private entities.

The Public Land Survey System. Developed by the Land Ordinance of 1785 under the direction of Thomas Jefferson, the Public Land Survey System (PLSS) was first developed to divide and map out land ceded to the United States following the Revolutionary War. Since then, the PLSS has been the primary method of subdividing, describing, and making available for sale land that is ceded or acquired by the United States. As such, not every state is included in the PLSS — such as the original thirteen colonies, Texas, and others — but California is.

Land surveyed under the PLSS is divided by state, principle meridian, township, range, and section, with further subdivisions thereafter. Importantly, the corners of each township are marked upon surveillance; early surveyors would mark corners with makeshift physical markers or noted by natural characteristics (i.e. a nearby tree or body of water), while modern technology allows surveyors to set monuments in corners, as further described below. The US Bureau of Land Management continues to maintain and update the PLSS, and as such routinely resurveys and reestablishes the precise placement of these corners. Whenever a licensed land surveyor

establishes, re-establishes, or restores a corner as part of a survey, they must file a written "corner record" with the respective county surveyor or county engineer in the jurisdiction of the corner.

Survey monuments. As part of their duties of establishing and maintaining accurate property boundaries and corner records, land surveyors will mark or place "monuments" — also sometimes called "property markers" — to define the location of private or public property lines. Typical monuments are metal disks placed into the ground or otherwise permanently affixed to the land along the property boundary. Survey monuments must include the certificate number of the surveyor, engineer, or public agency that set it. Monuments are also often imprinted with relevant information, including the name of the surveyor or agency and the date the monument was placed, though this is not required by law.

Records of survey. When a licensed land surveyor performs a full property survey, they prepare a detailed "record of survey" that includes a map of the property boundaries, property corners, notable features, precise distances between property points, and more. While not required under every instance, there are many cases in which California law requires a land surveyor to submit a record of survey to the county surveyor in which the survey was conducted, including in cases which the survey discloses material evidence or changes not previously disclosed on a county or PLSS survey, or would potentially change the property lines of another county or PLSS survey.

Once a record of survey or a corner record is submitted to a county surveyor, they have 20 working days to examine the record of survey, and to either provide a statement of endorsement approving the survey and submit it to the county recorder, or to respond to the person who submitted the record with a list of deficiencies that are required to be corrected before it can be approved. When examining the records, county surveyors are to ensure that the record of survey not only is mathematically accurate, but follows relevant provisions of the Professional Land Surveyors' Act, including proper legibility and disclosure of monument locations. Notably, while current law requires county surveyors to verify that monuments included in records of survey are properly set and tagged in accordance with Section 8772 of the BPC, it is silent on such a requirement for verifying corner records.

In response, this bill seeks to clarify that when reviewing a submitted corner record, county surveyors must ensure compliance with Section 8772 and verify that corner monuments are properly set and tagged with the land surveyor's license number. Moreover, the author and sponsor contend that the current statute requiring county surveyors to return a record of survey to the "person" who presented it is too broadly worded, and poses risk that individuals who are not licensed surveyors could receive or modify survey documents associated with a surveyor's license number unbeknownst to that licensee. As a result, this bill also seeks to clarify that the written statement of changes related to a record of survey be specifically sent to "the licensed land surveyor or civil engineer" who presented it.

Current Related Legislation. AB 2435 (Chen) would establish tiered penalties for convictions related to the practice of unlicensed land surveying. *This bill is currently pending in this committee.*

Prior Related Legislation. AB 3253 (Berman), Chapter 588, Statutes of 2024, extended the sunset date for the Board of Professional Engineers, Land Surveyors, and Geologists until January 1, 2029, and made various other changes in response to issues raised during the sunset review process, including the requirement that licensed land surveyors to restore or rehabilitate

any monument that is used as part of a survey to a permanent condition so that it may be referenced and used in the future.

ARGUMENTS IN SUPPORT:

This bill is sponsored by the *California Land Surveyors Association*, who writes: "AB 1933 is a narrowly tailored measure that strengthens professional accountability, promotes consistency in the review process, and enhances confidence in public land records relied upon by property owners, public agencies, and the broader public."

IMPLEMENTATION ISSUES:

The author and sponsors intend for this bill to clarify the legal responsibility of a county surveyor to either return deficient records of survey and corner records to the respective licensee who submitted it, or to certify that such records are accurate and retain them. However, as drafted, this bill requires that a corner record filed with a county surveyor shall be securely fastened into a book "by the person submitting the corner record". This seems to be a drafting error, as current law requires—and this bill intends to ensure—that county surveyors are the party legally responsible for binding finalized corner records.

AMENDMENTS:

In order to address the drafting error in Section 8773.2(d) of the current language, amend the bill as follows:

> On page 3 after line 33:
>
> (d) The corner record filed with the county surveyor of any county shall be securely fastened by ~~him or her~~ ~~*the person submitting the corner record*~~ the county surveyor into a suitable book provided for that purpose…."

REGISTERED SUPPORT:

California Land Surveyors Association (*Sponsor*)

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Edward Franco / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1939 (Flora) – As Introduced February 13, 2026

NOTE: This bill is double referred and if passed by this Committee will be re-referred to the Assembly Judiciary Committee.

SUBJECT: Professional fiduciaries: corporate practice.

SUMMARY: Authorizes professional fiduciaries, beginning January 1, 2028, to form professional fiduciary professional corporations, as specified.

EXISTING LAW:

1) Regulates and licenses professional fiduciaries under the Professional Fiduciaries Act. (Business and Professions Code (BPC) §§ 6500-6592)

2) Establishes the Professional Fiduciaries Bureau (PFB) within the Department of Consumer Affairs to administer and enforce the Professional Fiduciaries Act. (BPC § 6510)

3) Prohibits a person from acting or holding themselves out to the public as a professional fiduciary unless licensed as a professional fiduciary, except as specified. (BPC § 6530)

4) Defines a "professional fiduciary" as the following:

   a) A person who acts as a guardian or conservator of the person, the estate, or the person and estate, for two or more individuals at the same time who are not related to the professional fiduciary or to each other. (BPC § 6501(f)(1)(A))

   b) A personal representative of a decedent's estate for two or more individuals at the same time who are not related to the professional fiduciary or to each other. (BPC § 6501(f)(1)(B), Probate Code (PROB) § 58(a))

   c) A person who acts as a trustee, agent under a durable power of attorney for health care, or agent under a durable power of attorney for finances, for more than three individuals, at the same time. (BPC § 6501(f)(2))

5) Requires the PFB to maintain specified information in each licensee's file and make the information available to a court for any purpose, as specified. (BPC § 6534)

6) Requires a licensee to initially, and annually thereafter, file with the PFB a statement under penalty of perjury containing specified case information. (BPC § 6561)

7) Authorizes the formation of professional corporations under the Moscone-Knox Professional Corporation Act. (Corporations Code (CORP) §§ 13400-13410)

8) Defines "professional services" as any type of professional services that may be lawfully rendered pursuant to a license, certification, or registration authorized by the Business and Professions Code, the Chiropractic Act, or the Osteopathic Act. (CORP § 13401(a))

9) Defines "professional corporation" as a corporation that is engaged in rendering professional services in a single profession pursuant to a certificate of registration issued by the governmental agency regulating the profession as provided in the Moscone-Knox Professional Corporation Act and that in its practice or business designates itself as a professional or other corporation as may be required by statute. (CORP § 13401(b))

10) Prohibits a superior court from appointing a person to carry out the duties of a professional fiduciary, or permitting a person to continue those duties, unless the person holds a valid, unexpired, unsuspended license as a professional fiduciary, is exempt from the definition of "professional fiduciary," or is exempt from the licensing requirements of Professional Fiduciaries Act. (PROB § 2340)

11) Authorizes an incapacitated professional fiduciary's conservator, agent under a power of attorney for asset management, trustee, or interested person to petition the court for the appointment of a professional fiduciary practice administrator to take control of the incapacitated professional fiduciary's files and matters, as specified. (PROB §§ 2469, 9765)

THIS BILL:

1) Authorizes, beginning January 1, 2028, the formation of professional fiduciary professional corporations as follows:

    a) Authorizes one or more licensees to organize a professional fiduciary professional corporation to provide professional fiduciary services that require licensure under this chapter.

    b) Specifies that the governmental agency designated for the Moscone-Knox Professional Corporation Act is the PFB.

    c) Clarifies that the PFB may adopt, repeal, or amend regulations for professional fiduciary professional corporations.

    d) Defines a professional fiduciary professional corporation as a corporation that is authorized to render professional services if that corporation and its shareholders, officers, directors, and employees rendering professional services who are licensed professional fiduciaries are in compliance with all statutes and regulations pertaining to the corporation and the conduct of its affairs.

    e) Requires the following of a professional fiduciary professional corporation:

        i) A professional fiduciary professional corporation shall register with the Secretary of State in accordance with the Corporations Code.

        ii) The professional fiduciary professional corporation, its officers, directors, shareholders, and employees rendering professional fiduciary services shall comply with the Moscone-Knox Professional Corporation Act.

        iii) Any individual providing professional fiduciary services on behalf of the corporation shall be a licensee actively licensed with the PFB to be considered a qualified person for the purposes of the Moscone-Knox Professional Corporation Act.

iv) A licensee serving as an officer, director, shareholder, or employee of the corporation shall not be exempt from individual discipline for violations of this act, PFB regulations, or other applicable laws and regulations.

v) Any income of the corporation attributable to professional services rendered while a shareholder is a disqualified person, as defined in the Moscone-Knox Professional Corporation Act, shall not accrue to the benefit of that shareholder or their shares in the corporation.

vi) The professional fiduciary professional corporation shall not permit an unqualified person to serve as an officer, director, shareholder, or licensed employee.

vii) A professional fiduciary professional corporation name shall contain the last name of at least one current or former qualified person.

viii) The licensee or licensees named on the Secretary of State registration shall serve as the primary contact for the PFB.

ix) A professional fiduciary professional corporation or agent of a fiduciary corporation shall not bill or impose any costs or fees to a client for incorporation or corporation name changes with the Secretary of State or on appointing documents or other records.

f) Requires, upon request of the PFB, each professional fiduciary professional corporation to provide to the PFB a corporation-wide report consisting of all of the following information:

i) The full name, license number, address, and telephone number for any licensee contained in the name of the corporation.

ii) The full names and license numbers of all officers, directors, shareholders, and licensed employees of the corporation.

iii) The corporation entity number as issued by the Secretary of State and current statement of information filed with the Secretary of State.

iv) A client log containing all of the following:

(1) A list of all case names, whether the cases are court supervised or noncourt supervised, the date the corporation was appointed, and the responsible licensed professional fiduciary on the case.

(2) The court location and case number for each case that is supervised by a court.

(3) The aggregate managed asset value of all matters under the management of the corporation.

g) Specifies that the corporation-wide report is an investigatory or security file that is compiled for licensing purposes that shall not be disclosed to the public pursuant to the California Public Records Act except in any of the following circumstances:

(1) In the course of any disciplinary proceeding by the bureau after the filing of a formal accusation.

(2) In the course of any legal action to which the bureau is a party.

(3) In response to an official inquiry from a city, county, state, or federal agency.

(4) In response to a subpoena or summons enforceable by order of a court.

(5) When otherwise specifically required by law.

h) Makes it unprofessional conduct for a professional fiduciary professional corporation to fail to submit the corporation-wide report within 60 days of the request, or to respond to an inquiry from the PFB related to the corporation within 60 days of the request.

i) Specifies that if a professional fiduciary professional corporation is appointed in a matter that violates the Probate Code provisions added under this bill, then both of the following shall apply:

i) The appointment of a professional fiduciary professional corporation in that matter shall be considered void and treated by the relevant jurisdiction as if no appointment was made.

ii) The professional fiduciary professional corporation shall do all of the following:

(1) Immediately resign the appointment.

(2) Notify the court or party that appointed the professional fiduciary professional corporation of the resignation.

(3) Cooperate with all efforts to have a successor appointed.

(4) Waive compensation for any services related to the resignation and the appointment of a successor.

j) Makes it unprofessional conduct if the professional fiduciary corporation fails to resign the appointment.

k) Prohibits a professional fiduciary professional corporation or agent of the professional fiduciary professional corporation from billing or imposing any costs or fees for any services performed or appointment changes while the professional fiduciary professional corporation is improperly named.

l) Specifies that, for a matter that is not supervised by a court and not prohibited by the Probate Code created under this bill, a professional fiduciary professional corporation may serve only when a licensee is designated as the responsible person on the matter.

2) Makes the following conforming changes to the Professional Fiduciaries Act:

a) Requires the PFB to set a fee for the implementation and regulation of professional fiduciary professional corporations by regulation.

b) Specifies that the amount of the fee shall be at least $1,000 but shall not exceed reasonable costs of implementing and regulating professional fiduciary professional corporations.

c) Requires the PFB to additionally include in its licensee files the following information:

   i) Whether a professional fiduciary professional corporation for which the licensee is appointed with or serving under, has ever been removed for cause or has ever resigned or settled a matter for which a complaint against the professional fiduciary professional corporation or the licensee has been filed with the court.

   ii) The case names, court locations, and case numbers for which a licensee is appointed with or serving under a professional fiduciary professional corporation.

   iii) Whether the licensee is appointed with or serving under a professional fiduciary professional corporation, and the name of the professional fiduciary professional corporation.

d) Requires a licensee to additionally include in its annual case information filing with the PFB the following information:

   i) Whether or not a professional fiduciary professional corporation, for which the licensee is appointed with or serving under, has been removed for cause. The licensee must report removals and file an additional statement of issues and facts pertaining to the case.

   ii) Other specified cases involving a professional fiduciary professional corporation for which the licensee is appointed with or serving under.

   iii) Indicate on each case, whether the licensee is serving with or under a professional fiduciary professional corporation and include the name of the corporation.

e) Adds to the list of causes for disciplinary action failure of a licensee to, in a timely manner, respond to inquiries or produce documents requested by the PFB, including inquiries and documents related to a professional fiduciary professional corporation.

3) Repeals the court appointment prohibitions under the Probate Code related to professional fiduciaries and replaces it with the following:

   a) Prohibits a superior court from appointing a professional fiduciary or a professional fiduciary professional corporation as a guardian, conservator, personal representative, or trustee, or permit a professional fiduciary or a professional fiduciary professional corporation to continue in any of those offices, unless the professional fiduciary or the professional fiduciary professional corporation satisfies any of the following:

      i) Holds a current, unsuspended license issued pursuant to the Professional Fiduciaries Act to act or hold themselves out to the public as a professional fiduciary.

      ii) Is exempt from the licensing requirements.

iii) Unless exempt from licensing requirements, is a professional fiduciary professional corporation, organized as a professional corporation under the Moscone-Knox Professional Corporation Act and as provided for in the Professional Fiduciaries Act. When making this appointment, the petition and appointment must specify the licensed professional fiduciary having primary responsibility for the matter. A professional fiduciary professional corporation may not be appointed as any of the following:

(1) Guardian of the person of a ward.

(2) Conservator of the person of a conservatee.

(3) Any office under the Health Care Decisions Law.

b) Duplicates the prohibition that a person may not act or hold themselves out to the public as a professional fiduciary unless they are licensed as a professional fiduciary.

4) Makes other technical and conforming changes.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *Professional Fiduciary Association of California*. According to the author, "[This bill] protects consumers first, by requiring the members of a professional fiduciary professional corporation to possess a license, second, by prescribing requirements and regulations for those corporations to provide fiduciary services, and third, by requiring the entities to comply with the requirements of the Moscone Knox Professional Corporations Act."

Background. The word "fiduciary" is a term of art used to describe a person who is entrusted to act in the best interest of another person or entity (the principal). A fiduciary often acts as an agent or representative, making financial, legal, healthcare, or other decisions that are typically made by the principal directly. That trust comes with the highest level of legal responsibility. Legally, a fiduciary's duties are loyalty and care—they are expected to put the principal's interests above their own.

Many licensed professionals act as fiduciaries for their clients, such as attorneys, accountants, and real estate agents. There are also unlicensed people or entities with fiduciary duties, such as corporate officers and directors, financial advisors, trustees, and court appointed conservators and guardians.

The level of trust and confidence placed in a fiduciary leaves the principal vulnerable to significant harm from fraud or incompetence. Because fiduciaries are treated as if the principal were making the decision, they have nearly unrestricted control over legal and financial instruments like bank accounts, investments, and contracts. Improper medical or home care can also result in injury or death.

For licensed professionals, clients are directly protected by the professional conduct requirements required of the licensee by their respective practice acts and licensing entities. For

unlicensed fiduciaries, principals rely on indirect protections and expectations that come with familial relationships or employer-employee, shareholder, or other business obligations. However, there are fewer indirect protections for principals utilizing a fiduciary who is not a family member or an integral part of a business organization.

The Professional Fiduciaries Act aims to provide professional licensing protection for the latter principals. The act requires a license issued by the PFB when acting as a "professional fiduciary," which is defined to mean a person who acts as a fiduciary for more than one principal who they are not related to. The minimum number of principals increases to three or four depending on the type of fiduciary service provided.

Corporations and Licensed Practice. Except in specifically authorized situations, corporations and limited liability companies (LLCs) are not authorized to obtain a professional license. Corporations and LLCs are distinct entities with their own business assets. This structure shields the personal assets of their owners, officers, and shareholders. This corporate shield is antithetical to the professional conduct and competence requirements of a license. Professional licensing laws are intended to protect consumers by ensuring individual accountability and liability.

Licensing practice acts that do authorize the issuance of licenses directly to corporations and LLCs, such as the Contractors State License Law, reconcile this conflict by requiring designated qualified managers and financial protections such as liability insurance or surety bonds. This ensures that there is at least one responsible individual and there are financial remedies for consumers.

For practice acts that do not authorize corporations to hold licenses but otherwise authorize corporate practice of the profession, licensees may form a specific type of corporation called a "professional corporation" under the Moscone-Knox Professional Corporation Act. Instead Moscone-Knox limits professional corporations to a single profession, restricts ownership and control to authorized licensees, and authorizes services only through employees who are licensed to provide the services. This ensures the appropriate licensing board can effectively pierce the corporate shield in the event of malpractice or incompetence.

Professional Fiduciary Professional Corporations. The Professional Fiduciaries Act does not authorize corporations to provide professional fiduciary services. However, according to the sponsor, there are still situations in which unlicensed corporate entities have been designated as professional fiduciaries. One example provided results from a grey area in the Probate Code regarding trusts. Currently, there is no explicit restriction on the person or entity a testator may name as successor trustee in their will. The appointed trustee is simply determined by the testator's stated wishes as opposed to a court appointment. As a result, the testator may name any entity as a trustee, regardless of the licensing status of the members of that entity.

This bill attempts to address the problem by creating a legal pathway for professional fiduciary corporations and reinforcing the prohibition against unlicensed corporate fiduciary practice. It does so by authorizing licensees to form professional fiduciary corporations under the Professional Fiduciaries Act and Moscone-Knox and explicitly limiting the corporate provision of professional fiduciary services to professional fiduciary professional corporations. It also includes additional transparency measures, including reporting and disclosure requirements.

Prior Related Legislation. AB 586 (Flora) of 2025 was substantially similar to this bill except that it did not contain the delayed implementation date, fees, and other technical details. *AB 586 was held on the Senate Appropriations Committee suspense file.*

AB 2148 (Low) of 2024 was similar to this bill except that it would have required the PFB to issue a certificate of registration to professional fiduciary corporations. *AB 2148 was held on the Senate Appropriations Committee suspense file.*

SB 1550 (Figueroa), Chapter 491, Statutes of 2006, first established the Professional Fiduciaries Act under the Board of Professional Fiduciaries.

ARGUMENTS IN SUPPORT:

The *Professional Fiduciary Association of California* (sponsor) writes in support:

> [This bill] authorizes the court to appoint a professional fiduciary professional corporation to serve in a professional fiduciary capacity including as guardian of an estate, conservator of an estate, personal representative of a decedent's estate, trustee of a trust.
>
> The legislation also prohibits a professional fiduciary professional corporation from being appointed as a guardian of the person of a ward or conservator of the person of a conservatee and from serving as agent under a health care power of attorney.
>
> The bill protects consumers of these services by requiring the members of the corporation to possess a license and requiring that the entities comply with the Moscone Knox Professional Corporations Act.

ARGUMENTS IN OPPOSITION:

There is no opposition on file.

IMPLEMENTATION ISSUES:

Untethered Fee. This bill requires the PFB to establish a fee for the implantation of the professional fiduciary professional corporation provisions under this bill but there is no license, act, or other trigger tied to the fee. If this bill passes this Committee, the author may wish to identify the associated workload or delete the fee.

REGISTERED SUPPORT:

Professional Fiduciary Association of California (sponsor)

REGISTERED OPPOSITION:

There is no opposition on file.

Analysis Prepared by: Vincent Chee / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1965 (Sharp-Collins) – As Introduced February 13, 2026

SUBJECT: Cannabis: testing: quality assurance.

SUMMARY: Requires cannabis licensees to provide the Certificate of Analysis (COA) associated with cannabis or cannabis products, upon request; authorizes the Department of Cannabis Control (DCC) to conduct off-the-shelf laboratory testing of any cannabis or cannabis products offered for retail sale; authorizes the DCC to subject testing laboratories to performance testing; and makes other changes related to laboratory testing of cannabis and cannabis products.

EXISTING LAW:

1) Enacts the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) to provide a comprehensive regulatory framework for the cultivation, distribution, transport, storage, manufacturing, processing, and sale of medicinal and adult-use cannabis. (Business and Professions Code (BPC) §§ 26000-26325)

2) Establishes the DCC within the Business, Consumer Services, and Housing Agency for purposes of administering and enforcing MAUCRSA. (BPC § 26010)

3) Provides the DCC with authority for issuing various types of commercial cannabis licenses, including subtypes for cultivation, manufacturing, testing, retail, distribution, and microbusiness; requires each licensee, except for testing laboratories, to clearly designate whether their license is for adult-use or medicinal cannabis. (BPC § 26050)

4) Requires the DCC to establish a track and trace program for reporting the movement of cannabis and cannabis products throughout the distribution chain that utilizes a unique identifier and can provide information that captures, at a minimum, all of the following:

   a) The licensee from which the product originates and the licensee receiving the product.

   b) The transaction date.

   c) The unique identifier or identifiers for the cannabis or cannabis product.

   d) The date of retail sale to a customer and whether the sale is conducted on the retail premises or by delivery.

   e) Information relating to cannabis and cannabis products leaving the licensed premises in a delivery vehicle as determined by regulations adopted pursuant to subdivision (d) of Section 26068.

   (BPC § 26067(a))

5) Requires the DCC, in consultation with the California Department of Tax and Fee Administration, to create an electronic database containing the electronic shipping manifests

to facilitate the administration of the track and trace program, which must include, but not be limited to, the following information:

a) The variety and quantity or weight of cannabis or cannabis products shipped.

b) The estimated times of departure and arrival.

c) The variety and quantity or weight of cannabis or cannabis products received.

d) The actual time of departure and arrival.

e) A categorization and the unique identifier of the cannabis or cannabis product.

f) The license number issued by the department for all licensees involved in the shipping process, including, but not limited to, cultivators, manufacturers, distributors, and retailers.

(BPC § 26067(b)(1))

6) Requires the database to be designed to flag irregularities for the DCC to investigate. (BPC § 26067(b)(2))

7) Prohibits cannabis or cannabis products from being sold unless a representative sample of the cannabis or cannabis products has been tested by a licensed testing laboratory. (BPC § 26100(a))

8) Requires the DCC to develop criteria to determine which batches must be tested. Samples must be in the final form in which the cannabis or cannabis product will be consumed or used. (BPC § 26100(b))

9) Requires testing of batches to meet the requirements of MAUCRSA, to be conducted only by a licensed testing laboratory. (BPC § 26100(c))

10) Specifies that for each batch tested, the testing laboratory must issue a COA for selected lots at a frequency determined by the DCC with supporting data, to report whether the chemical profile of the sample conforms to the labeled content of compounds; that the presence of contaminants does not exceed the levels established by the DCC; and, for edible cannabis products, that the milligrams of Tetrahydrocannabinol (THC) per serving shall not deviate from 10 milligrams by more than 10 percent. (BPC § 26100(d))

11) Allows a testing laboratory to amend a COA to correct minor errors, as defined by the DCC. (BPC § 26100(e))

12) Requires the DCC to establish standards for residual levels of volatile organic compounds and a standard cannabinoids test method, including standardized operating procedures that must be used by all testing laboratories. (BPC § 26100(f))

13) Requires the testing laboratory to conduct all testing in a manner consistent with general requirements for the competence of testing and calibration activities, including sampling and using verified methods. (BPC § 26100(g))

14) Requires all testing laboratories performing tests to obtain and maintain ISO/IEC 17025 accreditation as required by the DCC in regulation. (BPC § 26100(h))

15) Specifies that if a test result falls outside the specifications authorized by law or regulation, the testing laboratory shall follow a standard operating procedure to confirm or refute the original result. (BPC § 26100(i)(1))

16) Authorizes a testing laboratory to retest the sample if both the testing laboratory notifies the DCC in writing that the test was compromised due to equipment malfunction, staff error, or other circumstances allowed by the DCC *and* the DCC authorizes the testing laboratory to retest the sample. (BPC § 26100(i)(2))

17) Requires a testing laboratory to destroy the remains of the sample of cannabis or cannabis product upon completion of the analysis, as determined by the DCC through regulations. (BPC § 26100(j))

18) Prohibits a testing laboratory from being licensed by the DCC unless the laboratory meets all of the following:

    a) Complies with any other requirements specified by the DCC.

    b) Notifies the DCC within one business day after the receipt of notice of any kind that its accreditation has been denied, suspended, or revoked.

    c) Has established standard operating procedures that provide for adequate chain of custody controls for samples transferred to the testing laboratory for testing.

    (BPC § 26102)

19) Requires a licensed testing laboratory to, in performing activities concerning cannabis and cannabis products, comply with the requirements and restrictions set forth in applicable law and regulations. (BPC § 26104(a))

20) Requires the DCC to develop procedures to do all of the following:

    a) Ensure that testing of cannabis and cannabis products occurs prior to distribution to licensed retailers, microbusinesses, or nonprofits.

    b) Specify how often licensees must test cannabis and cannabis products, and that the cost of testing cannabis must be borne by the licensed cultivators and the cost of testing cannabis products must be borne by the licensed manufacturer, and that the costs of testing cannabis and cannabis products must be borne by a nonprofit licensed.

    c) Require destruction of harvested batches whose testing samples indicate noncompliance with health and safety standards required by the DCC, unless remedial measures can bring the cannabis or cannabis products into compliance with quality assurance standards as specified by law and implemented by the DCC.

    d) Ensure that a testing laboratory employee takes the sample of cannabis or cannabis products from the distributor's premises for testing and that the testing laboratory

employee transports the sample to the testing laboratory. The driver transporting the sample pursuant to this requirement must be directly employed by the testing laboratory.

(BPC § 26104(b))

21) Prohibits a testing laboratory from acquiring or receiving cannabis or cannabis products except from a licensee, and from distributing, selling, or dispensing cannabis or cannabis products from the licensed premises from which the cannabis or cannabis products were acquired or received. All transfers or transportation must be performed in accordance with a specified chain of custody protocol. (BPC § 26104(c)(1))

22) Authorizes a testing laboratory to receive and test samples of cannabis or cannabis products from a state or local law enforcement, or a prosecuting or regulatory agency to test the cannabis or cannabis products. Testing conducted by a testing laboratory for state or local law enforcement, a prosecuting agency, or a regulatory agency is not commercial cannabis activity and is not to be arranged or overseen by the DCC. (BPC § 26104(c)(2))

THIS BILL:

1) Requires a retailer and any other licensee authorized to engage in the retail sale of cannabis or cannabis products to allow the DCC to obtain or access any cannabis or cannabis products held or offered for retail sale for the purposes of conducting off-the-shelf laboratory testing in compliance with MAUCRSA or the DCC's regulations.

2) Requires the DCC to develop criteria to determine which batches must be retested.

3) Specifies that a testing laboratory may be subject to performance testing by the DCC to ensure consistency of results across laboratories.

4) States that "performance testing" may include, but is not limited to, blind proficiency testing, round robin testing, and any other type of programs that may be used to demonstrate competent performance of a testing laboratory.

5) Authorizes a testing laboratory to retest a sample when a test result falls outside the specifications authorized by law or regulation if *either* 1) the testing laboratory notifies the DCC, in writing, that the test was compromised due to equipment malfunction or staff error, or other circumstances allowed by *regulation, or if retesting is required by* the DCC, or 2) the DCC authorizes the testing laboratory to retest the sample (emphasis added to distinguish from current law).

6) Repeals a requirement that testing conducted by testing laboratory for state or local law enforcement, a prosecuting agency, or a regulatory agency not be arranged or overseen by the DCC and instead requires a licensed testing laboratory to comply with the DCC's request to evaluate the laboratory's testing practices, as determined in DCC regulations.

FISCAL EFFECT: Unknown. This bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *California Cannabis Operators Association*. According to the author:

> Reports show that we are failing to deliver on the promise we made to provide safe and non-toxic cannabis. Instead, we are seeing documented pesticides and potency discrepancies, putting Californians' health at risk. [This bill] creates the necessary protections and gives authority to the [DCC] to regulate testing labs and perform oversight. Changing the current procedure of cannabis testing increases public health and restores public trust in a safe legal cannabis market.

Background.

Department of Cannabis Control. Since July 1, 2021, the DCC has been the single entity responsible for administering and enforcing the majority of California's cannabis laws, collectively known as MAUCRSA. The DCC is additionally responsible for licensing and regulating cannabis businesses, including the cultivation, manufacture, testing, transportation, labeling, and sale of cannabis and cannabis products in this state.[1]

Cannabis testing. Cannabis products must be tested before sale to ensure they are free of contaminants (e.g., pesticides) and labeled with accurate amounts of cannabinoids and terpenes.[2] More specifically, laboratories test cannabis goods for residual solvents and processing chemicals, residual pesticides, heavy metals, microbial impurities, mycotoxins, moisture content and water activity, and foreign material. DCC regulations require laboratories to test for 66 pesticides and further stipulate that laboratories analyze a minimum of 0.5 grams of the representative sample to determine whether residual pesticides are present.[3] A sample is deemed to have passed the residual pesticides testing if Category I pesticides are not detected, and the presence of Category II pesticides does not exceed specified levels.

Results are reported on a COA, which says whether the batch of cannabis goods passes or fails for each substance. The laboratories may issue COAs only after completing all tests and cannot alter them once issued. Changes require DCC approval. Laboratories must upload COAs to DCC's CCTT system and email a copy directly to DCC within one business day of finishing testing. Cannabis goods that fail testing must be destroyed by the distributor or remediated by a manufacturer. Remediation is the process of removing contaminants from a product and must be approved by DCC in advance. After remediation, the cannabis goods must be re-tested and if they pass, may be sold.

Cannabis testing laboratories must be licensed by the DCC, maintain ISO accreditation, use standardized operating procedures, develop a laboratory quality assurance program, and participate in a proficiency testing program.

Need for this bill. In June 2024, Anresco Laboratories and Infinite Chemical Analysis Labs filed a lawsuit against 13 testing labs, alleging that they inflated cannabis products' THC potency or disregarded the presence of contaminants in their cannabis goods.[4] They later sought dismissal of

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[1] Department of Cannabis Control. *About the Department of Cannabis Control,* https://cannabis.ca.gov/about-us/about-dcc/.
[2] Department of Cannabis Control. *Testing laboratories*, https://cannabis.ca.gov/licensees/testing-laboratories/.
[3] Cal. Code Regs. Tit. 4, § 15719
[4] Chris Casacchia, *Lawsuit dismissed against 13 marijuana testing labs in California,* MJBIZDAILY. (2024).

the case without prejudice. According to an article published by *MJ Biz Daily*, the two companies were among the labs that publicized findings of illegal pesticides in numerous cannabis products, and whose complaints to the DCC led to an investigation by *The Los Angeles Times* and *Weedweek.* The investigation revealed that legal cannabis products contained alarming levels of pesticides.[5] More than half of the 42 products they tested had pesticide concentrations exceeding legal limits or current federal standards for tobacco. Moreover, vapes from five popular brands were found to have pesticide levels so high that a single exposure could be harmful. The investigation resulted in numerous product recalls and increased scrutiny over the DCC's oversight of licensed cannabis testing laboratories.[6]

According to reporting by *The Los Angeles Times*, the Santa Cruz County Board of Supervisors passed a resolution in 2025 calling on the governor and the Legislature to transfer responsibility for pesticides in cannabis products from the DCC to the Department of Pesticide Regulation, and that accreditation of cannabis testing laboratories be placed under the purview of the State Water Resources Control Board. Additionally, the resolution asked that the state require cannabis goods to be screened for an additional 24 pesticides.

This bill would require licensees to provide COAs to customers and the DCC upon request, authorize the DCC to conduct off-the-shelf laboratory testing for any cannabis goods offered for sale, and require the DCC to develop criteria to determine which batches of cannabis goods must be retested. Additionally, this bill would authorize the DCC to subject testing laboratories to performance testing, including, but not limited to, blind proficiency testing, round-robin testing, and any other program used to demonstrate competent performance. This bill would also authorize a testing laboratory to retest a sample without the DCC's authorization when a test result falls outside the specifications authorized by law or regulation, if *either* of the following occur: 1) the testing laboratory notifies the DCC in writing that the test was compromised due to equipment malfunction, staff error, or other circumstances allowed by regulation, or if retesting is required by the DCC; or 2) the DCC authorizes the testing laboratory to retest the sample. Lastly, this bill repeals the requirement that testing conducted for state or local law enforcement, a prosecuting agency, or a regulatory agency is not commercial cannabis activity subject to the DCC's arrangement or oversight and instead requires a testing laboratory to comply with the DCC's request to evaluate their testing practices, as determined in DCC regulations.

Prior Related Legislation. AB 1027 (Sharp-Collins) of 2025 was substantially similar to this bill. *AB 1027 was held on the Senate Appropriations Committee Suspense File.*

AB 1610 (Jones-Sawyer) of 2023 would have required the DCC to maintain a record of recall orders on its website; required testing for cannabigerolic acid and heavy metals; authorized a testing laboratory to deviate from the standard test method if they can demonstrate outcomes consistent with established standards; subjected testing laboratories to in-person audits by the DCC every two years; and authorized the DCC's quality assurance compliance monito to conduct random quality assurance reviews at a retailer's or microbusiness's licenses premises to ensure compliance with labeling and packaging requirements; among other changes. *AB 1610 was held on the Senate Appropriations Committee Suspense File.*

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[5] Ryan Fonseca, *How dirty is your weed? A joint investigation finds high levels of pesticides in products,* THE LOS ANGELES TIMES. (2024).
[6] Paige St. John, *Contamination fears drive push to remake state cannabis agency,* THE LOS ANGELES TIMES. (2025).

AB 623 (Chen), Chapter 267, Statutes of 2023, required the DCC to establish regulations to adjust testing variances for edible cannabis products that include less than five milligrams of THC in total.

SB 544 (Laird) Chapter 547, Statutes of 2021, required the DCC to establish standardized cannabinoid test methods to be used by all testing laboratories by January 1, 2023.

ARGUMENTS IN SUPPORT:

As the sponsor of this bill, the *California Cannabis Operators Association* writes:

> Under existing law, all cannabis products must be tested by state-licensed laboratories to ensure compliance with standards for pesticides, heavy metals, microbiological contaminants, and cannabinoid potency. However, recent reporting and independent analyses have raised concerns about inconsistencies in testing outcomes and the potential for manipulation within segments of the market. These issues risk undermining consumer confidence and disadvantage operators who are committed to compliance.
>
> [This bill] strengthens the integrity of the state's testing framework by:
>
> - Clarifying retesting authority, allowing licensed laboratories to retest samples when the original test is compromised, upon notification to or direction from the Department of Cannabis Control (DCC);
> - Authorizing off-the-shelf testing, enabling the DCC to obtain cannabis products from retail settings for independent verification;
> - Requiring retailers to provide Certificates of Analysis (COAs) to consumers upon request;
> - Establishing performance testing requirements (e.g., proficiency testing) to promote consistency across laboratories; and
> - Requiring laboratories to comply with DCC evaluations of testing practices.

POLICY ISSUE(S) FOR CONSIDERATION:

Threshold for retesting. Current law authorizes a testing laboratory to retest a cannabis sample when a test result falls outside set parameters if both of the following conditions are met: 1) the testing laboratory notifies the DCC, in writing, that the test was compromised due to equipment malfunction, staff error, or other circumstances allowed by the DCC, and 2) the DCC authorizes the testing laboratory to retest the sample. This bill would lower the threshold by allowing a testing laboratory to test a sample without the DCC's authorization. Absent DCC approval, it is unclear what guardrails there are to ensure this leniency is not abused. The author may wish to reinstate the requirement for DCC approval, or at very least, define "equipment malfunction" and "staff error" to ensure these terms are not up to the interpretation of each testing laboratory.

IMPLEMENTATION ISSUES:

Certificate of Analysis. When a cannabis batch passes regulatory compliance testing, the cannabis goods may be transported to licensed retailers, licensed distributors, or licensed microbusinesses, and a copy of the COA must be provided to all licensed distributors receiving the batch and to the licensee who provided the batch.[7] The COA may be provided electronically. This bill requires retailers to provide the COA for any cannabis good for sale to a customer upon the customer's request or the DCC's request. The author may wish to clarify that a COA may be provided electronically.

REGISTERED SUPPORT:

California Cannabis Operators Association (Sponsor)
California NORML

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Kaitlin Curry / B. & P. / (916) 319-3301

[7] Cal. Code Regs. Tit. 4, § 15306

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 1973 (Aguiar-Curry) – As Amended March 19, 2026

NOTE: This bill is double referred and if passed by this Committee will be re-referred to the Assembly Health Committee.

SUBJECT: Abortion: authorized procedures.

SUMMARY: Authorizes certified nurse-midwives (CNMs), nurse practitioners (NPs), and physician assistants (PAs) to perform abortions by medication or procedures they are trained to perform and within the scope of their license.

EXISTING LAW:

1) Establishes the Reproductive Privacy Act, which does the following:

    a) Guarantees an individual's right to choose or obtain an abortion prior to the viability of the fetus, or when the abortion is necessary to protect the life or health of the individual, as specified. (Health and Safety Code (HSC) §§ 123460-123469)

    b) Defines for purposes of the maternal health provisions of the HSC, including the Reproductive Privacy Act, the following:

        i) "Abortion" means any medical treatment intended to induce the termination of a pregnancy except for the purpose of producing a live birth. (HSC § 123464(a))

        ii) "Pregnancy" means the human reproductive process, beginning with the implantation of an embryo. (HSC § 123464(d))

        iii) "Viability" means the point in a pregnancy when, in the good faith medical judgment of a physician, on the particular facts of the case before that physician, there is a reasonable likelihood of the fetus' sustained survival outside the uterus without the application of extraordinary medical measures. (HSC § 123464(d))

    c) Prohibits the performance of an abortion by someone other than the pregnant person if either of the following is true:

        i) The person performing the abortion is not a health care provider authorized to perform an abortion under the Medical Practice Act. (HSC § 123468(a); Business and Professions Code (BPC) § 2253)

        ii) The fetus has reached viability and the physician establishes in good faith medical judgement that continuation of the pregnancy poses no risk to life of health of the pregnant person. (HSC § 123468(b))

2) Establishes the Medical Practice Act, and within it the Osteopathic Act, which collectively do the following:

a) Regulate the practice of medicine and establish (1) the Medical Board of California (MBC) to administer and enforce the act as it relates to physicians and surgeons and medicine generally and (2) the Osteopathic Medical Board of California (OMBC) to administer and enforce the provisions of the act relating to osteopathic physicians and surgeons. (BPC §§ 2000-2529.8.1)

b) Prohibit the practice of medicine or conspiring with or aiding or abetting another to practice without a license issued under the Medical Practice Act or other appropriate practice act. (BPC § 2052)

c) Define the practice of medicine as (1) practicing, attempting to practice, or advertising or claiming to practice, any system or mode of treating the sick or afflicted in this state or (2) diagnosing, treating, operating for, or prescribing for any ailment, blemish, deformity, disease, disfigurement, disorder, injury, or other physical or mental condition of any person. (BPC § 2052(a))

d) Specify that the unlicensed practice of medicine includes performing an abortion unless the person is licensed as a physician and surgeon or the person both (1) performs the abortion by medication or aspiration techniques in the first trimester of pregnancy and (2) is authorized to perform the functions necessary for the abortion pursuant to a license issued under the Medical Practice Act, the Osteopathic Act, the Nursing Practice Act, or the Physician Assistant Practice Act. (BPC § 2253(b))

e) Clarify that CNMs, NPs, and PAs must comply with the abortion provisions of their respective practice acts. (BPC § 2253(c))

3) Establishes the Nursing Practice Act, which does the following:

a) Regulates the practice of nursing and establishes the Board of Registered Nursing (BRN) to administer and enforce the act. (BPC §§ 2700-2717)

b) Defines “the practice of nursing” as functions, including basic healthcare, that help people cope with or treat difficulties in daily living that are associated with their actual or potential health or illness problems, and that require a substantial amount of scientific knowledge or technical skill. (BPC § 2725)

c) Includes within the scope of the practice of nursing the following:

i) Direct and indirect patient care services that ensure the safety, comfort, personal hygiene, and protection of patients; and the performance of disease prevention and restorative measures. (BPC § 2725(b)(1))

ii) Direct and indirect patient care services, including the administration of medications and therapeutic agents, necessary to implement a treatment, disease prevention, or rehabilitative regimen ordered by and within the scope of licensure of a physician, dentist, podiatrist, or clinical psychologist. (BPC § 2725(b)(2))

iii) The performance of skin tests, immunization techniques, and the withdrawal of human blood from veins and arteries. (BPC § 2725(b)(3))

iv) Observation of signs and symptoms of illness, reactions to treatment, general behavior, or general physical condition, and determination of whether the signs, symptoms, reactions, behavior, or general appearance exhibit abnormal characteristics, and implementation, based on observed abnormalities, of appropriate reporting, or referral, or standardized procedures, or changes in treatment regimen in accordance with "standardized procedures," or the initiation of emergency procedures. (BPC § 2725(b)(4))

d) Defines "standardized procedures" as either of the following:

i) Policies and protocols developed by a licensed health facility through collaboration among administrators and health professionals including physicians and RNs. (BPC § 2725(c)(1))

ii) Policies and protocols developed through collaboration among administrators and health professionals, including physicians and RNs, by an organized healthcare system that is not a licensed health facility. (BPC § 2725(c)(2))

e) Requires standardized procedures to be subject to guidelines jointly promulgated by the MBC and the BRN, which include the following:

i) Standardized procedures must include a written description of the method used during development and approval. (California Code of Regulations (CCR), tit. 16, § 1474(a))

ii) Standardized procedures must meet form and content requirements, including that they are in writing and signed, specify the authorized functions, establish procedure protocols, detail education and training requirements, provide for evaluation and of authorized RNs, provide for the maintenance of records of authorized RNs, establish the scope of physician supervision, set forth circumstances requiring physician consultation, state limitations on settings, specify patient record keeping requirements, and provide for periodic review of the standardized procedures. (CCR, tit. 16, § 1474(b))

f) Establishes a category of advanced practice RNs (APRNs) called CNMs and specifies the requirements for certification. (BPC §§ 2746-2746.8)

g) Establishes the following CNM scope of practice:

i) Authorizes a CNM to attend cases of low-risk pregnancy and childbirth and to provide prenatal, intrapartum, and postpartum care, including interconception care, family planning care, and immediate care for the newborn, consistent with the Core Competencies for Basic Midwifery Practice adopted by the American College of Nurse-Midwives, or its successor national professional organization, as approved by the BRN. (BPC § 2746.5(a))

ii) Defines "low-risk pregnancy" as a pregnancy in which all of the following conditions are met:

(1) There is a single fetus. (BPC § 2746.5(a)(1))

(2) There is a cephalic presentation at onset of labor. (BPC § 2746.5(a)(2))

(3) The gestational age of the fetus is greater than or equal to 37 weeks and zero days and less than or equal to 42 weeks and zero days at the time of delivery. (BPC § 2746.5(a)(3))

(4) Labor is spontaneous or induced. (BPC § 2746.5(a)(4))

(5) The patient has no preexisting disease or condition, whether arising out of the pregnancy or otherwise, that adversely affects the pregnancy and that the CNM is not qualified to independently address. (BPC § 2746.5(a)(5))

iii) Authorizes a CNM to provide specified services in cases of non-low-risk pregnancy and childbirth under mutually agreed-upon policies and protocols that delineate the parameters for consultation, collaboration, referral, and transfer of a patient's care, signed by both the CNM and a physician and surgeon and specifies various conditions and requirements when providing those services. (BPC § 2746.5(b)-(c))

iv) Authorizes a CNM to order, furnish, and dispense drugs or devices incidental to the provision of care and services for low-risk pregnancy and childbirth and specifies the conditions under which standardized procedures are required. (BPC §§ 2746.51, 4170)

h) Establishes a category of APRNs known as NPs and specifies the requirements for certification but does not explicitly grant additional scope of practice beyond what is authorized under standardized procedures. (BPC §§ 2834-2837.105)

i) Authorizes NPs who meet additional education and experience requirements to perform the following procedures independent of standardized procedures and physician oversight:

i) Conduct an advanced assessment. (BPC § 2837.103(c)(1))

ii) Order, perform, and interpret diagnostic procedures. (BPC § 2837.103(c)(2)(A))

iii) For radiologic procedures, order diagnostic procedures and utilize the findings or results in treating the patient and perform or interpret clinical laboratory procedures, as specified. (BPC §§ 1206, 2837.103(c)(2)(B))

iv) Establish primary and differential diagnoses. (BPC § 2837.103(c)(3))

v) Prescribe, order, administer, dispense, procure, and furnish therapeutic measures, including, but not limited to, the following:

(1) Diagnose, prescribe, and institute therapy or referral of patients to health care agencies, health care providers, and community resources. (BPC § 2837.103(c)(4)(A))

(2) Prescribe, administer, dispense, and furnish pharmacological agents, including over-the-counter, legend, and controlled substances. (BPC § 2837.103(c)(4)(B))

(3) Plan and initiate a therapeutic regimen that includes ordering and prescribing nonpharmacological interventions, including, but not limited to, durable medical equipment, medical devices, nutrition, blood and blood products, and diagnostic and supportive services, including, but not limited to, home health care, hospice, and physical and occupational therapy. (BPC § 2837.103(c)(4)(C))

(4) After performing a physical examination, certify disability. (BPC § 2837.103(c)(5))

(5) Delegate specified tasks to a medical assistant. (BPC § 2837.103(c)(6))

j) Requires an NP practicing independent of standardized procedures or specified organized settings to practice within their training and competence, to collaborate with physicians and other healing arts providers as appropriate, and to have a plan for referral of complex medical cases and emergencies. (BPC § 2837.104(c))

k) Authorizes NPs (under standardized procedures or independently) and CNMs to perform an abortion by aspiration techniques in the first trimester of pregnancy if they achieve clinical competency though specified training requirements and perform the abortion consistent with the applicable standard of care and within the scope of their education and training. (BPC §§ 2253, 2725.4)

l) Authorizes NPs and CNMs to obtain clinical competency in abortion by aspiration techniques by any of the following:

i) A BRN-approved program or in a course offered by an accredited training program for NPs or CNMs, as applicable. (BPC § 2725.4(a)(1), (b)(1))

ii) A course offered by a BRN-approved continuing education provider that reflects evidence-based curriculum and training guidelines or a course approved for Category I continuing medical education. (BPC § 2725.4(a)(2), (b)(2))

iii) A course offered by a state or national health care professional or accreditation organization. (BPC § 2725.4(a)(3), (b)(3))

iv) Training based on the competency-based training protocols established by the Health Workforce Pilot Project (HWPP) No. 171 through the Office of Statewide Health Planning and Development, now known as the Department of Health Care Access and Information. (BPC § 2725.4(a)(4), (b)(4))

v) Training and evaluation of clinical competency, performed at a clinic or hospital, on performing abortion by aspiration techniques procedural abortion that is provided by any of the following who have performed the procedure themselves:

(1) A physician and surgeon. (BPC § 2725.4(a)(5)(A), (b)(5)(A))

(2) An NP or CNM authorized to perform procedural abortion by aspiration techniques. (BPC § 2725.4(a)(5)(B), (b)(5)(B))

(3) A PA authorized to perform procedural abortion by aspiration techniques. (BPC § 2725.4(a)(5)(C), (b)(5)(C))

4) Establishes the Physician Assistant Practice Act, which does the following:

   a) Regulates and licenses PAs and establishes the Physician Assistant Board (PAB) to administer and enforce the act. (BPC §§ 3500-3545)

   b) Defines "supervising physician" or "supervising physician and surgeon" as a physician and surgeon licensed by the MBC or OMBC who supervises one or more PAs and who is not currently on disciplinary probation prohibiting the employment or supervision of a PA. (BPC § 3501(e))

   c) Defines "supervision" as physician and surgeon oversight and accepted responsibility over the activities of the medical services rendered by a PA. (BPC § 3501(f)(1))

   d) Defines "practice agreement" as the writing, developed through collaboration among one or more physicians and surgeons and one or more PAs, that defines the medical services the PA is authorized to perform and that grants approval for physicians and surgeons on the staff of an organized health care system to supervise one or more PAs in the organized health care system. (BPC § 3501(k))

   e) Specifies that supervision does not require the physical presence of the physician and surgeon, but does require the following:

      i) Adherence to adequate supervision as agreed to in the practice agreement. (BPC § 3501(f)(1)(A))

      ii) The physician and surgeon is available by telephone or other electronic communication methods at the time the PA examines the patient. (BPC § 3501(f)(1)(B))

   f) Authorizes a PA to perform medical services if the following requirements are met:

      i) The PA renders the services under the supervision of a physician and surgeon who is not subject to a disciplinary condition prohibiting that supervision or prohibiting the employment of a PA. (BPC § 3502(a)(1))

      ii) The PA renders the services under a practice agreement. (BPC § 3502(a)(2))

      iii) The PA is competent to perform the services. (BPC § 3502(a)(3))

      iv) The PA's education, training, and experience have prepared the PA to render the services. (BPC § 3502(a)(4))

   g) Requires a practice agreement to include provisions that address the following:

      i) The types of medical services a PA is authorized to perform. (BPC § 3502.3(a)(1)(A))

      ii) Policies and procedures to ensure adequate supervision of the PA, including, but not limited to, appropriate communication, availability, consultations, and referrals between a physician and surgeon and the PA in the provision of medical services. (BPC § 3502.3(a)(1)(B))

iii) The methods for the continuing evaluation of the competency and qualifications of the PA. (BPC § 3502.3(a)(1)(C))

iv) The furnishing or ordering of drugs or devices by a PA. (BPC § 3502.3(a)(1)(D))

v) Any additional provisions agreed to by the PA and physician and surgeon. (BPC § 3502.3(a)(1)(E))

h) Authorizes PAs to perform an abortion by aspiration techniques in the first trimester of pregnancy if they achieve clinical competency though specified training requirements and perform the abortion consistent with the applicable standard of care and within the scope of their education and training. (BPC § 3502.4, 2725.4)

i) Authorizes PAs to obtain clinical competency in abortion by aspiration techniques by any of the following:

i) PAB-approved training programs. (BPC § 3502.4(a)(1))

ii) Training to perform medical services that augment the PA's current areas of competency under the PAB regulations. ((BPC § 3502.4(a)(2))

iii) A course offered by a state or national health care professional or accreditation organization. (BPC § 3502.4(a)(3))

iv) Training based on the competency-based training protocols established by the Health Workforce Pilot Project (HWPP) No. 171 through the Office of Statewide Health Planning and Development, now known as the Department of Health Care Access and Information. (BPC § 3502.4(a)(4))

v) Training and evaluation of clinical competency, performed at a clinic or hospital, on performing abortion by aspiration techniques procedural abortion that is provided by any of the following who have performed the procedure themselves:

(1) A physician and surgeon. (BPC § 3502.4(a)(5)(A))

(2) An NP or CNM authorized to perform procedural abortion by aspiration techniques. (BPC § 3502.4(a)(5)(A))

(3) A PA authorized to perform procedural abortion by aspiration techniques. (BPC § 3502.4(a)(5)(A))

THIS BILL:

1) Deletes from the Medical Practice Act the limited authority for CNMs, NPs, and PAs to perform abortions by medication or aspiration techniques in the first trimester of pregnancy and replaces it with the general authority to perform abortions.

2) Makes conforming changes to the clinical competency and other existing requirements for CNMs, NPs, and PAs to perform abortions by aspiration techniques to instead apply to "procedural abortions."

3) Makes other technical and conforming changes.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is co-sponsored by *Black Women for Wellness Action Project*, *California Nurse Midwives Association*, *Essential Access Health*, *Planned Parenthood Affiliates of California*, *Reproductive Freedom for All California*, and *TEACH*. According to the author:

> California currently restricts advanced practice clinicians (APCs) from providing reproductive care, even when they are fully trained, competent, and experienced. These outdated barriers limit access to timely abortion and reproductive services. [This bill] removes these unnecessary restrictions, allowing APCs to practice to the full extent of their training and provide care using all safe, science-based methods. By modernizing California law, this bill expands access to compassionate, high-quality reproductive care, reduces delays for patients, and ensures that skilled professionals can deliver the services they are trained to provide. At a critical moment for reproductive rights, [this bill] mobilizes California's full qualified workforce, strengthens equitable access across all communities, and aligns state law with contemporary medical standards, ensuring that patients receive care when and where they need it.

Background. Existing law authorizes CNMs, NPs, and PAs to perform abortions by aspiration techniques in the first trimester if they meet specified training and supervision requirements. The training requirements were first established as part of the Health Workforce Pilot Project (HWPP) No. 171 under the Office of Statewide Health Planning and Development, now known as the California Department of Health Care Access and Information. Those training requirements have been subsequently updated to provide additional, more flexible training pathways.

This bill would expand the types of authorized abortion procedures by deleting the limitation to abortion by aspiration techniques. However, because the original training methods focused only on abortion by aspiration in the first trimester, any CNM, NP, or PA seeking to perform abortions after the second trimester or utilize other procedural abortion techniques or may have fewer options for obtaining clinical competence, such as direct provider training and evaluation.

Clinical Methods for Abortion. According to the National Academies of Sciences, Engineering, and Medicine (NASEM), the current methods for abortion include medication, aspiration, dilation and evacuation (D&E), and induction.[1] Which method is used depends on the gestational period, patient preference, provider skill and training, the need for sedation, costs, clinical setting, and local abortion laws.

- *Medication Abortion*. Medication abortion is the use of pharmaceutical drugs to perform the abortion. Currently, CNMs, NPs, and PAs are not limited to any specific type of medication abortion, the limit is just for the gestational period (first trimester). This bill would authorize

[1] National Academies of Sciences, Engineering, and Medicine, *The Safety and Quality of Abortion Care in the United States* (Washington, DC: National Academies Press, 2018), 51, https://doi.org/10.17226/24950.

the use of medications for any trimester, but only if consistent with the standard of care and any training, supervision, or other requirements under existing law.

- *Procedural Abortion*. The two common procedural abortions are aspiration abortion and D&E.[2] Aspiration abortion, or vacuum aspiration, is a minimally invasive and common first-trimester abortion technique. It involves inserting a flexible tube into the cervical opening of the uterus and using suction to remove fetal tissue. The procedure takes about 10 minutes. It is well studied, and the risk of complications by any trained provider is very low. Where complications requiring interventions do occur, the patient is referred out for appropriate care.

  After the first trimester (14 weeks), D&E is utilized. The procedure involves dilating the cervix to allow for easier aspiration or in the case of more advanced gestation other tools such as forceps. The abortion procedure itself takes about 30 minutes, but the cervical dilation period can take longer depending on the method used. Because CNMs, NPs, and PAs are not currently authorized to directly perform D&E or other less common forms of procedural abortion, there is no specific data. This bill would require CNMs, NPs, and PAs to follow existing referral and supervision limitations that apply to any procedure that they are not competent to perform.

Certified Nurse-Midwives. CNMs are RNs with additional training in the field of obstetrics and certification by the American Midwifery Certification Board or an equivalent program. Midwifery is a health care profession dealing with maternal care, similar to obstetrics. According to the World Health Organization, midwifery includes the care of a person during pregnancy, labor, and the postpartum/postnatal period, including care of the newborn. Midwifery providers aim to prevent health problems in pregnancy, detect abnormal conditions, seek medical assistance when necessary, and provide emergency services when medical help is unavailable.

As RNs, CNMs also generally have the same base scope of practice as other RNs and their additional training classifies them as advanced practice RNs. As a result, CNMs are specifically authorized to perform midwifery services and attend childbirth without physician supervision as long as certain safety provisions are met. They may also perform abortions by aspiration techniques with additional training. CNMs attend to childbirths in many settings, including the home, birth centers, clinics, and hospitals.

Nurse Practitioners. An NP is an RN who has additionally earned a postgraduate nursing degree, such as a Master's or Doctorate, and obtained a certificate from a certifying body. For state recognition to practice as an NP, the NP must also meet the educational standards established by the BRN. According to BRN regulations, an NP is an advanced practice registered nurse who meets BRN education and certification requirements and possesses additional advanced practice educational preparation and skills in physical diagnosis, psycho-social assessment, and management of health-illness needs in primary care or acute care.

As RNs, NPs generally have the same base scope of practice as non-NP RNs, although their additional education and training allows them to perform more advanced functions under standardized procedures. Currently, all RNs practicing outside of the basic scope of nursing operate under a supervision mechanism known as a "standardized procedure." The standardized

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[2] *Id*. at 60-65.

procedure authorizes functions that would otherwise be considered the practice of medicine and must be based on the guidelines jointly promulgated by the Medical Board of California and the BRN.

Standardized procedures must meet specified requirements, including that they:

1) Are developed with the organized healthcare system or physician.

2) Outline the scope of the functions allowed.

3) Specify the circumstances under which they may be performed.

4) Specify any training prerequisites.

5) Establish a method for initial and ongoing evaluation of the competence of the RN.

6) Specify the level of physician supervision required (e.g. indirect, on-site, present during the procedure).

7) Establish physician consultation protocols.

8) Specify any limitations on settings where the functions may be performed.

9) Specify record-keeping requirements and methods for periodic review.

As the result of the more advanced NP training, standardized procedures may authorize a greater number or difficulty of functions and settings while reducing the amount of supervision needed. The Nursing Practice Act also specifically authorizes NPs under standardized procedures to order durable medical equipment; certify disability; approve, modify, and add to a home health services treatment plan; furnish and order prescription drugs; and perform abortions by aspirations techniques with additional training.

Independent NPs. NPs who meet additional training requirements, including the completion of a 3-year or 4600-hour "transition to practice" may practice independently without standardized procedures.

The law specifies two categories of independent NPs, those who practice in licensed healthcare settings where physicians practice and those who practice in any setting. Due to the variety of NP educational pathways, in order to practice independently in any setting, an NP would be required to meet the above training requirements above as well as meet additional educational experience prerequisites.

Once an NP meets the transition to practice and passes the supplemental examination if one is developed, the NP may perform the following functions independent of standardized procedures:

1) Conduct an advanced assessment.

2) Order, perform, and interpret diagnostic procedures, including radiologic procedures and specified laboratory procedures.

3) Establish primary and differential diagnoses.

4) Prescribe, order, administer, dispense, procure, and furnish therapeutic measures, including, but not limited to, the following:

    a) Diagnose, prescribe, and institute therapy or referral of patients to healthcare agencies, healthcare providers, and community resources.

    b) Prescribe, administer, dispense, and furnish pharmacological agents, including over-the-counter, legend, and controlled substances.

    c) Plan and initiate a therapeutic regimen that includes ordering and prescribing nonpharmacological interventions, including, but not limited to, durable medical equipment, medical devices, nutrition, blood and blood products, and diagnostic and supportive services, including, but not limited to, home health care, hospice, and physical and occupational therapy.

5) After performing a physical examination, certify disability pursuant to the Unemployment Insurance Code.

6) Delegate tasks to a medical assistant.

While there are still requirements in the law that specify when an independent NP would need to consult with a physician or refer a patient, the NP is not required to establish a relationship with a physician for those purposes before practicing without standardized procedures.

Physician Assistants. PAs are healthcare providers that can provide a wide range of medical services under the supervision of a physician when authorized by a supervising physician under a document known as a practice agreement. The practice agreement outlines what a PA may or may not do based on the PA's competence and the level of physician supervision required.

Abortions in Other States. While many other states authorize the performance of abortion by aspiration within the first trimester, there is no other state that specifically authorizes CNMs, NPs, or PAs to perform abortions past the first trimester or dilation and evacuation or other procedural abortion techniques.

Prior Related Legislation. SB 385 (Atkins), Chapter 178, Statutes of 2023, expanded the training options for PAs seeking to perform abortions by aspiration techniques.

SB 1375 (Atkins), Chapter 631, Statutes of 2022, expanded the training options for NPs and CNMs seeking to perform abortions by aspiration techniques and clarified that an independent NP may perform abortions by aspiration techniques without physician supervision.

AB 890 (Wood), Chapter 265, Statutes of 2020, authorized an NP to provide specified services in specified settings without standardized procedures, or independent of any setting or standardized procedure requirements if the NP meets the additional education, examination, and training requirements specific to either situation.

SB 1237 (Dodd), Chapter 88, Statutes of 2020, authorized a CNM to attend to low-risk pregnancies and perform related incidental functions without physician supervision and higher-risk pregnancies with mutually agreed-upon policies and protocols, as specified

AB 154 (Atkins), Chapter 662, Statutes of 2013, authorized an NP, CNM, or PA to perform an abortion by aspiration techniques during the first trimester of pregnancy if they complete specified training.

ARGUMENTS IN SUPPORT:

Black Women for Wellness Action Project, *California Nurse Midwives Association*, *Essential Access Health*, *Planned Parenthood Affiliates of California*, *Reproductive Freedom for All California*, and *TEACH* (co-sponsors) write in support:

> [This bill] removes outdated restrictions in existing law to expand the ability of nurse practitioners, certified nurse midwives, and physician assistants – also known as advanced practice clinicians (APCs) – to provide safe abortion care that they are trained and clinically competent to offer. This bill will allow patients to have greater access to health care from available and capable providers, and it will afford abortion providers the ability to increase their capacity to provide reproductive health care to their patients.
>
> In the years following the Dobbs decision, California leaders have made significant investments and policy reforms to increase access to safe, affordable, and accessible abortion care. California voters enshrined in the state Constitution the right to reproductive freedom, including abortion, but access to abortion care is still under threat by federal actions and lawsuits instigated by anti-abortion politicians and groups whose goal is to ban abortion nationwide, even in states like California. California law has explicitly authorized APCs who have undergone specified training to provide procedural abortion care since the passage of AB 154 (2013). Since then, APCs have been a critical part of California's abortion network, performing procedural abortions in California safely for over a decade. While certain training requirements in the law were updated in 2022 and 2023, [this bill] removes additional restrictions that create unnecessary barriers for patients and are not aligned with APCs' training, demonstrated clinical competency, and patient's needs. For example, some patients that show up for care must be turned away based on these arbitrary restrictions in the law, resulting in barriers and delays in time-sensitive care, even though trained, capable health professionals may be present and available to provide care.

ARGUMENTS IN OPPOSITION:

The *California Family Council* writes in opposition, "[This bill] would expand authority to perform abortions beyond the first trimester to nurse practitioners, certified nurse-midwives, and physician assistants, non-physician providers who lack the surgical training that second- and third-trimester procedures demand. It would also shield out-of-state abortion providers from professional discipline. This bill raises urgent concerns about patient safety, medical ethics, the protection of unborn life, and professional accountability."

IMPLEMENTATION ISSUES:

Clarifications Regarding Care Coordination. Because this bill removes the bright line limits on the specific physical procedure that can be utilized and the gestational period for performing abortions, stakeholders have questioned whether there is sufficient clarity on the requirements for coordinating care. However, existing law establishes these requirements, and this bill would not change them:

1) For NPs practicing under standardized procedures and PAs under practice agreements—those documents are developed with supervising physicians and, if they authorize abortions at all, will specify any limits deemed necessary, such as which and when procedures may or may not be used, referrals, and emergency procedures.

2) For NPs practicing independent of standardized procedures in organized health settings, those systems will determine privileges and emergency protocols. For NPs practicing completely independently, the NP is required to collaborate and consult with physicians and establish a plan for referral of complex cases and emergencies.

To the extent it is still unclear how these existing requirements interact with the specific authority to perform abortions (as opposed to other generally authorized complex procedures), the author may wish to continue working with stakeholders to clarify the overlap.

AMENDMENTS:

The author has proposed the following amendments as a preliminary response to the stakeholder concerns around care coordination and for technical clean-up:

1) On page 5 of the bill, lines 18-22:

> (e)*(1)* A nurse practitioner or certified nurse midwife shall perform *a* medication or procedural abortion pursuant to Section 2253 consistent with applicable standards of care and within the scope of their clinical and professional education and training.
>
> *(2) A nurse practitioner or certified nurse midwife performing a procedural abortion pursuant to this section shall establish and maintain procedures for consultation, collaboration, referral, and transfer of care to a physician and surgeon in complex cases and cases with complications, conditions, or emergencies requiring care that is beyond the scope of their education, training, and experience, consistent with Sections 2725, 2837.103, 2837.104, and 2746.5.*

2) On page 5, between lines 30 and 36, insert:

> *(g) This section shall not be interpreted to authorize a person with a license or certificate to practice as a nurse practitioner or certified nurse-midwife to perform abortion in a manner that is not authorized Sections 2725, 2837.103, 2837.104, and 2746.5.*

3) On page 6, line 39:

> (c) A physician assistant shall ~~practice~~ *perform* a medication or

4) On page 7, between lines 13 and 19, insert:

> *(f) This section shall not be interpreted to authorize a person with a license or certificate to practice as a physician assistant to perform abortion in a manner that is not authorized by their practice agreement.*

REGISTERED SUPPORT:

Black Women for Wellness Action Project (co-sponsor)
California Nurse Midwives Association (co-sponsor)
Essential Access Health (co-sponsor)
Planned Parenthood Affiliates of California (co-sponsor)
Reproductive Freedom for All California (co-sponsor)
TEACH (co-sponsor)
Access Reproductive Justice
ACLU California Action
Aria Medical
California Women's Law Center
Equal Rights Advocates
Nurses for Sexual & Reproductive Health
Reproductive Freedom for All California
Women's Foundation California

REGISTERED OPPOSITION:

California Family Council

Analysis Prepared by: Vincent Chee / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 2141 (Patterson) – As Amended March 19, 2026

NOTE: This bill is double referred and if passed by this Committee will be re-referred to the Assembly Committee on Judiciary.

SUBJECT: Pharmacies: license discipline: stipulated settlement and disciplinary order.

SUMMARY: Authorizes the California State Board of Pharmacy (BOP) to resolve a potential cause for discipline by a licensee through a stipulated settlement agreement prior to the filing of a formal accusation.

EXISTING LAW:

1) Establishes the Pharmacy Law. (Business and Professions Code (BPC) §§ 4000 *et seq.*)

2) Establishes the BOP within the Department of Consumer Affairs (DCA) to administer and enforce the Pharmacy Law. (BPC § 4001)

3) Provides that protection of the public shall be the highest priority for the BOP in exercising its licensing, regulatory, and disciplinary functions. (BPC § 4001.1)

4) Authorizes the BOP to adopt rules and regulations as may be necessary for the protection of the public. (BPC § 4005)

5) Provides that every license issued by the BOP may be suspended, revoked, denied, or subjected to other forms of discipline deemed proper by the BOP. (BPC § 4300)

6) Provides that the BOP shall take action against any licensee who is guilty of unprofessional conduct and identifies various acts constituting unprofessional misconduct by a licensee. (BPC §§ 4301 – 4306.5)

7) Requires the BOP to prioritize its investigative and prosecutorial resources to ensure that pharmacists representing the greatest threat of patient harm are identified and disciplined expeditiously. (BPC § 4301.1)

8) Allows for a person whose license has been revoked or suspended or who has been placed on probation to petition the BOP for reinstatement or modification of penalty after a specified period of time has elapsed. (BPC § 4309)

9) Authorizes the BOP to issue citations containing fines and orders of abatement for violations of the Pharmacy Law or other laws governing the practice of pharmacy. (BPC § 4314)

10) Authorizes the BOP to issue a letter of admonishment to licensees for failure to comply with the Pharmacy Law or other laws governing the practice of pharmacy. (BPC § 4315)

11) Authorizes the BOP to issue a cease and desist order to facilities or persons operating or practicing without a license. (BPC § 4316)

12) Authorizes the BOP to bring an action for administrative fines up to $100,000 per violation for three or more violations of materially similar provisions of the Pharmacy Law within five years by three or more pharmacies operating under common ownership or management within a chain community pharmacy, and authorizes the BOP to bring an action for fines not to exceed $150,000 for any violation of the Pharmacy Law demonstrated to be the result of a written policy or which was expressly encouraged by an owner or manager. (BPC § 4317.5)

13) Establishes the administrative adjudication provisions of the Administrative Procedure Act (APA). (Government Code (GOV) §§ 11400 *et seq.*)

14) Allows for an agency to formulate and issue a decision by settlement, pursuant to an agreement of the parties, without conducting an adjudicative proceeding, and provides that a settlement may be made before or after issuance of an agency pleading, except that in an adjudicative proceeding to determine whether an occupational license should be revoked, suspended, limited, or conditioned, a settlement may not be made before issuance of the agency pleading. (GOV § 11415.60)

THIS BILL:

1) Authorizes the BOP and a licensee to enter into a stipulated settlement and disciplinary order to license discipline without and in advance of the filing of an accusation or other agency pleading.

2) Requires a pre-accusation settlement to meet the following conditions:

   a) Enforcement staff or investigators for the BOP conducted an inspection or investigation as provided for in the Pharmacy Law and substantiated violations of law.

   b) Enforcement staff at the BOP provided the licensee with findings of the violations in writing, and a notice of possible eligibility for a stipulated settlement and disciplinary order.

   c) The licensee, within 15 days of being provided with the findings of the violations, notified the BOP in writing of the licensee's willingness to waive the administrative adjudication provisions of the Administrative Procedure Act, including notice and hearing requirements, and to consider a stipulated settlement and disciplinary order as an alternative to action taken on the basis of a pleading.

   d) The licensee submitted mitigation and rehabilitation information, as specified in the BOP's disciplinary guidelines.

3) Allows the BOP to extend the 15-day deadline for good cause.

4) Provides that a committee consisting of the BOP's executive officer, two members of the board, one public member, and one licensee member shall consider the mitigation and rehabilitation information and provides the committee with discretion to extend a stipulated settlement and disciplinary order offer to the licensee.

5) Requires a stipulated settlement and disciplinary order, incorporating the findings of the violations, to be agreed to in writing between the committee and licensee within 60 calendar days of the date of the licensee's waiver of the APA.

6) Allows the committee of the BOP to agree to extend the time period for an agreement at its discretion in writing and restricts extensions to instances where there is good cause or when good faith settlement discussions are ongoing.

7) Provides that a stipulated settlement and disciplinary order is contingent upon approval by the BOP, except that the members of the committee shall recuse themselves and not participate or vote on the stipulated settlement and disciplinary order.

8) Provides that a stipulated settlement and disciplinary order approved by the BOP is public record.

9) Requires the BOP to file the appropriate disciplinary pleading if the committee and the licensee fail to reach an agreement within the provided time limits or if the BOP fails to approve a proposed stipulated settlement and disciplinary order.

10) Provides that a stipulated settlement and disciplinary order that is not approved by the BOP has no force or effect and the BOP shall not be disqualified from further action by having offered or considered the stipulated settlement and disciplinary order.

11) Clarifies that the process for reaching a pre-accusation settlement agreement does not limit or prohibit the BOP's ability to engage in good faith settlement negotiations or to negotiate and enter into a stipulated settlement and disciplinary order after the disciplinary pleading has been filed.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *Alliance for Pharmacy Compounding*. According to the author:

> This bill remedies a situation that requires formal accusations to be filed against licensees. Instead, this measure will allow the Board of Pharmacy and licensees to enter into stipulated settlements and disciplinary orders before an accusation is filed. This improves efficiency, conserves state resources, and allows the Board to focus its efforts on matters that jeopardize public health and safety.

Background.

California State Board of Pharmacy. The BOP is the regulatory body within the DCA responsible for overseeing the practice of pharmacy in California. The BOP is currently estimated to regulate over 50,700 pharmacists, 1,300 advanced practice pharmacists, 4,400 intern pharmacists, and 65,700 pharmacy technicians across a total of 32 licensing programs. In addition to regulating professionals, the BOP oversees and licenses pharmacies, clinics, wholesalers, third-party logistic providers, and automated drug delivery systems.

Enforcement of the Pharmacy Law. The BOP is entrusted with administering and enforcing the Pharmacy Law. Statute provides that "protection of the public shall be the highest priority for the California State Board of Pharmacy in exercising its licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount."

The BOP has its own enforcement staff, which includes field inspectors responsible for conducting investigations and inspections of pharmacies as well as sterile compounding and outsourcing facilities. The BOP's enforcement program is its largest budget expenditure, historically comprising about 64 percent of its total operating expenses. The BOP's Enforcement Unit regularly engages in investigations of licensees that may result in disciplinary action, as well as cases involving unlicensed activity. For example, between Fiscal Years 2021-22 through 2023-24, the BOP completed 8,719 investigations, referred 839 investigations for formal discipline, issued 4,092 citations, revoked or accepted surrender of 551 licenses, and placed 344 licensees on probation.

On average, the BOP consistently receives around 3,500 complaints from the public or other sources per year. These complaints are then categorized into priorities based on the potential risk to public health and safety. The highest priority complaints—ranked 1 and 2—involve offenses such as impaired licensee on duty, prescription drug theft, and the unauthorized furnishing of prescription drugs. Priority 3 and 4 complaints are less serious and involve offenses like failure to provide patient consultation, prescription errors, working with an expired license, and general noncompliance issues. These complaints are most likely to result in the issuance of a fine or a letter of admonishment.

High-priority complaints are referred to the Attorney General, where the BOP files formal accusations seeking discipline against the licensee. Tools such as interim suspension orders and are used to protect the public pending the outcome of the disciplinary action. Subject to judicial review, the BOP has final authority over its disciplinary cases. The BOP settles approximately 80 percent of its disciplinary cases post-accusation. A total of 413 post-accusation case settlements occurred between Fiscal Years 2021-22 through 2023-24.

The BOP is authorized to seek cost recovery for expenses incurred during a successful investigation in cases where the licensee is ultimately subjected to discipline. However, cost recovery is not always awarded by administrative law judges. The BOP was awarded approximately $1.4 million in cost recovery in Fiscal Year 2023-24.

For most cases resulting in a citation and fine or a letter of admonishment, the BOP is limited to issuing fines of $5,000 to each licensee investigated in a single case. Some specified violations carry higher maximum fines; for example, the BOP may issue fines of $25,000 per prescription for internet sales of drugs where no underlying appropriate examination occurred. When determining what fines to assess, the BOP considers the gravity of the violation, history of previous violations, extent to which the cited individual is cooperating with the investigation, and other elements suggesting good or bad faith on behalf of the licensee. As of 2022, the BOP has authority to bring an action for up to $100,000 in fines for repeated violations by pharmacies operating under common ownership or management within a chain community pharmacy, or up to $150,000 for any violation of the Pharmacy Law demonstrated to be the result of a written policy or which was expressly encouraged by the common owner or manager.

Licensees may appeal a citation issued by the BOP by requesting an informal office conference. The office conference allows the licensee the opportunity to present additional or mitigating information to the BOP's executive officer or designee and a supervising inspector. Upon conclusion, staff may affirm, modify, or dismiss the citation or affirm or dismiss the letter of admonishment. A licensee may also submit a formal appeal to the BOP within thirty days of the issuance of a citation. Appeals are conducted pursuant to the APA by an administrative law judge who renders a decision, which is presented to the BOP for adoption or rejection.

Alternative Dispute Resolutions. The BOP does not have authority to settle cases in advance of filing of an accusation. When the BOP was entering the early stages of sunset review in 2019, its Enforcement Committee was in the process of developing an alternative enforcement model proposal that provides a mechanism for settlements pre-accusation. This topic was discussed in the BOP's 2020 sunset background paper, in which Issue #14 posed the question: "Would enabling the Board to participate in alternate disciplinary processes for licensees whose misconduct is likely to result in a citation and fine provide for speedier disciplinary cases and prove more cost efficient for Board staff?"

The sunset background paper went on to state:

> An appeals process exists for licensees who are being subjected a citation and fine through a request for an informal office conference. As previously discussed, this office conference allows the licensee the opportunity to present additional or mitigating information to the Board's executive officer or designee and a supervising inspector. Stakeholders within the profession have suggested that a similar opportunity to meet informally with Board staff should be available when a licensee is being subjected to disciplinary action. Currently, the Board has no authority to settle a case prior to the filing of an action by the Attorney General. Allowing licensees to meet with Board staff and pursue a mutually agreeable outcome would likely alleviate case resolution timelines and provide cost savings to the Board.

The staff recommendation in the sunset background paper was for the BOP to inform the Committees of whether it believed some form of pre-accusation alternative dispute resolution would be of benefit and to provide any suggested language that it believed would achieve this goal. Subsequently, the BOP provided the Committees with language that would authorize the BOP to reach a stipulated settlement agreement with a licensee prior to filing a formal accusation. However, this language was not ultimately included in the BOP's sunset bill.

The concept of a pre-accusation settlement mechanism was raised again by stakeholders during BOP's 2025 sunset review. In April 2025, the sponsor of this bill provided written comments to the committee that included proposals intended to "improve communication and strengthen the working relationship between licensees and regulators." The written comments included a request for the consideration of language to establish "a structured update or mediation process before enforcement cases are referred to the Attorney General's Office." This proposal was not incorporated into the BOP's sunset bill, in part because it had not been previously discussed in the BOP's sunset background paper for that year.

This bill proposes to establish an alternative dispute resolution mechanism based on language originally provided by the BOP during its 2020 sunset review. The bill would authorize—not require—the BOP to enter into a stipulated settlement and disciplinary order to license discipline without and in advance of the filing of an accusation or other agency pleading. The bill would establish a formal process and timeline for these pre-accusation settlements to occur.

By allowing the BOP to enter into a settlement prior to the filing of an accusation, this bill would be establishing an exception to the administrative adjudication provisions of the APA. Under the APA, an adjudicative proceeding to determine whether an occupational license should be revoked, suspended, limited, or conditioned, a settlement may not be made before issuance of the agency pleading, including an accusation by a licensing board. The implications of establishing such an exception are within the jurisdiction of the Assembly Committee on Judiciary, which has also been referred this bill.

Prior Related Legislation. AB 1503 (Berman), Chapter 196, Statutes of 2025 extended the sunset date for the BOP and made additional changes in response to issues raised during the BOP's sunset review oversight process.

AB 1533 (Committee on Business and Professions), Chapter 629, Statutes of 2021 extended the sunset date for the BOP and made additional technical changes, statutory improvements, and policy reforms in response to issues raised during the BOP's sunset review oversight process.

ARGUMENTS IN SUPPORT:

The *Alliance for Pharmacy Compounding*, the sponsor of this bill, writes in support: "Creating a defined interim step would allow the Board and licensees to engage in a more solutions-oriented process, helping to resolve appropriate cases more efficiently while reserving formal referral and litigation for matters that warrant that level of enforcement. This approach can reduce administrative and state budgetary burden, shorten resolution timelines, and improve regulatory outcomes, all while maintaining the Board's authority to take disciplinary action where necessary."

ARGUMENTS IN OPPOSITION:

None on file.

REGISTERED SUPPORT:

Alliance for Pharmacy Compounding *(Sponsor)*
California Naturopathic Doctors Association

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Robert Sumner / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 2250 (Aguiar-Curry) – As Amended March 11, 2026

NOTE: This bill is double referred and if passed by this Committee will be re-referred to the Assembly Committee on Revenue and Taxation.

SUBJECT: Cannabis: cannabinoids.

SUMMARY: Makes various minor and technical changes to provisions of law providing for the regulation and enforcement of products containing cannabinoids derived from industrial hemp.

EXISTING LAW:

1) Beginning January 1, 2028, defines "concentrated cannabis" or "cannabis concentrate" to mean cannabis or industrial hemp that has undergone a process to concentrate one or more active cannabinoids, thereby increasing potency, and includes extracts, oils, hash, dab, shatter, rosin, wax, and the separated resin, whether crude or purified; excludes cannabidiol (CBD) isolate from that definition. (Health and Safety Code (HSC) § 11006.5)

2) Defines "cannabis" as all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin from glandular trichomes or extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin; excludes industrial hemp from this definition. (HSC § 11018)

3) Defines "industrial hemp" as types of the plant Cannabis sativa Linnaeus or any part of that plant with a total tetrahydrocannabinol (THC) concentration of no more than 0.3 percent on a dry weight basis and is limited to only agricultural products, including seeds, propagated plant material, immature or mature plants, harvested plants, mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, or any preparation that does not contain cannabinoids. (HSC § 11018.5)

4) Establishes a regulatory framework for industrial hemp under the Sherman Food, Drug, and Cosmetic Law administered by the California Department of Public Health (CDPH), under which manufacturers of products containing industrial hemp are required to obtain a process food registration and comply with good manufacturing practices. (HSC §§ 111920 *et seq.*)

5) Requires the distribution or sale of industrial hemp products to include documentation of a certificate of analysis from an independent testing laboratory that confirms that the industrial hemp raw extract, in its final form, does not exceed THC concentration of an amount determined allowable by the CDPH in regulation, or that the mass of the industrial hemp extract used in the final form product does not exceed a THC concentration of 0.3 percent. (HSC § 111921)

6) Authorizes the CDPH to exclude from the definition of "THC or comparable cannabinoid" isomers that do not cause intoxication, but that the CDPH may include any other cannabinoids that the CDPH determines do cause intoxication. (HSC § 111921.7)

7) Authorizes the CDPH to adopt regulations to determine maximum serving sizes for hemp-derived cannabinoids, hemp extract, and products derived therefrom, active cannabinoid concentration per serving size, the number of servings per container, and any other requirements for foods and beverages. (HSC § 111922)

8) Requires hemp manufacturers to register with the CDPH. (HSC § 111923.3)

9) Requires a manufacturer, distributor, or seller of an industrial hemp product to follow packaging, labeling, and advertising laws applicable to cannabis businesses. (HSC § 111926)

10) Requires industrial hemp products to meet specified packaging and labeling requirements. (HSC § 111926.3)

11) Provides the California Department of Food and Agriculture (CDFA) with responsibility for administering and enforcing laws governing the growing, cultivating, and distributing of industrial hemp. (Food and Agricultural Code §§ (FAC) 81000 *et seq.*)

12) Imposes limitations and prohibitions on the growth of industrial hemp and requires each crop of industrial hemp to be tested by a laboratory to determine the THC levels of a random sampling of its dried flowering tops. (FAC § 81006)

13) Enacts the Cigarette and Tobacco Products Licensing Act of 2003, which provides for the licensing of manufacturers, importers, distributors, wholesalers, and retailers of cigarettes and tobacco products by the California Department of Tax and Fee Administration (CDTFA). (Business and Professions Code (BPC) §§ 22970 *et seq.*)

14) Prohibits a seller of cigarettes or tobacco products from possessing, storing, owning, or making a retail sale of cannabis, cannabis products, or a product presumed to be a cannabis product due to its inclusion of a cannabinoid, regardless of the source of that cannabinoid, and authorizes the CDTFA to seize those products upon discovery. (BPC § 22980.6)

15) Provides that moneys in the Cigarette and Tobacco Products Compliance Fund are available for expenditure, upon appropriation by the Legislature, solely for the purpose of implementing, enforcing, and administering the California Cigarette and Tobacco Products Licensing Act of 2003, including the seizure and destruction of cigarettes and tobacco products. (BPC § 22990)

16) Enacts the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) to provide for a comprehensive regulatory framework for the cultivation, distribution, transport, storage, manufacturing, processing, and sale of medicinal and adult-use cannabis. (BPC §§ 26000 *et seq.*)

17) Defines “cannabinoid” as a chemical compound found in cannabis and industrial hemp that binds to or otherwise activates cannabinoid receptors in humans and animals, including THC and CBD. (BPC § 26001)

18) Excludes products that are regulated pursuant to and meet the requirements of the Sherman Food, Drug, and Cosmetic Law, including products that do not contain cannabinoids other than CBD isolate, from MAUCRSA. (BPC § 26002)

19) Establishes the Department of Cannabis Control (DCC) within the Business, Consumer Services, and Housing Agency for purposes of administering and enforcing MAUCRSA. (BPC § 26010)

20) Establishes grounds for disciplinary action against cannabis licensees, including failures to comply with state requirements as well as local laws and ordinances. (BPC § 26030)

21) Specifically provides that the unlicensed use of the cannabis universal symbol is a violation of MAUCRSA and empowers the CDTFA to seize unlicensed cannabis products bearing the universal symbol as contraband. (BPC § 26031.6)

22) Prohibits a person or entity from engaging in commercial cannabis activity without a state license issued by the DCC pursuant to MAUCRSA. (BPC § 26037.5)

23) Provides for various specified types of cannabis licenses including subtypes for cultivation, manufacturing, testing, retail, distribution, and microbusiness; requires each licensee except for testing laboratories to clearly designate whether their license is for adult-use or medicinal cannabis. (BPC § 26050)

24) Prohibits the sale of cannabis products that are alcoholic beverages, including through an infusion of cannabis or cannabinoids derived from industrial hemp into alcoholic beverages. (BPC § 26070.2)

25) Authorizes state and local prosecutors to bring an action for injunctive relief and civil penalties against licensed cannabis businesses or an industrial hemp registrants for violations of laws intended to restrict the advertising and marketing of cannabis products to minors by licensed cannabis businesses. (BPC § 26152.2)

26) Expresses that state cannabis laws shall not be interpreted to supersede or limit the authority of a local jurisdiction to adopt and enforce local ordinances to regulate cannabis businesses. (BPC § 26200)

27) Defines "industrial hemp" as a crop that is limited to types of the plant Cannabis sativa L. having no more than three-tenths of 1 percent tetrahydrocannabinol (THC) contained in the dried flowering tops, whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin produced therefrom; exempts industrial hemp from the provisions of MAUCRSA. (Health and Safety Code (HSC) § 11018.5)

28) Establishes the Cannabis Tax Law. (Revenue and Tax Code (RTC) §§ 34010 *et seq.*)

29) Provides the CDTFA with responsibility for administering and collecting taxes on cannabis businesses. (RTC § 34013)

30) Authorizes the CDTFA or a law enforcement agency to seize cannabis or cannabis products from a person who possesses, stores, owns, or has made a retail sale of those cannabis or cannabis products under specified circumstances, and provides that a product is presumed to be a cannabis product if it contains or purports to contain a cannabinoid, regardless of the nature or source of the cannabinoid. (RTC § 34016)

THIS BILL:

1) Aligns the definitions of "cannabis" and "cannabis products" for purposes of the Cigarette and Tobacco Products Licensing Act of 2003 with definitions established in the Health and Safety Code.

2) Exempts cannabinol (CBN) isolate from the definition of "cannabis concentrate."

3) Authorizes the CDTFA or a law enforcement agency to seize cannabis or cannabis products that are possessed, stored, offered for sale, or sold at an unlicensed premises.

4) Makes additional technical, clarifying, and conforming changes.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the author. According to the author:

> Last year, I authored AB 8 (Aguiar-Curry, Chapter 248, Statutes of 2025) to protect public health and licensed businesses by strengthening enforcement against illegal hemp products, ensuring that all intoxicating cannabinoids are regulated and taxed as cannabis, and creating a pathway for responsible hemp and cannabis operators to participate in the federal and state legal markets. AB 2250 is a technical clean up bill that will make sure that AB 8 can be implemented effectively. These changes are needed to ensure that state agencies have the tools they need to provide oversight and enforcement for California's cannabis marketplace.

Background.

Cannabis versus Hemp. Botanically speaking, both industrial hemp and what has historically been referred to as marijuana are members of the same plant species, *Cannabis sativa*. Under California law, the term "cannabis" typically refers to varieties of the species that contain sufficient levels of the cannabinoid THC to produce an intoxicating psychoactive effect, or "high"; this plant and its associated products are regulated by the DCC under MAUCRSA. Hemp, meanwhile, is commonly regarded more as an agricultural plant and has historically been used for products such as paper, textiles, cosmetics, and fabric. California law has historically required industrial hemp to contain less than 0.3 percent THC, which is considered trace amounts compared to psychoactive cannabis (which frequently contains between 15-40 percent THC). Hemp is regulated by the CDFA for agricultural purposes, and by the CDPH when it is used in food, beverage, and cosmetic products.

While industrial hemp does not share the same psychoactive properties as cannabis due to its significantly lower amount of THC, both hemp and cannabis contain another cannabinoid known as CBD. According to the National Institute of Health, CBD has pain relieving, anti-inflammatory, anti-psychotic, and tumor-inhibiting properties. There are currently over 100 clinical trials of CBD listed on the National Library of Medicine's website. These trials are testing CBD's utility in treating epilepsy, substance use disorders, pain, psychosis, and anxiety, among other disorders and conditions. Similar research is being conducted on the cannabinoid CBN, with early studies exploring its potential positive effects on sleep, inflammation, and neuroprotection.

Regulation of Cannabis. Consumption of cannabis was first made lawful in California in 1996 when voters approved Proposition 215, the Compassionate Use Act. Proposition 215 protected qualified patients and caregivers from prosecution relating to the possession and cultivation of cannabis for medicinal purposes, if recommended by a physician. This regulatory scheme was further refined by SB 420 (Vasconcellos) in 2003, which established the state's Medical Marijuana Program. However, a lack of a uniform regulatory framework led to persistent problems across the state due to cannabis's continued illegality under the federal Controlled Substances Act, which classifies cannabis as a Schedule I drug ineligible for prescription.

After several prior attempts to improve the state's regulation of cannabis, the Legislature passed the Medical Marijuana Regulation and Safety Act—subsequently retitled the Medical Cannabis Regulation and Safety Act (MCRSA)—in 2015. MCRSA established, for the first time, a comprehensive statewide licensing and regulatory framework for the cultivation, manufacture, transportation, testing, distribution, and sale of medicinal cannabis. While entrusting state agencies to promulgate regulations governing the implementation of the state's cannabis laws, MCRSA preserved local control. Under MCRSA, local governments could establish their own ordinances to regulate medicinal cannabis activity, or choose to ban cannabis activity altogether.

Not long after the Legislature enacted MCRSA, California voters passed Proposition 64, the Adult Use of Marijuana Act (AUMA). The passage of the AUMA legalized cannabis for non-medicinal adult use in a private home or licensed business; allowed adults 21 and over to possess and give away up to approximately one ounce of cannabis and up to eight grams of concentrate; and permitted the personal cultivation of up to six plants. The proponents of the AUMA sought to make use of much of the regulatory framework and authorities set out by MCRSA while making a few notable changes to the structure still being implemented.

In the spring of 2017, SB 94 (Committee on Budget and Fiscal Review) was passed to reconcile the distinct systems for the regulation, licensing, and enforcement of legal cannabis that had been established under the respective authorities of MCRSA and the AUMA. The single consolidated system established by the bill—known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)—created a unified series of cannabis laws. On January 16, 2019, the state's three cannabis licensing authorities—the Bureau of Cannabis Control, the California Department of Food and Agriculture, and the California Department of Public Health—officially announced that the Office of Administrative Law had approved final cannabis regulations promulgated by the three agencies respectively.

In early 2021, the Department of Finance released trailer bill language to create a new Department with centralized authority for cannabis licensing and enforcement activities. This new department was created through a consolidation of the three prior licensing authorities' cannabis programs. As of July 1, 2021, the DCC has been the single entity responsible for administering and enforcing the majority of MAUCRSA. New regulations went into effect on January 1, 2023 to effectuate the consolidation and make other changes to cannabis regulation.

Regulation of Hemp. SB 566 (Leno) of 2013 established the Industrial Hemp Farming Act, which would provide a regulatory scheme for the cultivation and processing of industrial hemp in California upon approval by the federal government. SB 566 required growers of hemp for commercial purposes to register with the county agricultural commissioner of the county in which the grower intends to engage in industrial hemp cultivation among various provisions. Established agricultural research institutions were exempted from these requirements.

The U.S. Agriculture Improvement Act of 2018 (known as the Farm Bill) federally legalized the growing, cultivating, and the transporting of industrial hemp between states. However, the Farm Bill resulted in CBD containing products that have been approved by the Food and Drug Administration (FDA) to be removed from the list of Schedule I substances under the CSA and reclassified as a Schedule V drug. This policy was enacted because of the findings that it does not contain any psychoactive or addictive properties and has a very low abuse potential. This separates industrial hemp from marijuana specific cannabis products, which remains a Schedule I drug on the federal level. The Farm Bill also classifies CBD as a food product.

Importantly, the Farm Bill also requires states to devise their own sale restrictions and regulations, of which the U.S. Department of Agriculture (USDA) is responsible for overseeing. SB 153 (Wilk) of 2019 revised provisions in SB 566 regulating the cultivation and testing of industrial hemp to conform to the requirements for a state plan under the 2018 Farm Bill. SB 292 (Wilk) of 2021 additionally conformed state law to the USDA Interim Final Rule regarding reporting and testing of industrial hemp in the United States.

In 2021, AB 45 (Aguiar-Curry) was enacted to significantly expand and clarify the framework under which CBD derived from industrial hemp can be used in food, beverages and dietary supplements. The bill revised or added various definitions relating to hemp products and placed new requirements on hemp manufacturers in exchange for more explicit authority to produce manufactured goods containing CBD derived from hemp. In doing so, the bill expressly specified that foods, beverages, dietary supplements, cosmetics, and pet food are not adulterated by the inclusion of industrial hemp cannabinoids.

Integration of Cannabis and Hemp. Notwithstanding the biological and chemical similarities of cannabis and hemp, hemp products are considered "non-cannabis goods" for purpose of MAUCRSA. Under Section 15407 of the DCC's regulations, licensed cannabis retailers are prohibited from selling any non-cannabis goods besides cannabis accessories, branded merchandise, and, subject to local authorization, prepackaged non-cannabis infused and food and beverages. While presumably an individual or entity could both engage in a licensed cannabis business and in a business involving hemp, it is understood that the two supply chains must remain fully distinct.

Whether hemp and cannabis products should be allowed to coexist in a regulatory context has been debated consistently over the past several years. Because both plants contain the same cannabinoids, it is often the case that two essentially identical products—CBD gummies, for example—are regulated and sold differently based on whether the CBD was derived from cannabis or industrial hemp. Many cannabis retailers may wish to also sell products derived from hemp. However, some in the cannabis industry may see hemp as an unwelcomed competitor, and concerns have been expressed that the difference in regulatory systems and consumer safety requirements should keep the two products separated.

AB 45 included language requiring the DCC to prepare a report to the Governor and the Legislature outlining the steps necessary to allow for the incorporation of hemp cannabinoids into the cannabis supply chain. The report is required to include, but is not be limited to, the incorporation of hemp cannabinoids into manufactured cannabis products and the sale of hemp products at cannabis retailers. Language in AB 45 also stated the intent of the Legislature to consider, in light of the DCC's report, "whether and how to take legislative action concerning the incorporation of hemp into the cannabis supply chain."

The DCC published *The Hemp Report: Steps and Considerations for Incorporating Hemp Into the Commercial Cannabis Supply Chain* and submitted it to the Legislature in January of 2023. The report submitted by the DCC stated that "incorporating hemp into the regulated commercial cannabis supply chain presents both policy and implementation challenges. From the policy perspective, several determinations would need to be made to move forward with the inclusion of hemp." In the report's conclusion, the DCC summarized its determinations and conclusions as follows:

> As detailed in this report, the inclusion of hemp into the commercial cannabis supply chain is complex and requires careful consideration of significant policy questions to arrive at an approach that is in the best interests of California. The approach utilized to accomplish this end would directly impact the cannabis industry, hemp industry, standard commercial market, medicinal and adult-use consumers, and the Department and other responsible California state agencies. While this report raises significant policy considerations to inspire and support deliberations between policy makers and stakeholders, it should not be interpreted as containing every single issue that may need to be considered and addressed by policy makers to determine when or if to incorporate hemp into the cannabis supply chain. If California chooses to allow hemp into the commercial cannabis supply chain, irrespective of which approach California adopts, implementation will likely require significant time and resources.

Intoxicating Hemp. Concerns have grown over the past several years regarding the perceived proliferation of intoxicating hemp products. In 2022, the California Cannabis Industry Association (CCIA) issued a white paper in October 2022 titled *Pandora's Box: The Dangers of a National, Unregulated, Hemp-Derived Intoxicating Cannabinoid Market*. The CCIA report argued that loopholes in the 2018 Farm Bill, which defined industrial hemp as having no more than 0.3 percent delta-9 THC content by dry weight, inadvertently created led to the proliferation of intoxicating hemp products. Specifically, the white paper points to a Ninth Circuit decision that the CCIA says "unleashed a Wild West of intoxicants when it ruled that products containing delta-8 THC meet the statutory definition of industrial hemp."

According to the FDA, delta-8 THC is a cannabinoid typically synthetically manufactured from hemp-derived CBD that has significant psychoactive and intoxicating effects. The FDA has expressed concern that delta-8 THC products "likely expose consumers to much higher levels of the substance than are naturally occurring in hemp cannabis raw extracts." There were reportedly 104 reports made to the FDA of adverse events in patients who consumed delta-8 THC products between December 1, 2020, and February 28, 2022, over half of which resulted in medical intervention or hospital admission.

In April 2023, the Cannabis Regulators Association (CANNRA), a coalition of regulatory agencies overseeing cannabis and hemp industries in more than 40 states and territories in the United States, wrote a letter to congressional leadership requesting action at the federal level provide a regulatory framework for products containing THC derived from hemp. CANNRA specifically called attention to the fact that a 0.3 percent threshold of delta-9 THC by weight is a relatively small amount of THC in a hemp plant, but is significantly more when included as an ingredient in edible products and beverages. A 50-gram chocolate bar, for example, would have around 150 milligrams of THC at the 0.3 percent THC limit – 30 times the standard 5 milligram THC dose established by the National Institute on Drug Abuse.

In February 2025, a white paper titled *The Great Hemp Hoax* was published with funding by the San Diego/Imperial Counties Joint Labor Management Cannabis Committee, UFCW, and March and Ash. This paper discussed findings that out of more than 100 intoxicating hemp products from 68 brands available to California consumers through online purchases, 95 percent contained synthetic cannabinoids prohibited under California law. Additionally, over 88 percent of tested products exceed the maximum amount of THC allowed to be classified as hemp products in California. The white paper found that on average, vape products supposedly derived from hemp had THC equivalency levels 268 percent above the state's threshold for adult-use cannabis.

Efforts to Integrate and Regulate Hemp Products Containing Cannabinoids. In 2023, AB 420 (Aguiar-Curry) was introduced to as a vehicle for continued discussions around how California might integrate industrial hemp into the supply chain for cannabis. Initially, the bill contained a statement that nothing in MAUCRSA prohibits integration. Subsequent amendments to the bill that were made in the Senate provided for greater details regarding how integration would be achieved. The amendments also expanded prohibitions against industrial hemp containing synthetic THC or similar cannabinoids. However, the bill was ultimately held under submission on the suspense file in the Senate Committee on Appropriations.

The following year, AB 2223 (Aguiar-Curry) was introduced to again seek to strengthen California laws governing the cultivation, manufacturing, and sale of hemp products. Language in the bill would have expressly allowed for the integration of industrial hemp into the licensed cannabis supply chain, with additional requirements to ensure that integration occurs safely. The bill also sought to close loopholes created in federal law by explicitly prohibiting intoxicating hemp products from being manufactured and sold in California. However, this bill was also held under submission on the suspense file in the Senate Committee on Appropriations.

In September 2024, Governor Gavin Newsom announced that the CDPH was issuing emergency regulations banning the sale of consumable hemp products containing any detectable levels of THC or other intoxicating cannabinoids in California. The regulations additionally prohibited sales of hemp products to individuals under 21 and limited servings to five per package. State regulators indicated that sellers would be required to implement purchase restrictions and remove consumable hemp products containing any levels of detectable THC from shelves immediately upon the effective date of the regulations.

The Governor's emergency regulations were challenged in court by a coalition led by the U.S. Hemp Roundtable and several hemp businesses, who sought to halt enforcement and argued that the ban exceeded CDPH's rulemaking authority, specifically pointing to the failure of AB 2223 to pass the Legislature. However, in October 2024, the request for a temporary restraining order was denied by the Los Angeles County Superior Court, who found that the state had a compelling interest in protecting public health, especially that of children, from unregulated intoxicating hemp products. In March 2025, the CDPH extended the ban for through June 2025.

In 2026, the Legislature enacted AB 8, which was intended to build on the state's prohibition against the sale of intoxicating hemp products while allowing products containing cannabinoids derived from hemp to be manufactured and sold through the cannabis supply chain. The bill expanded the definition of "cannabis products" in the Uniform Controlled Substances Act, and aligned that definition with MAUCRSA, to include any product containing cannabis or cannabis concentrate including, but is not limited to, edible, topical, and inhaled products, and products intended for use on, or consumption by, an animal.

Under the framework established in AB 8, any product containing a concentrated cannabinoid derived from hemp, with the exception of pure CBD isolate, would fall under the definition of a cannabis product. Under that reclassification, cannabis products derived from industrial hemp are eligible for integration into the cannabis supply chain. Various provisions of MAUCRSA would apply to those products, including track and trace identification, advertising restrictions, security and transportation safety requirements, quality assurance standards, and laboratory testing. Industrial hemp or cannabis products derived exclusively from industrial hemp may still be shipped through California without entering the licensed cannabis market, provided they are not sold in California, or shipped out of California by a cannabis licensee. AB 8 also subjected cannabis products derived from industrial hemp to the state's 15 percent cannabis excise tax.

In addition to language classifying products containing concentrated cannabinoids derived from industrial hemp as cannabis products and incorporating those products into the cannabis supply chain, AB 8 made a number of additional technical and corresponding changes to ensure that regulators are able to oversee and enforce MAUCRSA and other state laws governing cannabis and hemp. A majority of the bill will not go into effect until January 1, 2028, allowing time for the industry and the state to prepare for the changes proposed by the bill. During that interim period, licensed cannabis manufacturers are only allowed to use cannabinoid concentrates and extracts that were manufactured or processed exclusively from cannabis obtained from a licensed cannabis cultivator and are not allowed to possess, transport, distribute, manufacture, or sell industrial hemp on or from a licensed premises, except that a licensed testing laboratory may test industrial hemp.

This bill would make a series of technical and clarifying changes to provisions of law enacted or amended through AB 8 in anticipation of the January 1, 2028 implementation date. Language in the bill would specifically clarify statutory cannabinoid definitions (to ensure consistency across code sections), seizure authority, and rules for tobacco retailers. These changes are intended to ensure that regulators are able to clearly and equitably enforce the law once AB 8 fully goes into effect.

Prior Related Legislation. AB 8 (Aguiar-Curry), Chapter 248, Statutes of 2025 required products containing concentrated cannabinoids other than CBD isolate that are derived from industrial hemp to comply with provisions of MAUCRA; established a framework for industrial hemp to enter the licensed cannabis market; revised various definitions for purposes of MAUCRSA and other state cannabis laws; prohibited the sale of synthetic cannabis products and inhalable cannabis products containing cannabinoids derived from hemp; placed restrictions on the incorporation of industrial hemp raw extract into food and beverage products; and expanded the authority for state and local enforcement agencies to inspect, seize, and destroy unlawful cannabis products.

AB 2223 (Aguiar-Curry) of 2024 would have allowed for cannabis licensees to manufacture, distribute, or sell products that contain industrial hemp and placed additional restrictions on industrial hemp products containing THC or comparable cannabinoids. *This bill died on suspense in the Senate Committee on Appropriations.*

AB 420 (Aguiar-Curry) of 2023 would have authorized the integration of industrial hemp into the licensed cannabis supply chain and strengthened prohibitions against industrial hemp containing synthesized cannabinoids. *This bill died on suspense in the Senate Committee on Appropriations.*

AB 1656 (Aguiar-Curry) of 2022 would have authorized the integration of industrial hemp into the licensed cannabis supply chain. *This bill died on the Senate inactive file.*

AB 45 (Aguiar-Curry), Chapter 576, Statutes of 2021 established a regulatory framework for industrial hemp under the Sherman Food, Drug, and Cosmetic Law.

SB 292 (Wilk), Chapter 485, Statutes of 2021 conformed current state law to the United States Department of Agriculture's Interim Final Rule regarding reporting and testing of industrial hemp.

SB 153 (Wilk), Chapter 838, Statutes of 2019 revised provisions regulating the cultivation and testing of industrial hemp to conform to the requirements for a state plan under the 2018 Farm Bill.

AB 228 (Aguiar-Curry) of 2019 would have established a regulatory framework for industrial hemp under the Sherman Food, Drug, and Cosmetic Law. *This bill was held on suspense in the Senate Committee on Appropriations.*

SB 94 (Committee on Budget and Fiscal Review), Chapter 27, Statutes of 2017 combined AUMA and MCRSA into a unified system for the regulation of cannabis, MAUCRSA.

SB 566 (Leno), Chapter 398, Statutes of 2013 allowed hemp to be grown in California, upon federal approval, by excluding "industrial hemp" from the definition of "marijuana."

ARGUMENTS IN SUPPORT:

The *California Cannabis Operators Association* (CaCOA) supports this bill, writing: "CaCOA was proud to sponsor AB 8 (Aguiar-Curry, 2025), landmark legislation that fundamentally restructured California's approach to intoxicating hemp-derived cannabinoids by codifying emergency regulations prohibiting the manufacture and sale of these products outside the regulated cannabis supply chain. The measure also strengthened enforcement authority, clarified regulatory jurisdiction, and reinforced the state's commitment to public health, consumer safety, and market integrity. As with any comprehensive statutory reform of this scale, technical and conforming amendments are both expected and necessary to ensure consistent interpretation and effective implementation across agencies. AB 2250 serves precisely that purpose."

ARGUMENTS IN OPPOSITION:

None on file.

REGISTERED SUPPORT:

California Cannabis Operators Association
Good Farmers Great Neighbors
NUG, Inc.

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Robert Sumner / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 2256 (Chen) – As Introduced February 19, 2026

SUBJECT: Radiologist assistants.

SUMMARY: Prohibits a person from holding themselves out as a radiologist assistant (RA) or using the RA title or any other term to imply or to suggest that the person is an RA unless the person meets specified requirements.

EXISTING LAW REGARDING RADIOLOGY PROFESSIONALS:

1) Regulates the practice of medicine under the Medical Practice Act and establishes the Medical Board of California to administer and enforce the act. (BPC §§ 2000-2529.6)

2) Prohibits the practice, attempt to practice, advertisement of, or holding out as practicing any system or mode of treating the sick or afflicted, or diagnosis, treatment, operation for, or prescription for any ailment, blemish, deformity, disease, disfigurement, disorder, injury, or other physical or mental condition of any person, without having at the time of doing so a valid, unrevoked, or unsuspended medical license or being otherwise authorized under state law to perform the medical act. (BPC § 2052)

3) Regulates the practice of nursing under the Nursing Practice Act and establishes the Board of Registered Nursing to administer and enforce the act, including the licensure of registered nurses and the certification of nurse practitioners (NPs). (BPC §§ 2700-2838.4)

4) Regulates the practice of physician assistants (PAs) under the Physician Assistant Practice Act and establishes the Physician Assistant Board to administer and enforce the act. (BPC §§ 3500-3545).

5) Regulates radiologic technology under the Radiology Technology Act to protect the public and radiation workers from excessive or improper exposure to ionizing radiation and requires the California Department of Public Health (CDPH) to administer and enforce the act. (Health and Safety Code (HSC) §§ 27(f), 106965-107115, 114840-114896)

6) Prohibits any person from administering or using diagnostic or therapeutic X-rays on human beings unless that person has been certified as a radiologic technologist (RT) or granted a permit as specified, is acting within the scope of that certification or permit, and is acting under the supervision of a licentiate of the healing arts. (HSC § 106965)

7) Authorizes CDPH to deny, revoke, or suspend certificates and permits, as specified. (HSC § 107070)

8) Establishes civil and misdemeanor penalties for violations of the Radiologic Technology Act. (HSC § 107075)

9) Requires the CDPH to appoint a Radiologic Technology Certification Committee to assist, advise, and make recommendations for the establishment of regulations necessary to ensure

the proper administration and enforcement of radiologic technology certification. (HSC §§ 114850(b), 114855)

10) Specifies that the certification committee is comprised of six physicians, three of whom are certified in radiology; two certified RTs; one radiological physicist; one podiatrist; and one chiropractor. (HSC § 114860)

EXISTING LAW REGARDING NEW REGULATION OF A PROFESSION:

1) Establishes requirements and procedures for legislative oversight of the formation of new state boards and categories of licensed of professional practice. (Government Code (GOV) §§ 9148-9148.8)

2) Defines "license" as a license, certificate, registration, or other means to engage in a business or profession regulated under the BPC unless otherwise expressly provided. (BPC §§ 23.7, 1000, 3600)

3) Requires, before consideration by the Legislature of legislation creating a new state board or legislation creating a new category of licensed professional, that the author or sponsor of the legislation develop a plan for the establishment and operation of the proposed state board or new category of licensed professional. (GOV § 9148.4)

4) The plan must include all of the following:

    a) A description of the problem that the creation of the specific state board or new category of licensed professional would address, including the specific evidence of need for the state to address the problem. (GOV § 9148.4 (a))

    b) The reasons why this proposed state board or new category of licensed professional was selected to address this problem, including the full range of alternatives considered and the reason why each of these alternatives was not selected. (GOV § 9148.4(b))

    c) Alternatives that shall be considered include, but are not limited to, the following:

        i) No action taken to establish a state board or create a new category of licensed professional. (GOV § 9148.4(b)(1))

        ii) The use of a current state board or agency or the existence of a current category of licensed professional to address the problem, including any necessary changes to the mandate or composition of the existing state board or agency or current category of licensed professional. (GOV § 9148.4(b)(2))

        iii) The various levels of regulation or administration available to address the problem. (GOV § 9148.4(b)(3))

        iv) Addressing the problem by federal or local agencies. (GOV § 9148.4(b)(4))

    d) The specific public benefit or harm that would result from the establishment of the proposed state board or new category of licensed professional, the specific manner in which the proposed state board or new category of licensed professional would achieve this benefit and the specific standards of performance which shall be used in reviewing

the subsequent operation of the board or category of licensed professional. (GOV § 9148.4(c))

e) The specific source or sources of revenue and funding to be utilized by the proposed state board or new category of licensed professional in achieving its mandate. (GOV § 9148.4(d))

f) The necessary data and other information required in this section shall be provided to the Legislature with the initial legislation and forwarded to the policy committees in which the bill will be heard. (GOV § 9148.4(e))

5) Authorizes the appropriate policy committee of the Legislature to evaluate the plan prepared in connection with a legislative proposal to create a new state board and provides that, if the appropriate policy committee does not evaluate a plan, then the Joint Sunset Review Committee shall evaluate the plan and provide recommendations to the Legislature. (GOV § 9148.8)

THIS BILL:

1) Makes various findings and declarations regarding RAs and legislative intent.

2) Prohibits a person from holding themselves out to be an RA, or using the title of "radiologist assistant" or any other term to imply or to suggest that the person is an RA, unless the person meets all of the following requirements:

a) The person has passed the RA examination administered by the American Registry of Radiologic Technologists, the radiology practitioner assistant examination administered by the Certification Board for Radiology Practitioner Assistants, or another examination offered by a successor or comparable entity that has been determined by the CDPH to evaluate the knowledge and skills necessary to ensure the protection of the public and has been approved by the CDPH.

b) The person maintains current registration with the American Registry of Radiologic Technologists, the Certification Board for Radiology Practitioner Assistants, or a successor or comparable entity.

c) The person is certified or permitted to conduct radiologic technology in this state or possesses an RA license from another state that licenses RAs.

3) Requires an RA to work only under the supervision of a radiologist.

4) Prohibits an RA from functioning in their capacity as an RA independent of a supervising radiologist.

5) Prohibits an RA from interpreting images, making diagnoses, or prescribing medications or therapies.

6) Authorizes an RA to administer prescribed drugs only as directed by a supervising radiologist or their designee.

7) Authorizes an RA to communicate and document initial clinical and imaging observations or procedures only to a radiologist for the radiologist's use.

8) Authorizes an RA to communicate a supervising radiologist's report to an appropriate health care provider consistent with the American College of Radiology guideline for communicating diagnostic imaging findings.

9) Authorizes a supervising radiologist to delegate to an RA, as the radiologist determines appropriate to the RA's competence, those tasks or services that a radiologist usually performs and is qualified to perform.

10) Specifies that the provisions of this bill do not affect any existing duties for a radiologic technologist or any existing requirements for the supervision of a radiologic technologist.

11) Specifies that a violation of the provisions of this bill do not constitute a misdemeanor violation of the Radiologic Technology Act.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

Comments:

Purpose. This bill is sponsored by the *American Registry of Radiologic Technologists*. According to the author, "[This bill] safeguards the integrity of the [RA] title by explicitly clarifying the criteria necessary to use this designation. This bill establishes clear standards for radiologist assistants in California while maintaining physician oversight and patient safety."

Background. According to the sponsor, an RA is a medical radiographer who is certified by the American Registry of Radiologic Technologists (ARRT) as a Registered Radiologist Assistant (RRA) or by the Certification Board for Radiology Practitioner Assistants (CBRPA) as a Radiology Practitioner Assistant (RPA) to perform radiology services under the supervision of a radiologist. RAs can perform patient assessment, patient management, and certain imaging procedures, including fluoroscopy, but not image interpretation. Currently in California, RAs are certified as RTs and required to hold a license as a certified diagnostic RT and an RT fluoroscopy permit.

RAs must obtain a minimum of a bachelor's degree for RPA certification and a master's or higher for an RRA certification, complete an RA educational program approved by either the ARRT or the CBRPA, pass an examination offered by the relevant organization, and obtain and maintain the certificate. The RA training goes beyond what is required for RTs, preparing RAs to become advanced practice RTs or radiologist extenders.

Radiologic Technologists. RTs work with ionizing radiation and their education, training, and experience requirements are designed to prevent excessive and improper exposure to ionizing radiation. RTs generally obtain a two-year associate's degree in Radiologic Technology. After obtaining their degree, students are eligible to take the California examination for a diagnostic or therapeutic radiologic technology certificate. They are also eligible to take the national examination for a therapeutic radiologic technology certificate. Both examinations, state and national, are administered by the ARRT. Successful passage of an examination qualifies an RT to X-ray any part of the body. Those who obtain California state certification may also apply for additional certificates, such as the RT Fluoroscopy Permit or the Mammographic Radiologic

Technology Certificate if they the requirements. RTs may also become certified in radiation therapy technology through the ARRT. According to the American Society of Radiologic Technologists, RTs practice in hospitals, clinics, and physician's offices across many specialties, from prenatal care to orthopedics.

Radiology. Radiographers perform the imaging aspect of radiology. Radiology is a branch of medicine that uses imaging technology to diagnose and treat disease. The primary medical practitioner of radiology is the radiologist. Radiologists are physician and surgeons who specialize in diagnosing and treating injuries and diseases using radiology, including medical imaging procedures like X-rays, computed tomography (CT), magnetic resonance imaging (MRI), nuclear medicine, positron emission tomography (PET), and ultrasound. Podiatrists and chiropractors also perform radiology within their scope of practice.

Radiologic Technology Act. The Radiologic Technology Act was enacted to protect the public from excessive or improper exposure to ionizing radiation via X-rays. It requires that any individual who uses X-rays on humans for diagnostic or therapeutic purposes meet certain standards of education, training, and experience.

Ionizing radiation is a form of radiation that has enough energy to potentially cause damage to DNA. Risk factors for harm include the radiosensitivity of body organs, the nature and complexity of procedures to be performed, the radiation safety protection problems associated with X-ray procedures, the types of patients to be X-rayed (e.g., ambulatory, geriatric, pediatric, bedridden, non-ambulatory), whether contrast media is used for a procedure, the types of facilities (e.g., hospitals, surgery centers, physician or podiatry offices) and equipment to be encountered (e.g., radiographic, fluoroscopic, portable, mobile and computerized tomography equipment, and ancillary medical equipment such as infusion pumps or contrast injectors), and the types of imaging systems used.

The Radiologic Health Branch (RHB) of the CDPH administers and enforces the Radiologic Technology Act, including the education, training, and licensing requirements. It also administers the meetings of the Radiologic Technology Certification Committee (RTCC). RTCC assists, advises, and makes recommendations for ensuring proper administration and enforcement of the act.

Prior Related Legislation. AB 511 (Chen) of 2025 was substantially similar to this bill. *AB 511 was held on the Assembly Appropriations Committee suspense file.*

AB 3097 (Chen) of 2024 was substantially similar to this bill. *AB 3097 was held on the Assembly Appropriations Committee suspense file.*

SB 377 (Hertzberg) of 2022 was substantially similar to this bill. *SB 377 was held on the Senate Appropriations Committee suspense file,*

SB 480 (Archuleta), Chapter 336, Statutes of 2020, before being amended to address a different subject, would have established the RA Advisory Committee under the Medical Board of California to identify the appropriate training, qualifications, and scope of practice for individuals assisting radiologists.

AB 352 (Eng) of 2012 would have established title protection for certified RAs. *AB 352 died pending a hearing in the Assembly Business, Professions and Consumer Protection Committee*.

AB 623 (Lieu) of 2007 would have established an RA certificate program under the CDPH. *AB 623 was held on the Appropriations Committee suspense file.*

SB 700 (Aanestad) of 2005 would have established an RA certificate program under the CDPH. *SB 700 died pending a hearing in the Senate Business, Professions and Economic Development Committee.*

ARGUMENTS IN SUPPORT:

The *American Registry of Radiologic Technologists* (sponsor) writes in support:

> Today, 31 states license, accept, or otherwise recognize the RA. Federal agencies and state governments continue to agree that RAs greatly increase hospital efficiency, improve access to patient care (especially in rural areas), while providing the highest levels of radiation safety. Other than a radiologist, no other practitioner gets as much specialized training in radiology services and radiation safety as the RA.
>
> The fact is, RAs extend the reach of the radiologist and free [them] to focus on those services only the radiologist can provide such as performing complex procedures, consulting with their referring primary care colleagues, interpreting images, and generally diagnosing and treating patients. What's more, RAs help alleviate physician burnout.
>
> As the need for more highly trained medical personnel in the state increases, it is imperative the state keep pace with the rest of the country and recognize the RA profession so they can operate in the state and provide high quality medical care to all Californians.

The *California Radiological Society* writes in support:

> [This bill] ensures that individuals holding themselves out as radiologist assistants meet defined requirements, including passage of a recognized examination and maintenance of current registration. These safeguards help ensure that only properly trained professionals serve in this advanced role.
>
> The bill appropriately requires that radiologist assistants work under the supervision of a radiologist and preserves the ability of other physicians to supervise radiology technologists. It prohibits independent practice, preserving physician-led care and patient safety, and also defines their scope by allowing radiologist assistants to communicate and document initial clinical and imaging observations only to the supervising radiologist.
>
> At the same time, [this bill] allows radiologists to delegate appropriate tasks based on the assistant's competence, supporting team-based care and improving efficiency in a high-demand imaging environment.

ARGUMENTS IN OPPOSITION:

There is no opposition on file.

SUNRISE REVIEW:

When there are proposals for new or expanded regulation of an occupation, legislators and administrative officials are expected to weigh arguments regarding the necessity of the proposed regulation, determine the appropriate level of regulation (e.g., registration, certification, or licensure), and select a set of standards (education, experience, examinations). As a result, the Legislature uses a process known as "sunrise" to review and assess the proposals.

The process includes a questionnaire and a set of evaluative scales to be completed by the group supporting regulation. The questionnaire is an objective tool for collecting and analyzing information needed to arrive at accurate, informed, and publicly supportable decisions regarding the merits of regulatory proposals.

The Need for Sunrise. New regulatory and licensing proposals are generally intended to assure the competence of specified practitioners in different occupations. However, these proposals have resulted in a proliferation of licensure and certification programs, which are often met with mixed support. Proponents argue that regulation benefits the public by assuring competence and an avenue for consumer redress. Critics argue that regulation benefits a profession more than it benefits the public.

Sunrise helps distill those arguments by: (1) placing the burden of showing the necessity for new regulations on the requesting groups; (2) allowing the systematic collection of opinions both pro and con; and (3) documenting the criteria used to decide upon new regulatory proposals.

Sunrise has been in law since 1990, but recent studies continue to support the need for the process. Specifically, those studies show that, while licensing and other forms of regulation may increase employment opportunities and raise wages, they can also have negative or unintended economic impacts, such as shortages of practitioners or increased costs for services.[1]

In response to concerns over the growing number of professions requiring a license, the White House issued a report in 2015, *Occupational Licensing: A Framework for Policymakers*. The report agreed that, while licensing offers important protections to consumers and can benefit workers, there are also substantial costs, and licensing requirements may not always align with the skills necessary for the profession being licensed. Specifically, the report found:

> There is evidence that licensing requirements raise the price of goods and services, restrict employment opportunities, and make it more difficult for workers to take their skills across State lines. Too often, policymakers do not carefully weigh these costs and benefits when making decisions about whether or how to regulate a profession through licensing. In some cases, alternative forms of

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[1] See generally, Morris M. Kleiner, *Reforming Occupational Licensing Policies*, Discussion Paper 2015-01 (The Hamilton Project, Brookings Institution, March 2015); Michelle Natividad Rodriguez and Beth Avery, *Unlicensed & Untapped: Removing Barriers to State Occupational Licenses for People with Records* (National Employment Law Project, April 2016); *Jobs for Californians: Strategies to Ease Occupational Licensing Barriers,* Report #234 (Little Hoover Commission, 2016); Dick M. Carpenter II, Lisa Knepper, Kyle Sweetland, and Jennifer McDonald, *License to Work: A National Study of Burdens from Occupational Licensing*, 2nd Edition (Institute for Justice, November 2017); Adam Thierer and Trace Mitchell, *Occupational Licensing Reform and the Right to Earn a Living: A Blueprint for Action* (Mercatus Center/George Mason University April 2020).

occupational regulation, such as State certification, may offer a better balance between consumer protections and flexibility for workers.

Levels of Regulation. If a review of the proponents' case indicates that regulation is necessary to protect public health, safety, and welfare, then a determination must be made regarding the appropriate level of regulation. As noted above, the public is often best served by minimal government intervention. The definitions and guidelines below are intended to facilitate the selection of the least restrictive level of regulation that will adequately protect the public interest.

Level I: Strengthen existing laws and controls. The choice may include providing stricter civil actions or criminal prosecutions. It is most appropriate where the public can effectively implement control.

Level II: Impose inspections and enforcement requirements. This choice may allow inspection and enforcement by a state agency. These should be considered where a service is provided that involves a hazard to the public health, safety, or welfare. Enforcement may include recourse to court injunctions and should apply to the business or organization providing the service, rather than the individual employees.

Level III: Impose registration requirements. Under registration, the state maintains an official roster of the practitioners of an occupation, recording also the location and other particulars of the practice, including a description of the services provided. This level of regulation is appropriate where any threat to the public is small.

Level IV: Provide an opportunity for certification. Certification is voluntary; it grants recognition to persons who have met certain prerequisites. Certification protects a title: non-certified persons may perform the same tasks but may not use "certified" in their titles. Usually, an occupational association is the certifying agency, but the state can be one as well. Either can provide consumers a list of certified practitioners who have agreed to provide services of a specified quality for a stated fee. This level of regulation is appropriate when the potential for harm exists and when consumers have a substantial need to rely on the services of practitioners.

Level V: Impose licensure requirements. Under licensure, the state allows persons who meet predetermined standards to work at an occupation that would be unlawful for an unlicensed person to practice. Licensure protects the scope of practice and the title. It also provides for a disciplinary process administered by a state control agency. This level of regulation is appropriate only in those cases where a clear potential for harm exists and no lesser level of regulation can be shown to adequately protect the public.

Sunrise Criteria and Questions. Central to the sunrise process are nine sunrise criteria, which were developed in coordination with the Department of Consumer Affairs to provide a framework for evaluating the need for regulation. These criteria are:

1) Unregulated practice of the occupation in question will harm or endanger the public health, safety or welfare.

2) Existing protections available to the consumer are insufficient.

3) No alternatives to regulation will adequately protect the public.

4) Regulation will alleviate existing problems.

5) Practitioners operate independently, making decisions of consequence.

6) The functions and tasks of the occupation are clearly defined.

7) The occupation is clearly distinguishable from other occupations that are already regulated.

8) The occupation requires knowledge, skills, and abilities that are both teachable and testable.

9) The economic impact of regulation is justified.

The criteria were used to develop the sunrise questionnaire noted above and help legislators and administrators answer three policy questions:

1) Does the proposed regulation benefit the public health, safety, or welfare?

2) Will the proposed regulation be the most effective way to correct existing problems?

3) Is the level of the proposed regulation appropriate?

Sunrise Analysis. The following analysis is based on the above criteria and corresponding questions and answers provided by the author, sponsor of the bill, and applicant group in the sunrise questionnaire. The applicant group is the *California Coalition for Radiologist Assistants* (CCRA). According to the CCRA, "We are a coalition of the California Society of Radiologic Technologists, including the [Society of Radiology Physician Extenders (SRPE)], the [American Registry of Radiologic Technologists (ARRT)], and [American Society of Radiologic Technologists (ASRT)]."

Criteria 1. Unregulated practice of RAs will harm or endanger the public health, safety, or welfare. While RAs are not specifically regulated as RAs, all aspects of the RA practice proposed under this bill are regulated in other ways. The lower levels of RA practice are regulated through the certification of RTs, and the higher levels of practice are regulated through the licensure of physicians, physician assistants, and nurse practitioners. If harm is occurring, the practitioner causing the harm will have their license or certificate disciplined. Unlicensed radiology practice, particularly at the higher level of an RA, is also highly unlikely, as the radiological procedures often require expensive and sophisticated equipment and the results would ultimately have to be interpreted by a radiologist or other authorized licensee.

As a result, the applicants acknowledge that there is not currently a significant public demand for the regulation of RAs on the basis of harm, nor is there significant demand generally outside of the radiology community. Instead, they argue that the regulation of RAs will help carve out a regulatory space to practice, increasing public exposure to services specific to RAs and creating additional demand. The applicants specifically note, "The basis for the application is the attempt to improve efficiency and reduce the cost to consumers."

Of the conceptual harms, the applicants note the following:

- "Fluoroscopy and CT scans use radiation for image-guided [procedures] are dangerous in unqualified hands. The more skilled a practitioner is in using these procedures, the less a consumer will be exposed to radiation."

- "There is always the risk of burns from over-radiation, but also, long term risks include cancers that are not easily traceable to radiation. The [radiologic] technologist unqualified in performing an RA's tasks would also risk misdiagnosis of disease."

- "RAs are highly specialized in their area of expertise and have specific training in radiation safety, equipment operation, and all the things needed to prevent patient harm."

On the frequency of harms, the applicants note, "There are examples of radiation burns and over-radiation, but are often [settled] out of court… Harm is more likely to occur to the consumer when other providers are practicing procedures that they rarely or infrequently perform. The risks from providers who do not have the extensive education and clinical training that RA's have, are greatly increased."

While the applicants did provide examples of harm from over-radiation, the two case examples are media articles covering investigations into the harm, which do not go into enough detail to determine whether any particular type of practitioner was the cause of the harm.

Another potential data point would be CDPH enforcement. While this bill does not require the CDPH to regulate the certification of RAs, it does amend the RT Act, which CDPH is required to enforce. The CDPH has previously stated (in the context of SB 377 (Hertzberg) of 2022, which was structured identically to this bill) that it annually conducts an average of three enforcement actions on similar scope of practice issues.

Criteria 2. Existing protections available to the consumer are insufficient. As noted above, this sunrise application is primarily about providing pathways for RAs to practice. However, while RAs are not specifically licensed, they can currently practice as RTs or theoretically as PAs or NPs who completed multiple pathways for training. As a result, the applicants argue "that there is a lack of clarity both for the consumer and the provider."

Criteria 3. No alternatives to regulation will adequately protect the public. Applicants argue that the following non-governmental avenues are insufficient:

1) Code of ethics: "ARRT has an active ethics enforcement program and California patients would benefit from it. If the RA does not become licensed, then RAs will journey to states where their employers can be paid by Medicare and Medicaid (at least 60% of patients) for RA performed tests and procedures"

2) Codes of practice enforced by professional associations:

    a) "Standards of Practice are developed, published, and adopted by the American Society of Radiologic Technologists… and the Certification Board for Radiology Practitioner Assistants that outline acceptable practice for the RAs. There is no enforcement mechanism for those unless there is a state statute that references them."

    b) "The Rules of Ethics are enforced by the ARRT and CBRPA. When a rule of ethics violation happens in a state, it is usually reported to the state's licensing agency, the oversight board, or advisory committee. Those agencies or boards notify ARRT. It is not usual to see something like this come from an individual that is not related to the state agencies that oversee licensure."

The applicants do not make arguments for the inadequacy of dispute-resolution mechanisms such as mediation or arbitration, recourse to currently applicable law, or regulation of those who employ or supervise practitioners.

Criteria 4. Regulation will mitigate existing problems. According to the applicants, the primary problems that would be addressed are quality and access to care. According to the applicants, "The public's best chance for high quality patient care and radiation safety is to recognize educationally prepared and clinically competent providers." As a specific example, they cite that "at Memorial Sloan Kettering Cancer Center show, patient satisfaction scores are noticeably higher when radiology departments employ RAs."

The applicants argue that this bill would also increase access to radiology services by establishing a workforce of radiologist extenders, creating an avenue for reducing the workload of radiologists. Specifically, they write:

> For non-critical access hospitals in rural areas that frequently have less than 5 radiologists on staff, employing an RA could increase the availability of times that fluoroscopy procedures and minor procedures could be performed. The smaller facilities must limit the number of these types of procedures they can do each day that require a radiologist because the radiologists need to spend most of their time interpreting images. With the RA, the facilities could open up more time slots for these procedures.
>
> Rural hospitals with limited radiologist coverage often manage multiple modalities. Typically, only one radiologist is assigned to fluoroscopy and minor procedures, but they still must perform all the regular interpretations. In these settings, radiology departments are only able to schedule regular fluoroscopy and minor procedures for 1-2 hours per day and patients have to wait for the next available time slot. With an RA, these facilities can do those procedures for 6-7 hours a day, greatly improving rural access to care.

Criteria 5. Practitioners operate independently, making decisions of consequence. While RAs operate under the supervision of radiologists, their function is to extend the reach of the radiologist's practice and independently exercise judgement in delegated duties. According to the applicants, "Nearly every action that an RA takes is a professional judgment such as: how much radiation is needing to be used, needle placement for lumbar puncture, etc…. One example would be the use of fluoroscopy (high levels of radiation) generally involving image guided procedures."

Criteria 6. Functions and tasks of the occupation are clearly defined. The functions and tasks of RAs are well established via the existing voluntary certification requirements and radiology practice generally, although the day to day practice of any individual RA will depend on the supervising radiologist. This model is similar to PAs under practice agreements or NPs under standardized procedures, although the scope of practice is much broader for PAs and NPs.

Criteria 7. The occupation is clearly distinguishable from other occupations that are already regulated. As noted above, RTs, NPs, and PAs theoretically cover the range of services RAs provide, although RTs would not reach the upper end of services and CDPH does not issue fluoroscopy permits to NPs. In addition, NPs and PAs, like physician radiologists, begin as generalists so would likely need to seek additional training in radiology.

Criteria 8. The occupation requires possession of knowledge, skills, and abilities that are both teachable and testable. Based on the information provided by the applicants and as discussed above, the RA education, examination, and certification process are well established. This career pathway is utilized in other states where RAs are licensed.

Criteria 9. The economic impact of regulation is justified. This bill would only have a financial impact on those who wish to use the title RA and practice as specified under the bill. For those who already fill the practice space the proposed RA would practice in (e.g. RTs, NPs, or PAs), there would be no change unless they wanted to use the title but did not meet the certification requirements under the bill. For those who already meet the requirements of the bill, there would be no impact. The only impact would be to those who currently use the title RA and do not meet the requirements under this bill, although it is unclear how much that is occurring. There may be some inadvertent or otherwise non-objectionable usage, such as an unlicensed medical assistant or RT whose position at work is titled "RA," but that situation can likely be remedied by the employer.

POLICY ISSUES FOR CONSIDERATION:

Sunrise Review. As noted above, the criteria and the sunrise questionnaire are intended to assist policymakers in answering the following questions:

1) *Does the proposed regulation benefit the public health, safety, or welfare?* Based on the information provided by the author, sponsor, applicant group, and supporters, there is demand for RAs in radiology practice, and RAs extending the functions of radiologists may help with workforce issues. However, the sponsor's 2026 sunrise review document estimates that there are about 73 RAs in California and 660 RAs nationwide. The sponsor and supporters hope that state recognition, additional practice authority, and the potential to bill Medicare will increase interest in the profession.

2) *Will the proposed regulation be the most effective way to correct existing problems?* This is unclear. The reason RAs are unable to practice to the higher end of their training is that the existing licensing structure of medicine and radiologic technology precludes them from doing so. The approach under this bill is to carve out functions in that regulated practice space and authorize RAs to perform them. There may be other approaches that are conceptually different (i.e. do not create new regulatory requirements on an occupation) that have not been explored, but they would likely require more comprehensive changes to other licensing structures or move the bill outside the jurisdiction of this committee. One option might be authorizing the facilities where radiology is performed to allow more advanced practices under specified circumstances.

3) *Is the level of the proposed regulation appropriate?* When discussing the original proposal before this committee, AB 3097 (Chen) of 2024, the author and sponsor agreed to a lower level of regulation, from licensure (Level V) to voluntary certification and title protection (Level IV). Lowering the level of regulation further does not appear to support the goals of this bill or solve any ongoing problems. Strengthening existing laws (Level I), imposing inspections and enforcement requirements (Level II), and establishing a registry without certification or title protection requirements (Level III) are focused on reducing consumer harm, which is not the primary goal of this bill. Registration would also not authorize more advanced practice and would unnecessarily require more state resources as all RAs are registered with their certifying entities.

IMPLEMENTATION ISSUES:

Definition of Radiologist. This bill requires RAs to be supervised by radiologists but does not define the term "radiologist." While the title "radiologist" is understood to mean a physician who specializes in radiology, there are varying levels of specialty, such as board certification and fellowships. On the other hand, a physician interpreting radiological images in a rural area would be acting in the capacity of a radiologist. Similar logic applies to a doctor of podiatric medicine who is permitted by the RHB to perform radiology. If this bill passes this committee, the author may wish to consider defining radiologist for purposes of who may supervise an RA.

REGISTERED SUPPORT:

American Registry of Radiologic Technologists (sponsor)
California Radiological Society
One individual

REGISTERED OPPOSITION:

There is no opposition on file.

Analysis Prepared by: Vincent Chee / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 2477 (Chen) – As Amended March 20, 2026

NOTE: This bill is double referred and if passed by this Committee will be re-referred to the Assembly Committee on Environmental Safety and Toxic Materials.

SUBJECT: Structural pest control.

SUMMARY: Beginning January 1, 2028, authorizes an unlicensed individual who is employed by a registered pest control company and who has met specified training requirements and has applied for an applicator license in Branch 2 or Branch 3 to apply such pesticides under a provisional supervisory period, as defined, for up to 60 days.

EXISTING LAW:

1) Licenses and regulates structural pest control applicators, field representatives, operators, and structural pest control companies, and establishes the Structural Pest Control Board (SPCB) within the Department of Consumer Affairs (DCA) to administer and enforce the licensing program until January 1, 2028. (Business and Professions Code (BPC) §§ 8500-8697.4)

2) Defines, for purposes of licensure, "structural pest control" and "pest control," with respect to household pests and wood-destroying pests or organisms, or other pests that may invade households or other structures, including railroad cars, ships, docks, trucks, airplanes, or the contents thereof, the engaging in, offering to engage in, advertising for, soliciting, or the performance of, any of the following:

    a) Identification of infestations or infections. (BPC § 8505(a)(1))

    b) The making of an inspection or inspections for the purpose of identifying or attempting to identify infestations or infections of household or other structures by those pests or organisms. (BPC § 8505(a)(2))

    c) The making of inspection reports, recommendations, estimates, and bids, whether oral or written, with respect to those infestations or infections. (BPC § 8505(a)(3))

    d) The making of contracts, or the submitting of bids for, or the performance of any work including the making of structural repairs or replacements, or the use of pesticides, or mechanical devices for the purpose of eliminating, exterminating, controlling, or preventing infestations or infections of those pests, or organisms. (BPC § 8505(a)(4))

3) Defines a "structural pest control applicator" as any individual who is licensed by the SPCB to apply pesticides in Branch 2 or Branch 3 on behalf of a registered company. (BPC § 8507.1(a)(1))

4) Specifies that a structural pest control applicator shall not contract for pest control work, or perform pest control work in their own behalf. (BPC § 8507.1(a)(2))

5) Makes it unlawful for any person to advertise, to engage in, or offer to engage in the business or practice of structural pest control unless they possess a licensed issued by the SPCB. (BPC § 8550(a))

6) Authorizes an unlicensed person to solicit pest control work on behalf of a structural pest control company, so long as the company is registered with the SPCB and that person does not perform any licensed structural pest control activities. (BPC § 8550(b))

7) Authorizes an unlicensed person, for a 90-day, nonrenewable period from the date of employment with a registered company, to apply pesticides for purposes of training under the direct supervision of a licensed field representative or operator employed by the same company, and mandates that supervision means the unlicensed person is always in the presence of the licensee. (BPC § 8551.5)

8) Establishes the following three classifications for purposes of delimiting the type and character of structural pest control work authorized by licensure:

   a) "Branch 1 – Fumigation", defined as the practice relating to the control of household and wood-destroying pests or organisms by fumigation with poisonous or lethal gases.

   b) "Branch 2 – General pest", defined as the practice relating to the control of household pests, excluding fumigation with poisonous or lethal gases, and

   c) "Branch 3 – Termite", defined as the practice relating to the control of wood-destroying pests or organisms by the use of insecticides, or structural repairs and corrections, excluding fumigation with poisonous or lethal gases.

   (BPC § 8560(b))

9) Establishes that any individual 18 years of age or older may apply for licensure as a structural pest control applicator, subject to passage of a written examination that tests sufficient knowledge in pesticide equipment, pesticide mixing and formulation, pesticide application procedures and pesticide label directions for purposes of Branch 2 and Branch 3 services. (BPC § 8564.5)

THIS BILL:

1) Establishes a provisional, 60-day period whereby an unlicensed individual employed by a registered pest control company, and who has applied for a structural pest control applicator license in Branch 2 or Branch 3, to apply such pesticides under the supervision of a licensed operator or field representative subject to the following conditions:

   a) The unlicensed individual has submitted a complete structural pest control applicator license application to the SPCB, as evidenced by written or electronic confirmation of receipt;

   b) The unlicensed individual has completed a minimum of 80 hours of documented, in-person training under the direct supervision of a licensed operator or field representative;

   c) The unlicensed individual has submitted fingerprint identification to, and completed a background investigation with, the SPCB;

d) The unlicensed individual has submitted the applicable examination application to the SPCB; and

e) All direct supervision must comply with applicable direct supervision requirements of the Department of Pesticide Regulation.

2) Requires the supervising licensee to maintain documentation demonstrating proof of completion of training, and proof of application submission, by the unlicensed individual.

3) Mandates that the 60-day provisional period shall:

a) Only apply once per individual, per applicator license;

b) Commence upon satisfaction of the above conditions; and

c) Terminate upon issuance of a license, denial of an application, or expiration of the 60-day period, whichever occurs first.

4) Specifies that the 60-day provisional period shall not overlap with, or extend, the optional 90-day supervised training period authorized under current law.

5) Defines "direct supervision" for purposes of the bill as "the direction of actions … by a licensed operator or field representative who shall be physically present on location and immediately available to intervene."

6) Defines "supervision" for purposes of the bill as "either direct supervision or the direction of actions … by a licensed operator or field representative who is immediately available via audio and video communication with access to the customer's relevant information and the ability to intervene by directing onsite personnel."

7) Makes various legislative findings and declarations.

8) Delays implementation until January 1, 2028.

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *California Pest Management Association*. According to the author:

> AB 2477 provides targeted, practical relief for California's small pest control businesses while maintaining strong consumer and safety protections. The bill addresses a gap between hiring and licensure, during which new employees—despite completing training and initiating the licensing process—are unable to fully contribute to routine operations. By establishing a narrow, one-time provisional supervision period of up to 60 days, AB 2477 allows qualified applicants who have completed at least 80 hours of supervised training, submitted to background checks, and applied for licensure to perform work under enhanced supervision, including real-time audio and video oversight. This measured approach preserves regulatory integrity while reducing unnecessary workforce bottlenecks, lowering

operational costs, and supporting the viability of small, often family-run pest control businesses across the state.

Background. Structural pest control is the practice of inspecting, identifying, and eradicating pests like insects, rodents, termites, and other creatures that infest human dwellings or other structural premises. Pest control professionals use a variety of methods to identify and eliminate pests, such as structural modifications, baits, traps, and in many cases, chemical pesticides. Often, pest control professionals will also work with clients to sanitize and maintain dwellings to protect from future infestation, or provide consultation regarding lifestyle changes that can prevent further pests. Structural pest control is distinct from other types of regulated pest control, such as agricultural pest control (which is largely regulated by the Department of Pesticide Regulation), or vector pest control (which is regulated by the State Water Resources Control Board).

Structural Pest Control Board. The regulation of structural pest control in California dates back to the establishment of the Structural Pest Control Act under AB 2382 (Chapter 823, Statutes of 1935). Under this act, the profession of pest control was originally administered by the California Pest Control Association and set minimum standards for the industry including mandating practitioners' experience and continuing education requirements. In 1941, the Act was codified and Structural Pest Control Board (SPCB) was formed and then began the oversight of the profession. In 2009, the SPCB was transferred from the DCA to the Department of Pesticide Regulation, and then back again to the DCA, under former Governor Brown's 2011-2012 Reorganization Plan No. 2 and AB 1317 (Frazier, Chapter 352, Statues of 2013).

The SPCB divides different types of structural pest control work into three distinct practice areas, or "branches." "Branch 1 - Fumigation", the most stringent branch, encompasses the practice of controlling household or wood-destroying pests through the use of fumigation with poisonous or lethal gases. "Branch 2 – General Pests" encompasses the other practices relating to the control of household pests, excluding fumigation. Finally, "Branch 3 – Wood Destroying Organisms" encompasses the practices related to the control of wood-destroying pests, like termites, through the use of insecticides or structural repairs.

There are three distinct license types issued by the SPCB, separated according to ability to perform work pursuant to the different branches. While each license must be issued according to the specific branch that the applicant has demonstrated qualifications for, the SPCB may issue a license for a combination of two or more branches so long as the applicant demonstrates competency in each branch. SPCB licenses are categorized as follows:

- *Applicator* - An entry-level license category issued for Branch 2 and 3 only. An Applicator is an individual licensed by the SPCB to apply a pesticide, or any other medium to eliminate, exterminate, control, or prevent infestations or infections. Applicators cannot inject lethal gases used in fumigation.

- *Field Representative* - A full journey-level license issued in all three branches. A Field Representative secures work, makes identifications, makes inspections, submits bids, and contracts for work on behalf of a registered company.

- *Operator* - The highest level of licensure issued in all three branches. Depending on the license category, an Operator must have at least two years, or as many as four years, qualifying experience. Only a licensed Operator may qualify a company for registration

by assuming responsibility for the company and its employees as the company Qualifying Manager.

Applicator License Process. To become a licensed applicator, individuals must pass an examination that demonstrates sufficient knowledge in pesticide equipment, pesticide mixing and formulation, pesticide application procedures and pesticide label directions. The SPCB contracts with PSI Exams, a subsidiary of Professional Services, Inc., to administer the licensure examination. Prospective applicator licensees must apply for examination, pay a $60 application fee, and schedule and take the applicator examination directly with PSI Exams within six months of submitting their application to the SPCB.

Once passed, individuals then must complete a live scan fingerprinting and background check, and upload a copy of the completed live scan, alongside a license application and a $35 license fee. In order to apply for licensure, applicants must list the name, address, and telephone number of the company the applicant will be employed by. Applicators can begin working unsupervised as soon as their license number is issued, while physical licenses typically arrive in 2 to 4 weeks.

Regulated Pesticide Supervision. Unlike the other two branches of pest control licensure, applicators are not mandated to complete specific on-the-job training prior to applying for licensure. However, current law does allow an unlicensed individual that is under the direct employ of a registered pest control company to apply pesticides under the direct supervision of a licensed field representative or operator for up to 90 days from the start date of their employment. While many employers and prospective applicators take advantage of this 90-day period for purposes of training, it is not a requirement.

Pertaining to agricultural pest control, the Department of Pesticide Regulation (DPR) regulates "pest control businesses", which are businesses that primarily deal in directly providing agricultural pest control or consult other agricultural businesses on pest control methods, and "pest control dealers", who sell pesticides for agricultural use. Further, each pest control business must maintain at least one "qualified applicator" licensee that demonstrates competency in the applications and use of pesticides, and the laws and regulations concerning pesticides in California. Only qualified applicators can provide supervision (where supervision is required in regulation), and they are authorized to provide training to agricultural employees regarding pesticide handling.

Notably, though, not every individual that applies pesticides in an agricultural setting is required to be licensed, nor does law necessarily require that they be supervised. While DPR regulations require that a qualified applicator be physically present to supervise unlicensed applicators *specifically when directed by the pesticide label*[1], DPR otherwise only requires that employees assigned to handle pesticides are "adequately trained in general pesticide safety and correct pesticide handling procedures before they are allowed to handle pesticides."[2]

Examination Bottlenecks. The author and sponsors of this bill, the California Pest Control Management Association, contend that the largest bottleneck in recruiting and retaining entry-level applicators in the structural pest control field is due to exam availability and administrative

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[1] 3 CCR Div. 6 § 6406(c)
[2] Department of Pesticide Regulation. "Pesticide Safety Training for Employees Handling Pesticides – Employer Responsibilities." September 2018.

timelines in processing licenses. In communication with the Committee, SPCB staff corroborate that, while processing timelines once examinations are passed are generally quick, applicants are indeed waiting long stretches of time to actually book an exam with the vendor, PSI Exams. In the most egregious cases, individuals who receive an approved exam application from the SPCB risk falling outside of the required six-month window to schedule an exam.

As such, the author has put forward this measure to provide a one-time, 60-day provisional period by which a prospective applicator licensee may provide Branch 2 and Branch 3 pest control services under the indirect supervision of a licensed field representative or operator. In order to do so, the unlicensed individual must submit a completed examination application to the SPCB, alongside the fingerprinting and background check that is required of the license application, as well as complete a minimum of 80 hours of documented, in-person training under the direct, on-site supervision of a licensed field representative or operator. The supervising licensee would still need to be immediately available via audio and video communication and have the ability to direct on-site personal, and would be required to maintain proof of completion of the required training. Finally, the bill specifies that the 60-day provisional period shall not overlap or extend the optional 90-day, directly supervised training period under current law.

Prior Related Legislation. AB 307 (Chen), Chapter 82, Statutes of 2023, extended the sunset date for the Structural Fumigation Enforcement Program under the Department of Pesticide Regulation to January 1, 2029.

SB 813 (Roth), Chapter 507, Statutes of 2023, extended the sunset date for the Structural Pest Control Board to January 1, 2028, and enacted various changes based on the SPCB's sunset review process.

AB 1480 (Quirk), Chapter 152, Statutes of 2017, authorized the Director of the DPR to levy a civil penalty against a person who commits fraudulent activity related to the pesticide applicator licensing process.

ARGUMENTS IN SUPPORT:

This bill is sponsored by the *California Pest Management Association*, who write: "[AB 2477] benefits both pest control businesses and the workforce they rely on. It supports continuity of service and operational efficiency for companies, while allowing employees to remain engaged, build experience, and earn income during the licensing process. In doing so, it helps strengthen workforce development and supports access to stable, good-paying jobs within the industry."

POLICY ISSUE(S) FOR CONSIDERATION:

Consumer awareness. The provisional license period established by this bill will allow an unlicensed, albeit trained and live scanned, individual to perform Branch 2 and Branch 3 pest control services without the direct oversight of an SPCB licensee. While the mandated training, background check requirements, and limited duration of this provisional period satisfy Committee staff's concerns related to consumer protection, a provisional licensee under this bill would not be discernable by the public from fully licensed applicator.

Other licensed professions under the DCA have similar "provisional" or "trainee" subcategories of licensure with distinct, separate public titles. For example, prospective professional engineering licensees can apply for a specific "engineer-in-training" certification under the

Board of Professional Engineers, Land Surveyors, and Geologists. Similar to the intent of this bill, this "in training" designation means the individual has satisfied background check requirements, received specific training, and is on track toward completing the required professional examinations. "Engineers-in-training" have many of the same freedoms and supervisorial requirements respective to their profession as provisional applicators would under this bill.

As such, the author and sponsors may wish to specify a title or specific designation for this prospective license category as the bill moves through the process.

IMPLEMENTATION ISSUES:

Supervision requirements. As written, the bill currently defines "direct supervision" and "supervision" as separate degrees of supervision for purposes of the training and provisional licensure provisions, respectfully. However, paragraph (b)(5) of the bill further requires that "all direct supervision complies with applicable direct supervision requirements of the Department of Pesticide Regulation". This additional reference to DPR requirements is confusing, as the DPR's standards for "direct" supervision deviate from the definition established under this bill, as well as the author's intent. Additionally, the SPCB has no authority to regulate requirements set forth by the DPR (and vice versa), so the enforceability of this provision is impractical. As such, the author should strike paragraph (b)(5) from the language.

Application terminology. As drafted, the bill requires a prospective applicator licensee who wants to take advantage of the 60-day provisional period to submit both a complete structural pest control applicator license (paragraph (b)(1)) and to submit an examination application (paragraph (b)(4)) to the SPCB prior to commencement. However, this is practically impossible: a completed structural pest control applicator license *cannot* be submitted without first passing the examination, which is the specific bottleneck this bill seeks to remedy. As such, this bill should strike references to the license application and clarify that only the examination application must be submitted to the SPCB in order to commence the provisional period.

AMENDMENTS:

In order to address implementation concerns raised in the analysis, and in response to technical feedback sent to the Committee from SPCB staff, amend the bill as follows:

On page 2, after line 26:

> (2) "Supervision" means either direct supervision or the direction of actions authorized by this section by a licensed operator or field representative who is immediately available *to the unlicensed individual during pesticide application, either by being physically present at the site or through* ~~via~~ audio and video communication with access to the customer's relevant information and the ability to intervene by directing onsite personnel.

(b) Notwithstanding any other law, an unlicensed individual employed by a registered company who has applied for a structural pest control applicator *examination* ~~license~~ in Branch 2 or Branch 3 may apply pesticides included in Branch 2 or Branch 3 under the supervision of a licensed operator or field representative *for a* ~~during a provisional supervision~~ period of up to 60 days, *commencing upon Live Scan approval pursuant to paragraph (3),* if all of the following conditions are met:

(1) The unlicensed individual has submitted a complete structural pest control applicator *examination* ~~license~~ application to the board, as evidenced by written or electronic confirmation of receipt.

(2) The unlicensed individual has completed a minimum of 80 hours of documented, in-person training *in pesticide application* under the direct supervision of a licensed operator or field representative.

(3) The unlicensed individual has submitted fingerprint identification to, and completed a background investigation with, the board.

~~(4) The unlicensed individual has submitted the applicable examination application to the board.~~

~~(5) All direct supervision complies with applicable direct supervision requirements of the Department of Pesticide Regulation.~~

(c) The supervising licensee shall maintain documentation demonstrating *compliance with* ~~completion of the training required by paragraph (2) of~~ subdivision (b)*, including* ~~and~~ proof of *completion of the required training,* applicator *examination* ~~license~~ application submission*, and fingerprint identification to, and completed background investigation with, the board.*

(d) The *authorization period provided by this section* ~~provisional supervision period authorized by this section~~ shall:

(1) Be granted ~~apply~~ only once per individual, ~~per applicator license application,~~ ~~shall~~

(2) C~~c~~ommence upon *Live Scan approval pursuant to* ~~confirmation of the satisfaction of the conditions described in paragraphs (1) to (4), inclusive, of~~ subdivision (b),

(3) Not be renewed or granted again, including after failure of the examination, submission of a subsequent application, or change in employment.

~~and shall~~ *(4)* terminate upon license issuance, application denial, or expiration of the 60-day period, whichever occurs first.

(e) The *authorization period provided by this section* ~~provisional supervision period authorized by this section~~ shall not overlap with or extend any training or supervision ~~period~~ authorized under Section 8551.5. *An unlicensed individual may begin operating under subdivision (b) prior to completing the 90-day period described in Section 8551.5. However, upon commencement of the authorization under subdivision (b), the unlicensed individual shall no longer be eligible to pursuant to Section 8551.5, and any remaining time under Section 8551.5 is forfeited and shall not be reinstated.*

REGISTERED SUPPORT:

California Pest Management Association (*Sponsor*)

REGISTERED OPPOSITION:

None on file

Analysis Prepared by: Edward Franco / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 2506 (Hart) – As Amended March 2, 2026

SUBJECT: Cannabis licensure: tribal government licensure.

SUMMARY: Authorizes commercial cannabis activity between licensees of the Department of Cannabis Control (DCC) and licensees of an Indian tribe if the DCC certifies that the tribal government imposes requirements on its licensees that meet or exceed the state's requirements.

EXISTING LAW:

1) Enacts the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) to provide for a comprehensive regulatory framework for the cultivation, distribution, transport, storage, manufacturing, processing, and sale of medicinal and adult-use cannabis. (Business and Professions Code (BPC) §§ 26000 *et seq.*)

2) Establishes the DCC within the Business, Consumer Services, and Housing Agency (previously established as the Bureau of Cannabis Control, the Bureau of Marijuana Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Marijuana Regulation), for purposes of administering and enforcing MAUCRSA. (BPC § 26010)

3) Establishes grounds for disciplinary action against cannabis licensees, including failures to comply with state requirements as well as local laws and ordinances. (BPC § 26030)

4) Authorizes the DCC to issue a citation to a licensee or unlicensed person for violating any provision of MAUCRSA. (BPC § 26031.5)

5) Prohibits a person or entity from engaging in commercial cannabis activity without a state license issued by the DCC. (BPC § 26037.5)

6) Authorizes the Attorney General or a city or county counsel or city prosecutor to bring an action against persons engaged in unlicensed commercial cannabis activity for civil penalties. (BPC § 26038)

7) Authorizes a cannabis licensee to bring an action in superior court against a person engaging in commercial cannabis activity without a license. (BPC § 26038.1)

8) Establishes a process for the voluntary recall and remediation or destruction of cannabis products that the DCC identifies as adulterated or misbranded. (BPC §§ 26039.1 – 26039.6)

9) Authorizes a peace officer, including a peace officer within the DCC, to seize cannabis, industrial hemp, and cannabis products in specified circumstances, including when industrial hemp is in violation of an applicable tribal plan. (BPC § 26039.4)

10) Provides the DCC with authority for issuing various types of commercial cannabis licenses including subtypes for cultivation, manufacturing, testing, retail, distribution, and microbusiness. (BPC § 26050)

11) Requires the DCC to establish a track and trace program for reporting the movement of cannabis and cannabis products throughout the distribution chain that utilizes a unique identifier and is capable of capturing and providing specified information. (BPC § 26067)

12) Prohibits cannabis or cannabis products from being sold unless a representative sample of has been tested by a licensed testing laboratory. (BPC § 26100)

13) Subjects cannabis and cannabis product batches to quality assurance standards and testing. (BPC § 26110)

14) Prohibits cannabis and cannabis product packages and labels from being made to be attractive to children. (BPC § 26120)

15) Requires the DCC to set packaging and labeling standards for manufactured cannabis products, including a requirement that products not be designed to be appealing to children or easily confused with commercially sold candy or other non-cannabis foods. (BPC § 26130)

16) Prohibits a cannabis licensee from doing any of the following:

    a) Advertising or marketing in a manner that is false or untrue in any, or that, irrespective of falsity, directly, or by ambiguity, omission, or inference, or by the addition of irrelevant, scientific, or technical matter, tends to create a misleading impression.

    b) Publishing or disseminating advertising or marketing containing any statement concerning a brand or product that is inconsistent with any statement on its labeling.

    c) Publishing or disseminating advertising or marketing containing any statement, design, device, or representation which tends to create the impression that the cannabis originated in a particular place or region, unless the label of the advertised product bears an appellation of origin, and such appellation of origin appears in the advertisement.

    d) Advertising or marketing on a billboard or similar advertising device located on an Interstate Highway or on a State Highway which crosses the California border.

    e) Advertising or marketing cannabis or cannabis products in a manner intended to encourage persons under 21 years of age to consume cannabis or cannabis products.

    f) Publishing or disseminating advertising or marketing that is attractive to children.

    g) Advertising or marketing cannabis or cannabis products on an advertising sign within 1,000 feet of a day care center, school providing instruction in kindergarten or any grades 1 to 12, inclusive, playground, or youth center.

    h) Publishing or disseminating advertising or marketing while the licensee's license is suspended.

    (BPC § 26152)

17) Prohibits a cannabis licensee from publishing or disseminating advertising or marketing containing any health-related statement that is untrue or tends to create a misleading impression as to the effects on health of cannabis consumption. (BPC § 26154)

18) Specifies that MAUCRSA does not supersede or limit the authority of a local jurisdiction to adopt and enforce local ordinances regulating cannabis licensees. (BPC § 26200)

19) Authorizes the Governor to enter into an agreement with another state to allow for medicinal or adult-use commercial cannabis activity between entities licensed under the laws of a contracting state (foreign licensees) and entities licensed by the DCC (state licensees), if specified criteria are met. (BPC § 26301)

20) Prohibits foreign licensees from engaging in commercial cannabis activity within the boundaries of California without a state license and subjects a foreign licensee to the jurisdiction of California for the purpose of actions taken for violation of California commercial cannabis laws and regulations. (BPC § 26302)

21) Requires an interstate cannabis agreement to require that the contracting state impose requirements on foreign licensees with regard to cannabis and cannabis products to be sold or otherwise transferred or distributed within this state that meet or exceed the requirements applicable to state licensees, including all of the following:

    a) Enforceable public health and safety standards that are equivalent to the requirements of MAUCRSA.

    b) Mandatory participation in a system administered by the state to regulate and track the cultivation, manufacturing, distribution, transportation, sale, and destruction of cannabis and cannabis products from seed to sale.

    c) Standards for the testing of cannabis or cannabis products that meet or exceed the standards applicable to testing laboratories licensed under MAUCRSA.

    d) Requirements for the packaging and labeling of cannabis and cannabis products that meet or exceed the packaging and labeling requirements established under MAUCRSA.

    e) Requirements for quality assurance and inspection of cannabis or cannabis products that meet or exceed the requirements applicable to cannabis or cannabis products cultivated, manufactured, or sold by state licensees.

    f) Restrictions on marketing, labeling, and advertising within this state by foreign licensees that meet or exceed the restrictions on state licensees established under MAUCRSA.

    g) A process for the identification of adulterated or misbranded cannabis products, and the destruction of those products, using standards that meet or exceed the standards and procedures established under MAUCRSA.

    (BPC § 26303)

22) Requires an interstate cannabis agreement to require the DCC and the appropriate regulatory authorities of the contracting state to address public health and welfare emergencies concerning cannabis or cannabis products that are sold or intended for sale within California, including for the prompt recall or embargo of adulterated or misbranded cannabis or cannabis products. (BPC § 26304)

23) Requires an interstate cannabis agreement to include provisions determined by the Governor to promote the inclusion and support of individuals and communities in the cannabis industry who are linked to populations or neighborhoods that were negatively or disproportionately impacted by cannabis criminalization. (BPC § 26305)

24) Requires an interstate cannabis agreement to provide for collection of all applicable taxes. (BPC § 26306)

25) Exempts the Governor from the rulemaking procedures and requirements of the Administrative Procedure Act when entering into interstate cannabis agreements or amendments to agreements, provided that the Governor submit the proposed interstate cannabis agreement or amendment to the Joint Legislative Budget Committee for review and comment and post the proposed interstate cannabis agreement or amendment on the DCC's website for public comment for 30 days. (BPC § 26307)

26) Provides that an interstate cannabis agreement shall not take effect unless one of the following occurs:

    a) Federal law is amended to allow for the interstate transfer of cannabis or cannabis products between authorized commercial cannabis businesses.

    b) Federal law is enacted that specifically prohibits the expenditure of federal funds to prevent the interstate transfer of cannabis or cannabis products between authorized commercial cannabis businesses.

    c) The United States Department of Justice issues an opinion or memorandum allowing or tolerating the interstate transfer of cannabis or cannabis products between authorized commercial cannabis businesses.

    d) The Attorney General issues a written opinion that state law authorization under an interstate cannabis agreement will not result in significant legal risk to the State of California under the federal Controlled Substances Act, based on review of applicable law, including federal judicial decisions and administrative actions.

    (BPC § 26308)

27) Provides California with criminal jurisdiction and civil adjudicatory jurisdiction over tribal lands within its borders, but not civil regulatory jurisdiction. (Public Law 83-280)

THIS BILL:

1) Defines "tribal licensee" as an entity that has been licensed by a federally recognized Indian tribe located within California.

2) Authorizes a state licensee to engage in commercial cannabis activity with a tribal licensee if the DCC certifies that the relevant tribal government imposes requirements on the tribal licensee with regard to cannabis and cannabis products to be sold or otherwise transferred or distributed within California that meet or exceed the requirements applicable to state licensees, including all of the following:

a) Enforceable public health and safety standards that are equivalent to the requirements of MAUCRSA.

b) Mandatory participation in a system administered by the state to regulate and track the cultivation, manufacturing, distribution, transportation, sale, and destruction of cannabis and cannabis products from seed to sale.

c) Standards for the testing of cannabis or cannabis products that meet or exceed the standards applicable to testing laboratories licensed under MAUCRSA.

d) Requirements for the packaging and labeling of cannabis and cannabis products that meet or exceed the packaging and labeling requirements established under MAUCRSA.

e) Requirements for quality assurance and inspection of cannabis or cannabis products that meet or exceed the requirements applicable to cannabis or cannabis products cultivated, manufactured, or sold by state licensees.

f) Restrictions on marketing, labeling, and advertising within this state by foreign licensees that meet or exceed the restrictions on state licensees established under MAUCRSA.

g) A process for the identification of adulterated or misbranded cannabis products, and the destruction of those products, using standards that meet or exceed the standards and procedures established under MAUCRSA.

3) Finds and declares that the provisions of the bill further the purposes and intent of the Control, Regulate and Tax Adult Use of Marijuana Act (Proposition 64).

FISCAL EFFECT: Unknown; this bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by *Twenty-Nine Palms Band of Mission Indians*. According to the author:

> AB 2506 supports tribal sovereignty in California while combating illegal cannabis. This bill builds off existing legislation and similar laws in Oregon and Washington, among others, to give the State the ability to certify that tribal entities can sell cannabis to state licensed retailers. This mirrors the existing structure that allows out-of-state growers to sell into California, requiring the exact same or stronger protections to safeguard consumers. This integration of tribal markets respects their sovereignty while broadening the availability and lowering the price of regulated and safe cannabis products.

Background.

Brief History of Cannabis Regulation in California. Consumption of cannabis was first made lawful in California in 1996 when voters approved Proposition 215, the Compassionate Use Act. Proposition 215 protected qualified patients and caregivers from prosecution relating to the possession and cultivation of cannabis for medicinal purposes, if recommended by a physician. This regulatory scheme was further refined by SB 420 (Vasconcellos) in 2003, which established the state's Medical Marijuana Program.

After several years of lawful cannabis cultivation and consumption under state law, a lack of a uniform regulatory framework led to persistent problems. Cannabis's continued illegality under the federal Controlled Substances Act, which classifies cannabis as a Schedule I drug ineligible for prescription, generated periodic enforcement activities by the United States Department of Justice. Threat of action by the federal government created persistent apprehension within California's cannabis community.

After several prior attempts to improve the state's regulation of cannabis, the Legislature passed the Medical Marijuana Regulation and Safety Act—subsequently retitled the Medical Cannabis Regulation and Safety Act (MCRSA)—in 2015. MCRSA established, for the first time, a comprehensive statewide licensing and regulatory framework for the cultivation, manufacture, transportation, testing, distribution, and sale of medicinal cannabis. While entrusting state agencies to promulgate extensive regulations governing the implementation of the state's cannabis laws, MCRSA fully preserved local control. Under MCRSA, local governments may establish their own ordinances to regulate medicinal cannabis activity. Local jurisdictions could also choose to ban cannabis establishments altogether.

Not long after the Legislature enacted MCRSA, California voters passed Proposition 64, the Adult Use of Marijuana Act (AUMA). The passage of the AUMA legalized cannabis for non-medicinal adult use in a private home or licensed business; allowed adults 21 and over to possess and give away up to approximately one ounce of cannabis and up to eight grams of concentrate; and permitted the personal cultivation of up to six plants. The proponents of the AUMA sought to make use of much of the regulatory framework and authorities set out by MCRSA while making a few notable changes to the structure still being implemented.

In the spring of 2017, SB 94 (Committee on Budget and Fiscal Review) was passed to reconcile the distinct systems for the regulation, licensing, and enforcement of legal cannabis that had been established under the respective authorities of MCRSA and the AUMA. The single consolidated system established by the bill—known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)—created a unified series of cannabis laws. On January 16, 2019, the state's three cannabis licensing authorities—the Bureau of Cannabis Control, the California Department of Food and Agriculture, and the California Department of Public Health—officially announced that the Office of Administrative Law had approved final cannabis regulations promulgated by the three agencies respectively.

In early 2021, the Department of Finance released trailer bill language to create a new Department with centralized authority for cannabis licensing and enforcement activities. This new department was created through a consolidation of the three prior licensing authorities' cannabis programs. As of July 1, 2021, the Department has been the single entity responsible for administering and enforcing the majority of MAUCRSA. New regulations went into effect on January 1, 2023 to effectuate the organizational consolidation and make other changes to cannabis regulation.

Tribal Governments and Cannabis. A document issued by the United States Attorney General in 2013 known as the "Cole memorandum" indicated that the existence of a strong and effective state regulatory system, and a cannabis operation's compliance with such a system, could allay the threat of federal enforcement interests. Federal prosecutors were urged under the memo to review cannabis cases on a case-by-case basis and consider whether a cannabis operation was in compliance with a strong and effective state regulatory system prior to prosecution.

The Cole memorandum was followed by a "Policy Statement Regarding Marijuana Issues in Indian Country," referred to as the "Wilkinson memorandum." This memorandum essentially extended the Cole memorandum to tribal lands contained within the borders of states that possess strong and effective state regulatory systems for cannabis, and that effectively comply with that regulatory system. Both the Cole and Wilkinson memoranda were rescinded by Attorney General Jeff Sessions in January 2018.

In March 2022, a coalition of nine United States senators sent a letter to then-Attorney General Merrick Garland, urging the Department of Justice to respect tribal sovereignty and cease enforcement of the Controlled Substances Act on tribal lands where cannabis activities are legalized by the tribes. The letter emphasized that tribal governments should have the right to determine their own cannabis policies without federal interference. In October 2025, Attorney General Pam Bondi testified in a Senate Judiciary Committee hearing that the federal Department of Justice would look into questions of whether tribal governments could legally transport cannabis products into state jurisdictions.

Neither the AUMA nor MAUCRSA included any language expressly authorizing recognized Indian tribes to engage in licensed cannabis activity within California. The DCC's regulations provide that a cannabis licensee "that may fall within the scope of sovereign immunity that may be asserted by a federally recognized Indian tribe or other sovereign entity must waive any sovereign immunity defense that the applicant or licensee may have." The DCC's prohibition on cannabis delivery to publicly owned lands also "applies to land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law."

It is generally accepted that members of a recognized Indian tribe may engage in cannabis activities on tribal land as long as this activity does not intermix with the market outside that tribal land and any involved individuals are exempted from the state's cannabis license requirements through a claim of sovereign immunity. However, this has led to frustration among tribes that wish to engage in the state's regulated industry without having to waive sovereign immunity, as required by the DCC's regulations. One obstacle to this policy goal is Public Law 280, which does not allow the state's licensing authorities to enter that tribal land to engage in civil regulatory enforcement, meaning a tribe's compliance with MAUCRSA could not be monitored and confirmed without a waiver of sovereign immunity.

Additionally, even to the extent that members of a tribe do not themselves intend to engage in regulated cannabis activities, they remain unable to lease any part of their land for cannabis cultivation to a California licensee. Tribal land is not technically within a local government capable of authorizing the activity locally under the state's scheme for dual-licensure. Meanwhile, tribal governments also see significant adverse impacts from the illicit cannabis market, including environmental damage and other criminal activity.

In mid-2018, the California Native American Cannabis Association (C-NACA), represented by former Lieutenant Governor Cruz Bustamante, advocated in support of AB 924 (Bonta), referred to as the Cannabis Regulatory Enforcement Act for Tribal Entities or the "CREATE Act." The bill proposed to authorize the Governor to enter into an agreement with a tribe that would authorize commercial cannabis and hemp activity between entities located and licensed in Indian country and state licensees. The bill provided that a tribe entering into an agreement would establish a cannabis regulatory program to enforce requirements comparable to MAUCRSA.

AB 924 received considerable pushback from Administration officials serving under Governor Jerry Brown, who opposed any proposal to authorize tribal licensees to engage in commercial cannabis activity within the jurisdiction of California without a limited waiver of sovereign immunity to allow the state's licensing authorities to conduct inspections and enforcement operations. On July 2, 2018, the bill was amended to primarily consist only of intent language, and on July 3, the Governor's office convened a meeting comprised of representatives of the Administration, the Legislature, C-NACA, and key cannabis stakeholders. This meeting resulted in the recognition of an irreconcilable ideological divergence between the Administration and tribal leaders regarding state regulatory oversight of cross-jurisdictional cannabis activity by tribal licensees. Following the demise of AB 924, C-NACA lobbied Governor Gavin Newsom for more favorable consideration of a similar proposal, but subsequently claimed to have been "ignored" by the newly elected governor.[1]

Several recent court decisions have further developed this policy landscape. In January 2026, a federal judge dismissed most of the claims brought by representatives of the Round Valley Indian Tribe against the California Highway Patrol and local law enforcement for conducting raids on cannabis cultivation operations on tribal land, ruling that "when the state has jurisdiction to enforce a criminal law on a reservation, inherent tribal sovereignty does not prevent state law enforcement from investigating and prosecuting those laws."[2] That same month, the Ninth Circuit Court of Appeals issued a ruling that held that the dormant commerce clause's protections for interstate commerce under the United States Constitution do not apply to commercial cannabis activities because of the illegal status of that activity under federal law.[3]

According to the Indigenous Cannabis Industry Association, approximately a quarter of all federally recognized Indian tribes are currently involved in some form of cannabis or hemp operation.[4] However, California continues to disallow cannabis commerce between the state's licensed cannabis market and tribal licensees without a limited waiver of sovereign immunity. This bill would authorize the DCC to certify that a tribal government imposes requirements on its licensees meet or exceed the requirements of MAUCRSA and would permit state licensees to engage in commercial cannabis activity with licensees of a certified tribe. However, the bill would not expressly allow California regulators to conduct investigation or enforcement operations against tribal licensees, invoking the same policy discussions that have long remained unresolved.

Current Related Legislation. AB 1496 (B. Rubio) would reestablish prior task force on state and local regulation of commercial cannabis activity and expands the membership of the task force to include representatives of tribal governmental entities. *This bill is pending in the Senate Committee on Business, Professions, and Economic Development.*

Prior Related Legislation. SB 1326 (Caballero), Chapter 396, Statutes of 2022 empowers the Governor to enter into agreements with other states that allow for interstate commerce between licensed cannabis businesses across state lines, subject to certain conditions.

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[1] Nieves, Alexander. "Tribes Frustrated at Being Locked out of California Cannabis Market." *Politico*, July 2019.
[2] *Round Valley Indian Tribes v. Kendall.* No. 1:25-cv-03736-RMI. United States District Court, Northern District of California, January 2026. Order granting in part and denying in part motions to dismiss.
[3] *Peridot Tree WA, Inc. v. Washington State Liquor and Cannabis Control Board.* 162 F.4th 1179. United States Court of Appeals for the Ninth Circuit, January 2026.
[4] Adams, Benjamin. "Map Shows One in Four Continental U.S. Tribes Work in Cannabis or Hemp." *Forbes*, May 2025.

AB 1710 (Wood), Chapter 123, Statutes of 2019 would have authorized the County of Del Norte to enter into an agreement with the Elk Valley Rancheria, a federally recognized Indian tribe, regarding local authorization for the tribe to engage in commercial cannabis activity, with an agreement that the tribe comply with state laws and regulations regarding cannabis. *This language was replaced with contents addressing an unrelated topic.*

AB 924 (Bonta) of 2018 would have required a tribe entering into a tribal cannabis regulatory agreement with the Governor, as ratified by the Legislature, to establish a tribal cannabis regulatory commission or agency pursuant to the tribe's established governmental process. *This bill was held on suspense in the Senate Committee on Appropriations.*

AB 1096 (Bonta) of 2017 would have authorized the Governor to enter into agreements concerning medical and recreational marijuana with a federally recognized sovereign Indian tribe. *This language was replaced with contents addressing an unrelated topic and the bill did not receive a hearing in the Assembly Committee on Governmental Organization.*

AB 2545 (Bonta) of 2016 would have authorized the Governor to enter into agreements concerning medical cannabis with federally recognized sovereign Indian tribes. *This bill was held on suspense in the Assembly Committee on Appropriations.*

SB 94 (Committee on Budget and Fiscal Review), Chapter 27, Statutes of 2017 combined the AUMA and MCRSA into MAUCRSA, a unified system for the regulation of cannabis.

ARGUMENTS IN SUPPORT:

Twentynine Palms Band of Mission Indians, the sponsor of this bill, writes: "AB 2506 seeks to utilize the existing statutory safeguards for cross-jurisdictional commercial cannabis activities to implement a commonsense policy that combats the illicit underground cannabis market by creating a pathway for California's Indian Tribes to partner with the State of California and the Department of Cannabis Control in order to enter into the State's cannabis market."

ARGUMENTS IN OPPOSITION:

The *California Cannabis Operators Association* (CaCOA) opposes this bill. CaCOA writes: "Licensed operators continue to face significant challenges, including an entrenched illicit market, high taxes, and substantial regulatory costs. At this juncture, introducing a fundamental shift in the state's commercial framework, without fully resolving questions of regulatory parity and enforcement, risks further destabilizing an already fragile market and may inadvertently disadvantage operators who remain fully subject to the state's existing requirements."

POLICY ISSUE(S) FOR CONSIDERATION:

Lack of State Enforcement Authority. As with prior proposals to allow for licensees of federally recognized Indian tribes to engage in commercial cannabis activity with licensees of the DCC, this bill would not authorize California regulators to engage in oversight or enforcement activities regarding tribal licensees. Existing regulations adopted by the DCC do allow for applicants operating within a tribal jurisdiction to obtain a state license; however, they must agree to a limited waiver of sovereign immunity as a condition of that license. Otherwise, it is understood that Public Law 280 would prohibit the DCC or any other state agency from engaging in enforcement against that licensee for any noncriminal misconduct.

This bill would require the DCC to certify that a tribal government imposes requirements on tribal licensees that meet or exceed the requirements of MAUCRSA. However, the DCC would not be authorized to conduct inspections to ensure compliance with those requirements, and would be fully relying on the certified tribe to administer and enforce those requirements. As long as California's cannabis market is intended to remain a closed-loop system, this lack of authority may be considered undesirable by the Legislature.

Threat of Federal Enforcement. Among the enumerated powers granted to the Congress by the United States Constitution is the power "to regulate Commerce … among the several States." Commonly referred to as the "Interstate Commerce Clause," this provision is understood to authorize the federal government to impose laws on the states regulating activities taking place across their boundaries. This includes the Controlled Substances Act; in 2005, the United States Supreme Court affirmed in *Gonzales v. Raich* that the cultivation of cannabis could be federally criminalized even though it took place lawfully in California under Proposition 215.

The authority of the federal government to nationally ban what may authorized at the state level is further established through the Constitution's Supremacy Clause. This provision provides that federal law "shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any thing in the Constitution or Laws of any State to the Contrary notwithstanding." Constitutionally speaking, the continued Schedule I status of cannabis under the Controlled Substances Act renders cultivation and sale of the plant illegal as a matter of federal law. While each memorandum has been clear that the federal government *could* enforce the Controlled Substances Act in states that have established legal schemes for cannabis commerce, there has generally been an understanding that these actions would not take priority. However, there remain certain policy areas within the domain of cannabis legalization that have been perceived as risking increased federal interest.

The Cole memorandum specifically enumerated certain enforcement priorities that states should take care to consider when legalizing cannabis. One of those priorities was "preventing the diversion of marijuana from states where it is legal under state law in some form to other states." The memoranda additionally suggested that "a robust system may affirmatively address those priorities by, for example, implementing effective measures to prevent diversion of marijuana outside of the regulated system and to other states." While Department of Justice policy expressly deprioritized enforcement against "strong and effective regulatory and enforcement systems" consisting only of intrastate cannabis commerce, the memoranda also made it clear that care should be taken to prevent cannabis from crossing state lines. The Wilkinson memorandum extended similar concepts to commerce between states and tribal entities.

When the Trump Administration rescinded the Cole and Wilkinson memoranda, the reasoning provided was to provide federal prosecutors *broader* authority to enforce the Controlled Substances Act in states that legalized cannabis. There was subsequently no new guidance from the Biden Administration regarding what factors the Department of Justice would consider prior to enforcement, nor has the current iteration of the Trump Department of Justice indicated its position on enforcing federal cannabis laws. However, given longstanding policy that the transport of cannabis beyond state boundaries is potential cause for antagonism with the federal government, reservations have been raised about whether it would be appropriate to authorize California cannabis licensees to engage in commercial activity with entities outside the state absent some form of federal reassurance.

In 2022, the Legislature enacted SB 1326 (Caballero), which authorized the Governor to enter into agreements with other states that allow for interstate commerce between licensed cannabis businesses across state lines. However, amendments to the bill taken in this committee provided that this authority would not take effect until federal action or guidance to allow for such commerce, or until the Attorney General issues a written opinion that such commerce would not result in significant legal risk to the state. The provisions of this bill authorizing cannabis activity between state licensees and tribal licensees would utilize some, but not all, of SB 1326's framework for cannabis activity between state licensees and licensees of other states.

If this bill does not provide for exemptions to Public Law 280 or a requirement for a limited waiver of sovereign immunity for tribal licensees engaged in cross-jurisdictional activity, then those participating tribes are functionally similar to those foreign states who currently quality for an interstate cannabis agreement under SB 1326. The Legislature may therefore wish to be consistent in the framework for any cannabis commerce extending beyond the boundaries of California, whether it be into another state or onto tribal land. The policy rationale behind requiring some form of federal action or assurance for the provisions of SB 1326 to go into effect would then additionally apply to the agreements contemplated by this bill. The author may therefore wish to restructure this bill to add tribal licensees to the existing provisions of law established for interstate commerce, rather than replicating only a portion of those laws for purposes of commerce with tribal licensees.

AMENDMENTS:

To restructure the bill to incorporate tribal licensees into existing law providing for interstate cannabis agreements, delete the current contents of the bill and amend Chapter 25 of Division 10 of the Business and Professions Code as follows:

26300. *As used in this chapter, the following definitions apply:*

(a) "Agreement" means an agreement relating to commercial cannabis authorized under this chapter and entered into between this state and another state or states.

(b) "Contracting state" means a state of the United States, including a district, commonwealth, territory, or possession subject to the legislative authority of the United States, with which the Governor has entered into an agreement pursuant to this chapter.

(c) "Foreign license" means a commercial cannabis license issued under the laws of another state or an Indian tribe that has entered into an agreement pursuant to this chapter.

(d) "Indian tribe" means a federally recognized Indian tribe in this state.

(e) "State license" means a commercial cannabis license issued by a licensing authority pursuant to this division.

26301. *(a) The Governor may enter into an agreement with another state or states, or an Indian tribe authorizing medicinal or adult-use commercial cannabis activity, or both, between entities licensed under the laws of the contracting state or tribal government and entities operating with a state license, provided that both of the following criteria are met:*

(1) The commercial cannabis activities are lawful and subject to licensure under the laws of the contracting state or tribal government.

(2) With respect to the interstate transportation of cannabis or cannabis products, the agreement prohibits both of the following:

(A) The transportation of cannabis and cannabis products by any means other than those authorized under both the laws of the contracting state or tribal government and the regulations of the department.

(B) The transportation of cannabis and cannabis products through the jurisdiction of a state, district, commonwealth, territory, or possession of the United States that does not authorize that transportation.

(b) Notwithstanding any other law, the execution of, and compliance with the terms of, an agreement does not constitute a project for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

26303. *(a) An agreement shall require that the contracting state or tribal government impose requirements on foreign licensees with regard to cannabis and cannabis products to be sold or otherwise transferred or distributed within this state that meet or exceed the requirements applicable to state licensees, including all of the following:*

(1) Enforceable public health and safety standards that are equivalent to the requirements of this division.

(2) Mandatory participation in a system administered by the state or tribal government to regulate and track the cultivation, manufacturing, distribution, transportation, sale, and destruction of cannabis and cannabis products from seed to sale.

(3) Standards for the testing of cannabis or cannabis products that meet or exceed the standards applicable to testing laboratories licensed under this division.

(4) Requirements for the packaging and labeling of cannabis and cannabis products that meet or exceed the packaging and labeling requirements established pursuant to Chapter 12 (commencing with Section 26120).

(5) Requirements for quality assurance and inspection of cannabis or cannabis products that meet or exceed the requirements applicable to cannabis or cannabis products cultivated, manufactured, or sold by state licensees.

(6) Restrictions on marketing, labeling, and advertising within this state by foreign licensees that meet or exceed the restrictions on state licensees established in Section 26063 and Chapter 15 (commencing with Section 26150).

(7) A process for the identification of adulterated or misbranded cannabis products, and the destruction of those products, using standards that meet or exceed the standards and procedures established pursuant to this division.

(b) An agreement shall require that the contracting state or tribal government impose restrictions upon advertising, marketing, labeling, or sale within the contracting state that meet or exceed the restrictions established in Section 26063.

***26304**. (a) An agreement shall include provisions requiring the department and the appropriate regulatory authorities of the contracting state or tribal government to address public health and welfare emergencies concerning cannabis or cannabis products that are sold or intended for sale within this state, including for the prompt recall or embargo of adulterated or misbranded cannabis or cannabis products.*

(b) An agreement shall include provisions requiring the appropriate regulatory authorities of each state or tribal government to investigate instances of alleged noncompliance with the commercial cannabis regulatory programs upon request by the other state or tribal government and in accordance with mutually agreed-upon procedures. An agreement shall include provisions requiring the contracting state or tribal government to reasonably cooperate with California investigations concerning foreign licensees, and requiring the department to reasonably cooperate with investigations by the contracting state or tribal government concerning persons or entities holding state licenses.

REGISTERED SUPPORT:

Twentynine Palms Band of Mission Indians *(Sponsor)*

REGISTERED OPPOSITION:

California Cannabis Operators Association

Analysis Prepared by: Robert Sumner / B. & P. / (916) 319-3301

Date of Hearing: April 7, 2026

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS
Marc Berman, Chair
AB 2633 (Gipson) – As Introduced February 20, 2026

SUBJECT: Secondhand dealers.

SUMMARY: Requires every entity acting as secondhand dealer to have a valid California secondhand dealer's license and to report to the California Pawn and SecondhandDealers System (CAPSS); expands the definition of "tangible personal property" to include secondhand jewelry, items, or objects; prohibits a local jurisdiction or any other state agency from issuing a license or permit to allow any entity to conduct business as a secondhand dealer without the entity having a state secondhand dealer license, authorizes a licensed secondhand dealer to bring an action in superior court against an unlicensed secondhand dealer, among other changes.

EXISTING LAW:

1) Defines "secondhand dealer" as any person, copartnership, firm, or corporation whose business includes buying, selling, trading, taking in pawn, accepting for sale on consignment, accepting for auctioning, or auctioning secondhand tangible personal property and specifies that a "secondhand dealer" does not include a "coin dealer" or participant at gun shows or events, as specified. (Business and Professions Code (BPC) § 21626(a))

2) Specifies that "secondhand dealer" does not include either of the following:

   a) Any person who performs the services of an auctioneer for a fee or salary.

   b) Any person whose business is limited to the reconditioning and selling of major household appliances, provided all specified conditions are met

   (BPC § 21626.5)

3) Defines "coin dealer" as any person, firm, partnership, or corporation whose principal business is the buying, selling, and trading of coins, monetized bullion, or commercial grade ingots of gold, or silver, or other precious metals. (BPC § 21626(b))

4) Defines "tangible personal property" as all secondhand tangible personal property that bears a serial number or personalized initials or inscription or that, at the time it is acquired by the secondhand dealer, bears evidence of having had a serial number or personalized initials or inscription. "Tangible personal property" also means the following:

   a) All tangible personal property, new or used, including motor vehicles, received in pledge as security for a loan by a pawnbroker.

   b) All tangible personal property that bears a serial number or personalized initials or inscription and that is purchased by a secondhand dealer or a pawnbroker or that, at the time of the purchase, bears evidence of having had a serial number or personalized initials or inscription.

c) All tangible personal property that the Attorney General (AG) statistically determines through the most recent Department of Justice (DOJ) crime data, updated pursuant to Section 13010 of the Penal Code, to constitute a significant class of stolen goods, as specified.

(BPC § 21627(a)-(b))

5) Specifies that "tangible personal property" does not include either of the following:

a) Any new goods or merchandise purchased from a bona fide manufacturer, distributor, or wholesaler of the new goods or merchandise by a secondhand dealer.

b) Coins, monetized bullion, or commercial grade ingots of gold, silver, or other precious metals.

(BPC § 21627(c)-(d))

6) Defines a "significant class of stolen goods" as those items determined through the DOJ's most recent OpenJustice Web portal update to constitute more than 10 percent of property reported stolen in the calendar year preceding the annual posting of the list of significant classes of stolen goods. (BPC § 21627(e))

7) Requires every secondhand dealer or coin dealer to report daily, or no later than the next business day excluding weekends and holidays after receipt or purchase of secondhand tangible personal property, to CAPSS, all secondhand tangible personal property, except for firearms, which they have purchased, taken in trade, taken in pawn, accepted for sale on consignment, or accepted for auctioning. (BPC § 21628(a))

8) Requires a coin dealer to report the information on a form developed by the AG that the coin dealer must transmit each day by facsimile transmission or by mail to the chief of police or sheriff. Specifies that a transaction shall consist of not more than one item. (BPC § 21628(d)(6))

9) Requires each secondhand dealer or coin dealer to record and maintain the identification of the intended seller or pledger for three years from the date the item was reported to CAPSS. Each secondhand dealer or coin dealer must also record and maintain a certification by the intended seller or pledger that the person is the owner of the property or has the authority of the owner to sell or pledge the property, and a legible fingerprint taken from the intended seller or pledger. If local law enforcement notifies the secondhand dealer or coin dealer that the item from the intended seller or pledger has been reported lost, stolen, or embezzled, the secondhand dealer or coin dealer must provide law enforcement with the information recorded immediately upon request or no later than the next business day. (BPC § 21628(e))

10) Requires a secondhand dealer or coin dealer to electronically transmit the report of acquisition of tangible personal property to CAPSS no later than the next business day after the date of the transaction, excluding weekends and holidays, or, if not then possible due to an electrical, telecommunications, or other malfunction, as soon as reasonable thereafter. (BPC § 21630)

11) Specifies that all tangible personal property that is found in the shop of a pawnbroker, secondhand dealer, or coin dealer, doing business under a California secondhand dealer's license, must be reported as specified, and shall be held for 30 days. If no claim is made for the property for a period of 60 days after it is reported, the pawnbroker, secondhand dealer, or coin dealer may treat the property as property regularly acquired in the due course of business. (BPC § 21631)

12) Requires the chief of police or the sheriff who receives a report on a form to submit the original to the DOJ daily. (BPC § 21634)

13) Requires every secondhand dealer and coin dealer to retain in their possession for a period of 30 days all firearms required to be reported. During the 30-day holding period, every secondhand dealer and coin dealer must produce any firearm reported for inspection by any peace officer or employee designated by the DOJ. (BPC § 21636(a)-(b))

14) Requires every secondhand dealer and coin dealer to retain in their possession for a period of seven days all tangible personal property reported as specified. During the seven-day holding period, every secondhand dealer and coin dealer must produce any tangible personal property reported for inspection by any peace officer or employee designated by the local licensing authority or the DOJ. (BPC § 21636.1(a)-(b))

15) Specifies that if five days have elapsed since the transmission of the report of acquisition, the remainder of the seven-day hold shall not apply to any tangible personal property sold by the secondhand dealer or coin dealer when the secondhand dealer or coin dealer has recorded the sale in its book of records and the record of sale includes specified information. The secondhand dealer or coin dealer must record the information provided by the buyer and does not have any duty to verify the accuracy of the information provided by the buyer. The information must be retained by the secondhand dealer or coin dealer for 21 days following the date of sale of the property by the secondhand dealer or coin dealer and must be available for inspection by a local law enforcement agency during this period. If a sale of property is made, and within 21 days of the sale, a local law enforcement agency notifies the secondhand dealer or coin dealer that the property has been reported stolen, the record of the sale and all information contained therein must be provided to that local law enforcement agency by the secondhand dealer or coin dealer upon written request by that agency. (BPC § 21636.1(d))

16) Prohibits a secondhand dealer or coin dealer from promising a seller of tangible property that the seller may repurchase property sold to the secondhand dealer or coin dealer. (BPC § 21636.5)

17) Specifies that nothing in the law shall be deemed to excuse compliance with the provisions of any city, county, or city and county ordinance or any other state law pertaining to or covering the reporting, holding, or releasing of tangible personal property, not inconsistent with the provisions of this article, except that no city, county, or city and county or any other state agency shall adopt the following:

    a) Holding, reporting, or identification requirements for transactions involving coins, monetized bullion, or commercial grade ingots of gold, silver, or other precious metals.

b) Identification, holding, or reporting requirements for the acquisition of tangible personal property, in the ordinary course of business, by pawnbrokers and secondhand dealers, other than as set forth in statute.

(BPC § 21637)

18) Specifies that the law does not prohibit enactment, amendment, or enforcement by any city, county, or city and county of any local ordinance relating to a secondhand dealer or coin dealer which is not inconsistent with current law, except that no city, county, or city and county, or any other state agency shall adopt the following:

a) Holding, reporting, or identification requirements for transactions involving coins, monetized bullion, or commercial grade ingots of gold, silver, or other precious metals.

b) Identification, holding, or reporting requirements for the acquisition of tangible personal property, in the ordinary course of business, by pawnbrokers and secondhand dealers, other than as set forth in statute.

(BPC § 21638)

19) Makes it unlawful for any person to engage in the business of a secondhand dealer without being licensed. (BPC § 21640)

20) Provides for the licensure of secondhand dealers and pawnbrokers by city chiefs of police, county sheriffs, or police commissions. (BPC § 21641 and Financial Code § 21300)

THIS BILL:

1) Repeals the definition of "coin dealer" and strikes references to coin dealers throughout Article 4 of the Business and Professions Code.

2) Requires every entity acting as a secondhand dealer to have a valid California secondhand dealer's license.

3) Requires every entity acting as a secondhand dealer to report to CAPSS.

4) Includes all secondhand jewelry, items, or objects in the definition of "tangible personal property."

5) Prohibits a city, county, or city and county or any other state agency from issuing a license or permit to allow any entity to conduct business as a secondhand dealer without the entity having a state secondhand dealer license.

6) Authorizes a licensed secondhand dealer to bring an action in superior court against a person for engaging in the business of a secondhand dealer without a license.

7) Specifies that to prevail in an action, a licensee must demonstrate actual harm resulting from a person engaging in the business of a secondhand dealer without a license.

8) Allows the court to enter an order enjoining the defendant from engaging in the business of a secondhand dealer without a license.

9) Specifies that a licensed secondhand dealer who prevails in an action is entitled to both of the following:

   a) At the election of the prevailing licensee, either actual damages caused by the unlicensed entity acting as a secondhand dealer or statutory damages up to $75,000,

   b) Reasonable attorney fees and costs.

10) Makes various technical and conforming changes.

FISCAL EFFECT: Unknown. This bill is keyed fiscal by the Legislative Counsel.

COMMENTS:

Purpose. This bill is sponsored by the *California Pawnbrokers Association*. According to the author:

> Over the past few years, there has been a dramatic increase in so-called "gold fairs" where unlicensed companies can buy and sell gold, silver and other jewelry items. [This bill] seeks to clarify that gold buyers who purchase gold from the public are "secondhand dealers" and therefore must have a "secondhand dealers" license, report to the State DOJ's "CA Pawn and Secondhand Dealer System" (CAPSS) and follow all secondhand dealer laws that are on the books. These requirements are in place to shut down attempts to sell or pawn stolen goods.

Background. Secondhand dealers buy, sell, trade, take in pawn, accept for sale on consignment, accept for auctioning, or auction secondhand tangible personal property. Regulation of secondhand dealers began in the early 1980s to curb the sale of stolen property and aid its recovery through a statewide secondhand dealer licensing and reporting program. Local law enforcement agencies are responsible for licensing secondhand dealers and pawnbrokers (a category of secondhand dealers authorized to receive goods in pledge as security for a loan) and enforcing state laws related to secondhand dealers. Following payment and a background check, the DOJ provides the local licensing agency with a license number.

Secondhand dealers are subject to numerous reporting and recordkeeping requirements and must hold secondhand tangible personal property for specified periods and comply with law enforcement requests related to stolen property. Current law subjects coin dealers—unlicensed businesses engaged in buying, selling, and trading coins, monetized bullion, or commercial-grade ingots of gold or silver, or other precious metals—to many of the same requirements as secondhand dealers when dealing with tangible personal property or firearms. However, it is unlawful for any person to engage in the business of a secondhand dealer (i.e., buy, sell, trade secondhand tangible personal property) without a secondhand dealer license. This bill would strike references to coin dealers in Article 4 of the Business and Professions Code.

"Tangible personal property" is defined in law as personal property that bears a serial number or personalized initials or inscription or which, at the time it is acquired by the secondhand dealer, bears evidence of having had a serial number or personalized initials or inscription, and explicitly excludes coins, monetized bullion, or commercial-grade ingots of gold or silver, or other precious metals. However, "tangible personal property" also includes those items determined through the DOJ's annual *Crime in California* report to constitute more than 10

percent of property reported stolen in the calendar year preceding the annual posting. Coins, watches, bracelets, rings, necklaces, and metals that have high intrinsic value, such as gold, silver, and platinum, are among the items that represent a significant class of stolen goods. This bill attempts to resolve confusion about whether gold is a "tangible personal property" by expanding the definition to explicitly include "all secondhand jewelry, items, or objects."

According to the proponents of this bill, there has been an influx of temporary gold-buying events hosted by unlicensed, out-of-state vendors that facilitate the sale of stolen gold and jewelry. Collectively, the changes proposed by this bill are intended to ensure that individuals and businesses purchasing gold from the public are secondhand dealers subject to all applicable licensing, reporting, and holding requirements. In addition to striking references to "coin dealers" and expanding the definition of "tangible personal property," this bill clarifies that only a licensed secondhand dealer may buy, sell, trade, take in pawn, accept for sale on consignment, accept for auction, or auction secondhand tangible personal property. Additionally, this bill requires any entity acting as a secondhand dealer to report to CAPSS. This bill also prohibits a local jurisdiction or any other state agency from issuing a license or permit that allows any entity to conduct business as a secondhand dealer without a state secondhand dealer license. Lastly, this bill authorizes a licensed secondhand dealer to sue an unlicensed secondhand dealer.

Prior Related Legislation. AB 1993 (Gipson), Chapter 184, Statutes of 2018, required secondhand dealers and coin dealers to retain in their possession for a period of seven days personal property required to be reported, as specified, and to make that personal property available for inspection by law enforcement.

AB 2236 (Santiago and Bonta) of 2016 would have excluded secondhand tangible personal property that is valued at $950 or less from the definition of "tangible personal property." *AB 2236 died pending a hearing in this committee.*

AB 1182 (Santiago), Chapter 749, Statutes of 2015, narrowed the definition of "tangible personal property" to only those items listed in statute at that time, clarified that "tangible personal property" includes tangible personal property that the AG determines through the most recent DOJ "Crime in California" report to constitute a significant class of stolen goods; required the DOJ to update this list annually beginning January 1, 2016; defined "significant class of stolen goods;" and clarified that a secondhand dealer must verify the identification of the seller or pledger for each transaction, not for each item that must be reported.

AB 391 (Pan), Chapter 172, Statutes of 2012, established the process and fee schedule to implement a single, statewide, uniform electronic reporting system for pawnbrokers and secondhand dealers, as specified, administered by the DOJ.

AB 1178 (Yee) of 2005 would have, in part, expanded the definition of "secondhand dealer" to include auctioneers that take possession of the tangible personal property and coin dealers that trade in tangible personal property; revised the definition of tangible personal property to include and exclude specified items, made it a misdemeanor to advertise as secondhand dealer or pawnbroker without holding a valid license. *AB 1178 died pending a vote on the Assembly Floor.*

SB 1893 (Burton) of 2004, as it relates to this bill, would have extended existing licensure requirements for secondhand dealers and pawnbrokers to coin dealers and business machine dealers. *SB 1893 failed passage in this committee.*

ARGUMENTS IN SUPPORT:

As the sponsor of this bill, the *California Pawnbrokers Association* writes:

> Over the past few years, there has been a dramatic increase in so-called "gold faires" where unlicensed companies can buy and sell gold, silver and other jewelry items. [This bill] seeks to clarify that gold buyers who purchase gold from the public are "secondhand dealers" and therefore must have a "secondhand dealers" license, report to the State DOJ's "CA Pawn and Secondhand Dealer System" (CAPSS), and follow all secondhand dealer laws that are on the books. These requirements are in place to shut down attempts to sell or pawn stolen goods…there is ambiguity with regard to GOLD being defined as "secondhand tangible personal property." Instead of being spelled out in statute under the definition of "tangible personal property," GOLD is included because it is listed among the Attorney General's list of "significant classes of stolen goods." This list includes, among other items, coins, jewelry, precious metals (gold), handbags, furs, and cell phones. This ambiguity has led to great confusion among gold dealers and local officials charged with enforcement. [This bill] clarifies existing statute to make it clear to event centers and hotels who host gold buying events, local government entities who issue permits to hold them, and local law enforcement agencies who police them, that all gold dealers ARE second-hand dealers and must follow the laws intended to protect the public and help law enforcement trace and recover stolen property. This bill will close the loophole and close an avenue for the purchase and sale of stolen gold jewelry.

ARGUMENTS IN OPPOSITION:

In opposition, one individual writes:

> The specific concern herein is the definition of what constitutes a secondhand dealer. The proposed legislation to amend is silent towards a definite and positive law definition of the terms "secondhand dealer" and "business" through legislative means, to be **conjunctive and comprehensible and no longer disjunctive and ambiguous**. (Emphasis added.) *See, e.g., Richard Hopp v. City of Los Angeles* (2010) 183 Cal. App. 4th 713; *Richard Hopp v. City of Los Angeles* (Super. Ct. LA County Nov. 13, 2008, BC401887) Stipulation for Entry of Judgment and Judgment, Jan. 18, 2012.).
>
> The proposed amendment of Bus. & Prof. Code, § 21640, is disordered and confusing. The controlling law is established under Bus. & Prof. Code, §§ 21645, 21646, and 17200 (the Unfair Competition Law). Creating a limited and special class (carve out) of "Plaintiff" licensee under § 21626, that excludes and prohibits the general public and stakeholders is punitive. The section in its entirety is unconscionable, as it is oppressive and one-sided due to unequal bargaining power. Furthermore, it lacks a provision for reasonable attorney's fees and costs *for any prevailing party* and due process; unfairly limiting such recovery to the licensee exclusively rather than extending it to members of the public.
>
> It appears that the Author's factsheet regarding gold buyers has not been accurately reflected or fully incorporated into the current version of this bill. The proposed amendment language remains overly broad, applying to all individuals and entities rather

than the intended specific scope. As currently drafted, the language lacks plain meaning, too vague, and ambiguous. O'well.

IMPLEMENTATION ISSUES:

Definition of "coin dealer." This bill repeals the definition of "coin dealer," a term that continues to be used in Penal Code § 484.1 and BPC § 21608.5. The author may wish to consider whether those provisions necessitate a definition of "coin dealer" in statute.

Continuity. This bill strikes every mention of "coin dealer" in Article 4 of the Business and Professions Code but one. The author may wish to delete the remaining reference to "coin dealer" in BPC § 21631 for continuity.

Ambiguity. This bill expands the definition of "tangible personal property" to include "all secondhand jewelry, items, or objects." It is unclear what constitutes "jewelry," "items," or "objects." The author may wish to add more specificity to avoid ambiguity.

REGISTERED SUPPORT:

California Pawnbrokers Association (Sponsor)

REGISTERED OPPOSITION:

One individual

Analysis Prepared by: Kaitlin Curry / B. & P. / (916) 319-3301