CONSIDERATION AND POSSIBLE ADOPTION OF PROPOSED REGULATORY LANGUAGE TO AMEND TITLE 16, DIVISION 39, CCR SECTION 4130, FEES.

The following are attached for review:

- Notice, Proposed Text, Initial Statement of Reasons (ISR),
- Notice of Modified Text and Modified Text,
- Notice of Addendum to ISR and Documents Added to the Rulemaking File, and
- Six (6) public comments.

(Public comments received through noon on August 8th. Public comments can still be submitted through August 18th.)

TITLE 16. CALIFORNIA BOARD OF OCCUPATIONAL THERAPY

NOTICE IS HEREBY GIVEN that the California Board of Occupational Therapy (Board) is proposing to take the action described in the Informative Digest. Any person interested may submit statements or arguments relevant to the action proposed in writing. Written comments, including those sent by mail, facsimile, or email to the addresses listed under Contact Person in this Notice, must be received by the Board at its office not later than 5:00 pm on May 9, 2016.

Any person that is interested may provide statements or arguments orally or in writing relevant to the action proposed at hearings to be held at:

Enloe Rehabilitation Center
Conference Room
340 W. East Avenue
Chico, CA 95926
Tuesday, April 19, 2016
5:30 p.m.

Loma Linda University
Nichol Hall, Room A911
24951 N. Circle Drive
Loma Linda, CA 92354
Wednesday, April 20, 2016
3:00 p.m.

Kaiser Permanente
Conference Room F3, Ground Floor
4141 Geary Boulevard
San Francisco, CA 94118
Tuesday, April 26, 2016
5:30 p.m.

Sacramento City College
Mohr Hall, Room 21
3835 Freeport Boulevard
Sacramento, CA 95822
Friday, April 29, 2016
3:00 p.m.

Kaiser Permanente
Woodland Hills Medical Center
5601 De Soto Avenue
Woodland Hills, CA 91367
Saturday, May 14, 2016
12:00 Noon

The Board, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as Contact Person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

Authority and Reference: Pursuant to the authority vested by Business and Professions Code Sections 122, 134, 144, 161, 163.5, 462, and 2570.20, and to implement, interpret or make specific Section 144, 2570.5, 2570.9, 2570.10, 2570.11, and 2570.16, of said Code, the Board is considering changes to Division 39 of Title 16 as follows:

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

This proposed action will increase the initial license, renewal, delinquent renewal, and inactive renewal fees, for Occupational Therapists and Occupational Therapy Assistants as follows:

Occupational Therapists

Fee Type	Current Fee	Proposed Fee
Initial License	$150	$220 (fee is prorated)
Biennial Renewal	$150	$220
Delinquent Fee	$75	$100
Inactive Renewal	$25	$50

Occupational Therapy Assistants

Fee Type	Current Fee	Proposed Fee
Initial License	$150	$180 (fee is prorated)
Biennial Renewal	$150	$180
Delinquent Fee	$75	$100
Inactive Renewal	$25	$50

This proposed action will also establish a $35 processing fee for license verification or endorsement requests, establish and set forth a $35 fee for processing dishonored checks, and increase the fee for a duplicate license request from $15 to $25.

The necessity and need for this proposed regulatory action is to ensure future fiscal solvency of the Board. As a Special Fund agency the Board does not rely on General Fund monies for its operation. The Board supports itself through fees that it charges licensees and applicants. This proposed action is designed to align Board revenue with future projected operating expenses.

Current budget projections indicate there will be insufficient funds to support Board operations after fiscal year 2018/19. Analysis of the Board's Fund Balance measured by Months in Reserve projects that at the end of the current fiscal year 2015/16, a 14.9 month reserve will exist. The reserve is projected to steadily decline in the following fiscal years to the point where there will be a -0.4 month reserve at the end of 2018/19.

Adoption and implementation of this proposed action would neutralize and correct the aforementioned Fund Balance decline and provide for a modest reserve for economic uncertainties.

Without sufficient funding levels the Board will not be able to carry out its paramount priority and objective to protect the health, safety, and welfare of California consumers.

After conducting a review for any regulations that would relate to or affect this area, the Board had concluded that these are the only regulations that concern fees for occupational therapy practitioners. This proposed regulatory action is consistent and compatible with existing state regulations.

FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None

Non-discretionary Costs/Savings to Local Agencies: None.

Local Mandate: None.

Cost to Any Local Agency or School District for Which Government Code Sections 17500-17630 Require Reimbursement: None.

Business Impact: This regulation will not have a significant statewide adverse economic impact directly affecting businesses including the ability of California businesses to compete with businesses in other states.

RESULTS OF ECONOMIC IMPACT ANALYSIS:

The Board has determined that this regulatory proposal will not have any impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

The Board has determined that this regulatory proposal will primarily benefit California consumers by ensuring sufficient revenue levels are maintained for the Board to administer, coordinate, and enforce provisions of the Occupational Therapy Practice Act for the public's health, safety, and welfare.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS:

Minor costs will be imposed on occupational therapy practitioners and any businesses that choose to pay or reimburse their employee's renewal fees.

Existing licensing and biennial renewal fees for an occupational therapist are $150. This proposed action would increase these fees to $220, representing a $70 increase.

Existing licensing and biennial renewal fees for an occupational therapy assistant are $150. This proposed action would increase these fees to $180, representing a $30 increase.

This action also proposes small fee increases for duplicate license requests, from the existing fee of $15 to $25, and a dishonored check fee from $25 to $35. Establishment of the language pertaining to a license verification/endorsement fee does not represent an increase to existing fees that the Board has been charging for this service previously categorized as a miscellaneous service to the public.

EFFECT ON HOUSING COSTS: None

EFFECT ON SMALL BUSINESS:

There is no cost impact on general small business. Minor costs will be incurred on small occupational therapy practices as outline above under Cost Impact on Representative Private Person or Business.

CONSIDERATION OF ALTERNATIVES:

The Board must determine that no reasonable alternative considered by it or that has otherwise been identified and brought to its attention would either be more effective in carrying out the purpose for which the action is proposed, or would be as effective as and less burdensome to affected private persons than the proposal described in this Notice or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

TEXT OF PROPOSAL AND INITIAL STATEMENT OF REASONS AND INFORMATION:

The Board has prepared an initial statement of reasons that sets forth the reasons for the proposed action and has all the information upon which the proposal is based.

Copies of the exact language of the proposed regulation, any documents incorporated by reference, and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained from the Board's website as listed below or upon written request from the contact person listed below.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE:

All the information upon which the proposed regulation is based is contained in the rulemaking file, which is available for public inspection by contacting the person named below.

You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below or by accessing the Board's website as listed below.

CONTACT PERSON:

Inquiries or comments concerning the proposed rulemaking action may be addressed to:

Jeff Hanson
California Board of Occupational Therapy
2005 Evergreen Street, Suite 2250
Sacramento, CA 95815
(916) 263-2294 (Tel)
(916) 263-2701 (Fax)
cbot@dca.ca.gov

The backup contact person is:

Heather Martin
(same contact information as above)

All materials regarding this proposal can be found on-line at:

www.bot.ca.gov > Laws and Regulations > Proposed Regulations.

CALIFORNIA BOARD OF OCCUPATIONAL THERAPY
Title 16, Division 39, California Code of Regulations

Proposed Text

Proposed amendments are shown underlined for new text and ~~strikeout~~ for deleted text.

§ 4130. Fees

Fees are fixed by the board as follows:

(a) ~~On or after July 1, 2014, t~~ The fee for processing an Initial Application for Licensure (Form ILA, Revised 8/2012) shall be fifty dollars ($50).
(b) The initial license fee for occupational therapists shall be prorated pursuant to Section 4120(a)(1) and based on a biennial fee of ~~one hundred fifty dollars ($150)~~ two hundred twenty dollars ($220).
(c) The initial license fee for occupational therapy assistants shall be prorated pursuant to Section 4120(a)(1) and based on a biennial fee of one hundred eighty dollars ($180).
~~(c)~~ (d) The fee for a limited permit shall be ~~seventy five dollars ($75)~~ one hundred dollars ($100).
~~(d)~~ (e)The biennial renewal fee for occupational therapists shall be ~~one hundred fifty dollars ($150)~~ two hundred twenty dollars ($220).
(f)The biennial renewal fee for occupational therapy assistants shall be ~~one hundred fifty dollars ($150)~~ one hundred eighty dollars ($180).
~~(e)~~ (g) The delinquency fee ~~is one-half of the renewal fee~~ shall be one hundred dollars ($100).
~~(f)~~ (h) The renewal fee for an inactive license shall be ~~twenty-five dollars ($25)~~ fifty dollars ($50).
~~(g)~~ (i) ~~On or after July 1, 2013, t~~ The fee for an Application for Retired Status (Form ARS, New 7/2012), shall be twenty-five dollars ($25).
~~(h)~~ (j) The fee for a duplicate license shall be ~~fifteen dollars $15~~ twenty five dollars ($25).
(k) The fee for a license verification or endorsement shall be thirty five dollars ($35).
(l) The fee for a dishonored check shall be thirty five dollars ($35).
~~(i)~~ (m) The fees for fingerprint services are those charged by the California Department of Justice and the Federal Bureau of Investigation.

Note: Authority cited: Sections 122, 134, 144, 161, 163.5, 462, and 2570.20, Business and Professions Code. Reference: Sections 144, 2570.5, 2570.9, 2570.10, 2570.11, and 2570.16, Business and Professions Code.

CALIFORNIA BOARD OF OCCUPATIONAL THERAPY

INITIAL STATEMENT OF REASONS

Subject Matter of Proposed Regulation: Regulation pertaining to amending fees charged by the Board.

Sections Affected: Title 16, Division 39, Section 4130 is amended.

Introduction:

The California Board of Occupational Therapy (Board) is the State agency that regulates the practice of occupational therapy. The Board's highest priority in exercising its licensing, regulatory, and disciplinary functions is to protect and promote the health, safety and welfare of California's consumers. The Board administers, coordinates, and enforces the provisions of the laws and regulations pertaining to the practice of occupational therapy.

The proposed regulation intends to increase licensing and renewal fees to ensure revenue collected is more closely aligned with the Board's annual expenditures.

SPECIFIC PURPOSE OF EACH ADOPTION, AMENDMENT OR REPEAL:

Section 4130 (a)

The Board is proposing to delete existing language "On or after July 1, 2014" from this subsection. The amended language would read "The fee for processing an Initial Application for Licensure (Form ILA, Revised 8/2012) shall be fifty dollars ($50)".

Factual Basis/Rationale:
Since the implementation date for charging the fee for application processing is now in the past, it is no longer necessary to maintain the language. This proposed amendment is technical in nature and serves to clean up the existing language. It does not change the fee charged for application processing or otherwise change the meaning and intent of this subsection. The fee for application processing cannot be increased by a regulatory change since statutes (BPC 2570.16) establish the application fee cannot exceed $50.

Section 4130(b)

The Board is amending this subsection to increase the prorated initial licensing fee for an occupational therapist from the existing base fee of $150, for a two year license to a newly proposed base fee of $220 for a two year license. This change represents a $70 difference between the existing fee and proposed new fee.

Factual Basis/Rationale:
Current budget projections indicate the Board's Fund Balance as measured in Months in Reserve will steadily decline to the point where there will be a -0.4 month reserve by the end of fiscal year 2017-18. Therefore the Board is proposing to increase fees to preserve its

fiscal solvency and otherwise align revenue with projected operating expenses. This factual basis and rationale will be a repeating theme for all other amendments that are proposed in this document pertaining to increases in fees.

Section 4130(c)

The Board is amending this subsection to increase and differentiate the prorated initial licensing fee for an occupational therapy assistant from the existing base fee of $150, for a two year license to a newly proposed base fee of $180 for a two year license. This change represents a $30 difference between the existing fee and proposed new fee.

Current existing language in subsection (c) pertaining to language regarding the fee for a limited permit is being moved to subsection (d) for technical and formatting purposes.

Factual Basis/Rationale:
Current budget projections indicate the Board's Fund Balance as measured in Months in Reserve will steadily decline to the point where there will be a -0.4 month reserve by the end of fiscal year 2017-18. Therefore the Board is proposing to increase fees to preserve its fiscal solvency and otherwise align revenue with projected operating expenses.

At this juncture in time the Board feels it is appropriate and fair to differentiate a tiered or lower licensing fee for occupational therapy assistants as opposed to an occupational therapists due to the differences in their pay. This proposed change would represent only a $30 increase for initial licensing fees for occupational therapy assistants as opposed to the $70 proposed increase for initial licensing fees for occupational therapists contained in subsection (b).

Section 4130(d)

The Board is amending this subsection to increase the fee for a limited permit from $75 to $100. This change would apply to both occupational therapist and occupational therapy limited permits.

Current existing language in subsection (d) regarding fees for biennial renewals is being moved to subsection (e) for occupational therapists and subsection (f) for occupational therapy assistants for technical and formatting purposes.

Factual Basis/Rationale:
Current budget projections indicate the Board's Fund Balance as measured in Months in Reserve will steadily decline to the point where there will be a -0.4 month reserve by the end of fiscal year 2017-18. Therefore the Board is proposing to increase fees to preserve its fiscal solvency and otherwise align revenue with projected operating expenses.

Section 4130(e)

The Board is amending this subsection to increase the biennial renewal fee for an occupational therapist from the existing fee of $150, to $220. This change represents a $70 increase between the existing fee and proposed new fee.

Current existing language in subsection (e) regarding delinquent renewal fees is being moved to subsection (g) for technical and formatting purposes.

Factual Basis/Rationale:
Current budget projections indicate the Board's Fund Balance as measured in Months in Reserve will steadily decline to the point where there will be a -0.4 month reserve by the end of fiscal year 2017-18. Therefore the Board is proposing to increase fees to preserve its fiscal solvency and otherwise align revenue with projected operating expenses.

Section 4130(f)

The Board is amending this subsection to increase and differentiate the biennial renewal fee for an occupational therapy assistant from the existing fee of $150, to $180. This change represents a $30 increase between the existing fee and proposed new fee.

Current existing language in subsection (f) regarding the fee to renew a license on inactive status is being moved to subsection (h) for technical and formatting purposes.

Factual Basis/Rationale:
Current budget projections indicate the Board's Fund Balance as measured in Months in Reserve will steadily decline to the point where there will be a -0.4 month reserve by the end of fiscal year 2017-18. Therefore the Board is proposing to increase fees to preserve its fiscal solvency and otherwise align revenue with projected operating expenses.

Similar and consistent with the proposed change in subsection (c) regarding initial licensing fees for occupational therapy assistants the Board feels it is appropriate and fair to differentiate a tiered or lower biennial renewal fee for occupational therapy assistants as opposed to occupational therapists due to the differences in their pay. This proposed change would represent only a $30 increase for biennial renewal fees for occupational therapy assistants as opposed to the $70 proposed increase for biennial renewal fees for occupational therapists contained in subsection (e).

Section 4130(g)

The Board is amending this subsection to increase the delinquent fee from $75 (half of the existing biennial renewal fee of $150) to $100. This change represents a $25 increase to the delinquent fee. This change would apply to occupational therapist and occupational therapy assistant renewals.

Current existing language in subsection (g) regarding the fee for an Application for Retired Status is being moved to subsection (i) for technical and formatting purposes.

Factual Basis/Rationale:
Current budget projections indicate the Board's Fund Balance as measured in Months in Reserve will steadily decline to the point where there will be a -0.4 month reserve by the end of fiscal year 2017-18. Therefore the Board is proposing to increase fees to preserve its fiscal solvency and otherwise align revenue with projected operating expenses.

Section 4130(h)

The Board is amending this subsection to increase the fee for renewing a license on inactive status from $25 to $50. This change represents a $25 increase to the inactive renewal fee. This change would apply to occupational therapist and occupational therapy assistant renewals.

Current existing language in subsection (h) regarding the fee for a duplicate license is being moved to subjection (j) for technical and formatting purposes.

Factual Basis/Rationale:
Current budget projections indicate the Board's Fund Balance as measured in Months in Reserve will steadily decline to the point where there will be a -0.4 month reserve by the end of fiscal year 2017-18. Therefore the Board is proposing to increase fees to preserve its fiscal solvency and otherwise align revenue with projected operating expenses.

Section 4130(i)

The Board is proposing to delete existing language "On or after July 1, 2014" from this subsection. The amended language would read "The fee for an Application for Retired Status (Form ARS, New 7/2013), shall be twenty-five dollars ($25)'".

Current existing language in subsection (i) regarding the fees for fingerprint services charged by the California Department of Justice and Federal Bureau of Investigation is being moved to subsection (l) for technical and formatting purposes.

Factual Basis/Rationale:
Since the implementation date for charging the fee for the Application for Retired Status is now in the past, it is no longer necessary to maintain the language. This proposed amendment is technical in nature and serves to clean up the existing language. It does not change the fee charged for application processing or otherwise change the meaning and intent of this subsection. The fee for application processing cannot be increased by a regulatory change since statutes (BPC 2570.17) establish the fee shall be $25.

Section 4130(j)

The Board is proposing to increase the fee for a duplicate license from $15 to $25. This change represents a $10 increase to the duplicate license fee. This change would apply to occupational therapist and occupational therapy assistant licenses and limited permits.

Factual Basis/Rationale:
Current budget projections indicate the Board's Fund Balance as measured in Months in Reserve will steadily decline to the point where there will be a -0.4 month reserve by the end of fiscal year 2017-18. Therefore the Board is proposing to increase fees to preserve its fiscal solvency and otherwise align revenue with projected operating expenses.

Section 4130(k)

The Board is proposing to add language that establishes and clarifies the fee for processing a license verification or endorsement shall be $35.

Factual Basis/Rationale:
The Board has been charging $35 for these services and has been categorizing it as a miscellaneous service to the public. The addition of this language does not represent an increase in fees over the services that are currently being provided. Since amendments to 16 CCR section 4130 are necessary and explained throughout this document the Board is taking this opportunity to establish this language for clarity and transparency.

Section 4130(l)

The Board is proposing to add language that will establish the fee for a dishonored check shall be $35. This will represent a $10 increase over the existing fee of $25 that the Board charges for processing a dishonored check.

Factual Basis/Rationale:
The Board currently charges a $25 for processing a dishonored check. The Board is authorized to charge a fee in excess of $25 if it adopts regulations to establish a higher fee. This proposed amendment will provide clarity and transparency regarding the fee the Board charges for dishonored check processing.

Section 4130(m)

The proposed language contained in this subsection pertains to the fees for fingerprint processing by the California Department of Justice and Federal Bureau of Investigation. There is no increase to these fees. The fees are set by the Department of Justice and Federal Bureau of Investigation.

Factual Basis/Rationale:
The language proposed in 16 CCR section 4130(m) was moved from the current and existing language contained in subsection (i). This proposed change is technical in nature and being done for formatting purposed. The meaning and intent of the existing language has not changed.

BUSINESS IMPACT
The proposed amendment to Section 4130 contains increases to various fees, including the initial license and renewal fees. This will result in cost increases to businesses or employers that pay for or reimburse a practitioner's application and/or renewal fees. The Board does track or monitor employers that pay or reimburse employees their renewal fees so it is unable to quantify a cost impact to these businesses.

ECONOMIC IMPACT ASSESSMENT – Government Code section 11346.3(b)

Creation or Elimination of Jobs in California
The proposed regulatory action seeks to increase various licensing fees for occupational therapy practitioners. The most significant increase pertains to a $70 increase biennially for

initial licensing and renewal fees for an occupational therapist. Occupational therapy assistants would experience a $20 increase biennially for initial licensing and renewal fees. The Board does not anticipate the proposed regulatory action will either create or eliminate jobs within the State of California. Individuals who seek authorization to provide services in a regulated profession are accustomed to paying licensing fees to regulatory entities.

Creation or Elimination of Existing Businesses Within the State of California
The Board has determined the proposed regulatory action will not create new businesses or result in the elimination of existing businesses within the State of California. The proposed action increases various licensing fees and would have a direct impact on any business that pays or reimburses the practitioner for these fees. However, the nature and extent of the fee increases are not likely to result in the elimination or creation of business within the State.

Expansion of Business of Existing Business Within the State of California
The Board has determined the proposed regulatory action will not result in expansion of any businesses currently doing business within the State of California.

Benefits of the Regulations
The primary benefit of this proposed action is to ensure the Board remains fiscally solvent to administer, regulate, and enforce the Occupational Therapy Practice Act and to carry out its mission to protect the health, safety, and welfare of California consumers.

Based on the above Economic Impact Analysis, the Board concludes that the proposed action will not have a significant adverse economic impact to businesses.

SPECIFIED TECHNOLOGIES OR EQUIPMENT
This regulation does not mandate the use of specific technologies or equipment.

CONSIDERATION OF ALTERNATIVES
No reasonable alternative to the regulation would be either more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons and businesses than the proposed regulation.

Alternative #1

The Board considered doing nothing and leaving the regulations as they currently exist. This alternative was rejected because it would be irresponsible and ultimately jeopardize public safety as the Board would be forced to reduce expenses in other areas including but not limited to staff positions.

AVAILABILITY OF MODIFIED TEXT

NOTICE IS HEREBY GIVEN that the Board of Occupational Therapy has proposed modifications to the text of CCR Sections 4170 in Division 39, Title 16. A copy of the modified text is enclosed.

Any person who wishes to comment on the proposed modifications may do so by submitting written comments on or before 5:00 PM on July 22, 2016, to the following:

Ranjila Sandhu, Regulations Coordinator
California Board of Occupational Therapy
2005 Evergreen Street, Suite 2250
Sacramento, CA 95815
Telephone: (916) 263-2294
Fax: (916) 263-2701
E-mail: cbot@dca.ca.gov

DATED: July 6, 2016

HEATHER MARTIN, Executive Officer
California Board of Occupational Therapy

CALIFORNIA BOARD OF OCCUPATIONAL THERAPY
Title 16, Division 39, California Code of Regulations

Modified Text

Changes to the originally proposed language are shown by double underline for new text and ~~double strikethrough~~ for deleted text.

The title of Article 4 is added to read as follows:

Article 4. Fees

[Section 4130 is being moved from Article 3.5 to Article 4]

§ 4130. Fees

Fees are fixed by the board as follows:

(a) ~~On or after July 1, 2014, t~~ The fee for processing an Initial Application for Licensure (Form ILA, Revised ~~8/2012~~ 1/2016) shall be fifty dollars ($50).
(b) The initial license fee for occupational therapists shall be prorated pursuant to Section 4120(a)(1) and based on ~~a~~ the biennial renewal fee set forth below. ~~of one hundred fifty dollars ($150) two hundred twenty dollars ($220).~~
(c) The initial license fee for occupational therapy assistants shall be prorated pursuant to Section 4120(a)(1) and based on a the biennial renewal fee set forth below ~~of one hundred eighty dollars ($180).~~
~~(c)~~ (d) The fee for a limited permit shall be ~~seventy five dollars ($75)~~ one hundred dollars ($100).
~~(d)~~ (e)The biennial renewal fee for occupational therapists shall be ~~one hundred fifty dollars ($150)~~ two hundred twenty dollars ($220). For licenses that expire on or after January 1, 2021, the biennial renewal fee shall be two hundred seventy dollars ($270).
(f)The biennial renewal fee for occupational therapy assistants shall be ~~one hundred fifty dollars ($150)~~ one hundred eighty dollars ($180). For licenses that expire on or after January 1, 2021, the biennial renewal fee shall be two hundred ten dollars ($210).
~~(e)~~ (g) The delinquency fee ~~is one-half of the renewal fee~~ shall be one hundred dollars ($100).
~~(f)~~ (h) ~~The renewal fee for an inactive license shall be twenty-five dollars ($25)~~ fifty dollars ~~($50).~~ The biennial renewal fee for an inactive license shall be the same as the biennial renewal fee for an active license.
~~(g)~~ (i) ~~On or after July 1, 2013, t~~ The fee for an Application for Retired Status (Form ARS, New 7/2012), shall be twenty-five dollars ($25).
~~(h)~~ (j) The fee for a duplicate license shall be ~~fifteen dollars $15~~ twenty five dollars ($25).
~~(k) The fee for a license verification or endorsement shall be thirty five dollars ($35).~~
~~(l) The fee for a dishonored check shall be thirty five dollars ($35).~~
~~(i)~~ ~~(m)~~ (k)The fees for fingerprint services are those charged by the California Department of Justice and the Federal Bureau of Investigation.

Note: Authority cited: Sections 122, 134, 144, 161, 163.5, 462, 703, 2570.17, and 2570.20, Business and Professions Code. Reference: Sections 144, 2570.5, 2570.9, 2570.10, 2570.11, and 2570.16, Business and Professions Code.

AVAILABILITY OF MODIFIED TEXT

NOTICE IS HEREBY GIVEN that the Board of Occupational Therapy has proposed modifications to the text of CCR Sections 4170 in Division 39, Title 16. A copy of the modified text is enclosed.

Any person who wishes to comment on the proposed modifications may do so by submitting written comments on or before 5:00 PM on July 22, 2016, to the following:

Ranjila Sandhu, Regulations Coordinator
California Board of Occupational Therapy
2005 Evergreen Street, Suite 2250
Sacramento, CA 95815
Telephone: (916) 263-2294
Fax: (916) 263-2701
E-mail: cbot@dca.ca.gov

DATED: July 6, 2016

HEATHER MARTIN, Executive Officer
California Board of Occupational Therapy

CALIFORNIA BOARD OF OCCUPATIONAL THERAPY
Title 16, Division 39, California Code of Regulations

Modified Text

Changes to the originally proposed language are shown by double underline for new text and ~~double strikethrough~~ for deleted text.

The title of Article 4 is added to read as follows:

Article 4. Fees

[Section 4130 is being moved from Article 3.5 to Article 4]

§ 4130. Fees

Fees are fixed by the board as follows:

(a) ~~On or after July 1, 2014, t~~ The fee for processing an Initial Application for Licensure (Form ILA, Revised ~~8/2012~~ 1/2016) shall be fifty dollars ($50).
(b) The initial license fee for occupational therapists shall be prorated pursuant to Section 4120(a)(1) and based on ~~a~~ the biennial renewal fee set forth below. ~~of one hundred fifty dollars ($150) two hundred twenty dollars ($220).~~
(c) The initial license fee for occupational therapy assistants shall be prorated pursuant to Section 4120(a)(1) and based on a the biennial renewal fee set forth below ~~of one hundred eighty dollars ($180).~~
~~(c)~~ (d) The fee for a limited permit shall be ~~seventy five dollars ($75)~~ one hundred dollars ($100).
~~(d)~~ (e)The biennial renewal fee for occupational therapists shall be ~~one hundred fifty dollars ($150)~~ two hundred twenty dollars ($220). For licenses that expire on or after January 1, 2021, the biennial renewal fee shall be two hundred seventy dollars ($270).
(f)The biennial renewal fee for occupational therapy assistants shall be ~~one hundred fifty dollars ($150)~~ one hundred eighty dollars ($180). For licenses that expire on or after January 1, 2021, the biennial renewal fee shall be two hundred ten dollars ($210).
~~(e)~~ (g) The delinquency fee ~~is one-half of the renewal fee~~ shall be one hundred dollars ($100).
~~(f)~~ (h) ~~The renewal fee for an inactive license shall be twenty-five dollars ($25) fifty dollars ($50).~~ The biennial renewal fee for an inactive license shall be the same as the biennial renewal fee for an active license.
~~(g)~~ (i) ~~On or after July 1, 2013, t~~ The fee for an Application for Retired Status (Form ARS, New 7/2012), shall be twenty-five dollars ($25).
~~(h)~~ (j) The fee for a duplicate license shall be ~~fifteen dollars $15~~ twenty five dollars ($25).
~~(k) The fee for a license verification or endorsement shall be thirty-five dollars ($35).~~
~~(l) The fee for a dishonored check shall be thirty-five dollars ($35).~~
~~(i)~~ ~~(m)~~ (k)The fees for fingerprint services are those charged by the California Department of Justice and the Federal Bureau of Investigation.

Note: Authority cited: Sections 122, 134, 144, 161, 163.5, 462, 703, 2570.17, and 2570.20, Business and Professions Code. Reference: Sections 144, 2570.5, 2570.9, 2570.10, 2570.11, and 2570.16, Business and Professions Code.

AVAILABILITY OF

ADDENDUM TO THE INITIAL STATEMENT OF REASONS AND

DOCUMENT ADDED TO THE RULEMAKING FILE

NOTICE IS HEREBY GIVEN that the Board of Occupational Therapy has provided an Addendum to the Initial Statement of Reasons (ISR) justifying the text of California Code of Regulations Section 4130 in Division 39, Title 16.

FURTHER NOTICE IS GIVEN that the following documents are being added to the rulemaking record for the regulatory proceeding concerning section(s) 4130 of Title 16:

1. Board of Occupational Therapy, Analysis of Fund Condition #1 (projections of increased revenue based on the fees set forth in initial Proposed Text)

2. Board of Occupational Therapy, Analysis of Fund Condition #2 (projections based on fees set forth in initial Proposed Text and adding revenue from the inactive biennial renewal fee being increased to the active biennial renewal fee)

3. Board of Occupational Therapy, Analysis of fund Condition #3 (projections derived from fees set forth in Modified Text)

The above documents that are being added to the rulemaking file are available for public inspection on the Board's website (www.bot.ca.gov) and copies are available upon written request. The documents are also available for public inspection at the address listed below during the business hours of 8:00 a.m. to 5:00 p.m.

Any person who wishes to comment on the proposed modifications may do so by submitting written comments on or before 5:00 PM on August 18, 2016, to the following:

Ranjila Sandhu
California Board of Occupational Therapy
2005 Evergreen Street, Suite 2250
Sacramento, CA 95815
Telephone: (916) 263-2294
Fax: (916) 263-2701
E-mail:cbot@dca.ca.gov

DATED: August 3, 2016

HEATHER MARTIN, Executive Officer
California Board of Occupational Therapy

All materials regarding this proposal can be found on-line at www.bot.ca.gov > Laws and Regulations > Proposed Regulations.

CALIFORNIA BOARD OF OCCUPATIONAL THERAPY

ADDENDUM TO THE INITIAL STATEMENT OF REASONS

Hearing Date: None

Subject Matter of Proposed Regulations: Fees

Section Affected: Title 16, Division 39, California Code of Regulations (CCR), Section 4130

This addendum with documents that are being added to the file are intended to further support and clarify the reason and rationale behind the Board's proposal to increase fees and make modifications to the initially proposed language.

Updated Purpose/Necessity of Proposed Fee Increases:

Fiscal year (FY) 2016-17 presented the Board with increase of $958,000 to its annual budget. The budget increase is attributed to a new licensing, enforcement, and cashiering computer system and staffing increase to address enforcement backlogs. All proposed fee increases are designed to provide for long term financial stability of the Board's Fund Condition.

DOCUMENTS ADDED TO FILE

In an effort to further illustrate the Board's Fund Condition and how the proposed fee increases are projected to affect the Fund Condition the following documents are being added to the rulemaking record:

Analysis of Fund Condition #1 (Reflects FY 2014-15 to 2020-21.) Projections in this analysis are based on the Board's initial proposal to increase the duplicate licensee from $15 to $25, increase the limited permit fee from $75 to $100, increase the initial licensing and biennial renewal fees for occupational therapists from $150 to $220, increase the initial licensing and biennial renewal fees for an occupational therapy assistant license from $150 to $180, increase the inactive renewal fee from $25 to $50, and increase the delinquent renewal fee from $75 to $100. It is important to note that even with the aforementioned fee increases factored in, it is projected the months in reserve would steadily decline downward as the Fund Condition indicates that FY 2020-21 would end with 2.7 months in reserve and a negative balance is projected thereafter.

Analysis of Fund Condition #2 (Reflects FY 2015-16 to FY 2025-26.) Projections on this analysis are based on the same fee increases cited in Fund Condition #1, except for the inactive renewal fee. Whereas Fund Condition #1 projections were based on the inactive fee being $50, Analysis of Fund condition #2 calculates the inactive fee being *equal* to the biennial renewal fee for an active license as required by statute. Even with the biennial inactive renewal fee being increased to match the biennial renewal fee for an active license, projections still reflect the Board's Fund would be negative by FY 2023-24 and on-going.

Analysis of Fund Condition #3 (Reflects FY 2015-16 to FY 2025-26.) Projections on this analysis are based on same fee increases in Fund Condition #2, including the inactive renewal fee being equal to the biennial renewal fee. Whereas Fund condition #2 factors in one increase in the licensing and renewal fee, Fund Condition #3 sets forth a two-step increase to the initial license and biennial renewal fees. In this scenario the existing occupational therapist initial licensing and renewal fee of $150 would increase to $220 effective January 1, 2018, and to $270 effective January 1, 2021. The existing occupational therapy assistant initial licensing and renewal fee of $150 would increase to $180 effective January 1, 2018, and to $220 effective January 1, 2021.

In Fund Condition #3, the Board's Fund is not projected to slip into a future negative fund balance. Under this scenario it is projected the Board's Fund would remain solvent through FY 2025-26 (and possibly thereafter; subject to revenue and budget fluctuations).

Based on the projections provided in the above scenarios, the Board decided to modify the text to increase fees consistent with those reflected in the revenue projections in Fund Condition #3. The Board's motive behind the modified language was to provide for long-term financial stability.

Analysis of Fund Condition #1

3017 - Board of Occupational Therapy
Analysis of Fund Condition

Prepared 2/9/2016

2016-17 Governor's Budget
w/proposed fee increases - Scenario 1

	ACTUAL 2014-15	CY 2015-16	Gov Budget BY 2016-17	BY+1 2017-18	BY+2 2018-19	BY+3 2019-20	BY+4 2020-21
BEGINNING BALANCE	$ 2,925	$ 2,983	$ 2,889	$ 1,943	$ 1,601	$ 1,311	$ 970
Prior Year Adjustment	$ -3	$ -	$ -	$ -	$ -	$ -	$ -
Adjusted Beginning Balance	$ 2,922	$ 2,988	$ 2,889	$ 1,943	$ 1,601	$ 1,311	$ 970
REVENUES AND TRANSFERS							
Revenues:							
Other regulatory fees	$ 39	$ 33	$ 35	$ 33	$ 35	$ 33	$ 33
Proposed duplicate license see increase from $15 to $25				$ 2	$ 2	$ 2	$ 2
Other regulatory licenses and permits	$ 214	$ 242	$ 254	$ 254	$ 254	$ 254	$ 254
Proposed initial licensed fee $150 to $220/OT and $150 to $180/OTA Limited permit from $75 to $100 both OT & OTA				$ 134	$ 153	$ 153	$ 153
Renewal fees	$ 949	$ 983	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033
Proposed renewal fee from $150 to $220/OT and $150 to $180/OTA				$ 510	$ 587	$ 587	$ 587
Delinquent fees	$ 14	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15
Proposed Delinquent fees $75 to $100				$ 6	$ 7	$ 7	$ 7
Sales of documents	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous services to the public	$ 19	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21
Income from surplus money investments	$ 6	$ 8	$ 8	$ 8	$ 9	$ 8	$ 8
Interest income from interfund loans	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sale of fixed assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Escheat of unclaimed checks and warrants	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1
Miscellaneous revenues	$ 1	$ -	$ -	$ -	$ -	$ -	$ -
Penalty Assessments	$ 14	$ 20	$ 16	$ 16	$ 16	$ 16	$ 16
Totals, Revenues	$ 1,259	$ 1,323	$ 1,383	$ 2,033	$ 2,133	$ 2,130	$ 2,130
Transfers from Other Funds							
Transfers to Other Funds							
Totals, Revenues and Transfers	$ 1,259	$ 1,323	$ 1,383	$ 2,033	$ 2,133	$ 2,130	$ 2,130
Totals, Resources	$ 4,181	$ 4,306	$ 4,272	$ 3,976	$ 3,734	$ 3,441	$ 3,100
EXPENDITURES							
Disbursements:							
0840 SCO (State Operations)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8880 Financial Information System for California (State Oper	$ 1	$ 2	$ 1	$ -	$ -	$ -	$ -
1110 Program Expenditures (State Operations)	$ 1,197	$ 1,415	$ 2,328	$ 2,375	$ 2,423	$ 2,471	$ 2,520
Annual Expenditures Totals	$ 1,198	$ 1,417	$ 2,329	$ 2,375	$ 2,423	$ 2,471	$ 2,520
FUND BALANCE							
Reserve for economic uncertainties	$ 2,983	$ 2,889	$ 1,943	$ 1,601	$ 1,311	$ 970	$ 580
Months in Reserve	25.3	14.9	9.8	7.9	6.4	4.6	2.7

NOTES:

A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED IN BY+1 AND ONGOING
B. ASSUME APPROPRIATION GROWTH OF 2% IN BY+1 AND ONGOING
C. INTEREST ON FUND ESTIMATE AT .5%

Analysis of Fund Condition #2

3017 - Board of Occupational Therapy
Analysis of Fund Condition

2016-17 Governor's Budget
w/fee increases eff. 1/1/2018

Prepared 6/10/2016

*Fee increases effective 1/1/2018:
-OT Renewal and Initial License Fees $150 to $220; OTA Renewal and Initial License Fees $150 to $180
-Delinquent Fee from $75 to $100
-Limited Permit Fee from $75 to $100
-OT Inactive Renewal from $25 to $220; OTA Inactive Renewal from $25 to $180

	CY 2015-16	Gov Budget BY 2016-17	BY+1 2017-18	BY+2 2018-19	BY+3 2019-20	BY+4 2020-21	BY+5 2021-22	BY+6 2022-23	BY+7 2023-24	BY+8 2024-25	BY+9 2025-26
BEGINNING BALANCE	$ 2,983	$ 2,889	$ 1,953	$ 1,399	$ 1,221	$ 994	$ 718	$ 392	$ 15	$ -414	$ -896
Prior Year Adjustment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Adjusted Beginning Balance	$ 2,983	$ 2,889	$ 1,953	$ 1,399	$ 1,221	$ 994	$ 718	$ 392	$ 15	$ -414	$ -896
REVENUES AND TRANSFERS											
Revenues:											
125600 Other regulatory fees	$ 33	$ 35	$ 33	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35
Duplicate lic fee increase from $15 to $25				$ 2	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2
125700 Other regulatory licenses and permits	$ 242	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254
Increases eff 1/1/2018			$ 88	$ 153	$ 153	$ 153	$ 153	$ 153	$ 153	$ 153	$ 153
125800 Renewal fees	$ 983	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033
Increases eff 1/1/2018			$ 337	$ 688	$ 688	$ 688	$ 688	$ 688	$ 688	$ 688	$ 688
125900 Delinquent fees	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15
Increased from $75 to $100 eff 1/1/2018				$ 6	$ 6	$ 6	$ 6	$ 6	$ 6	$ 6	$ 6
141200 Sales of documents	-	-	-	-	-	-	-	-	-	-	-
142500 Miscellaneous services to the public	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21
150300 Income from surplus money investments	$ 8	$ 8	$ 8	$ 9	$ 8	$ 8	$ 8	$ 8	$ 8	$ 8	$ 8
150500 Interest income from interfund loans	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
160400 Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-
161000 Escheat of unclaimed checks and warrants	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1
161400 Miscellaneous revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
164300 Penalty Assessments	$ 20	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16
Totals, Revenues	$ 1,323	$ 1,383	$ 1,810	$ 2,233	$ 2,232	$ 2,232	$ 2,232	$ 2,232	$ 2,232	$ 2,232	$ 2,232
Transfers from Other Funds											
Transfers to Other Funds											
Totals, Revenues and Transfers	$ 1,323	$ 1,383	$ 1,810	$ 2,233	$ 2,232	$ 2,232	$ 2,232	$ 2,232	$ 2,232	$ 2,232	$ 2,232
Totals, Resources	$ 4,306	$ 4,272	$ 3,763	$ 3,632	$ 3,453	$ 3,226	$ 2,950	$ 2,624	$ 2,247	$ 1,818	$ 1,336
EXPENDITURES											
Disbursements:											
0840 SCO (State Operations)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8880 Financial Information System for California (State Opera	$ 2	$ 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1110 Program Expenditures (State Operations)	$ 1,415	$ 2,318	$ 2,364	$ 2,411	$ 2,459	$ 2,508	$ 2,558	$ 2,609	$ 2,661	$ 2,714	$ 2,768
	$ 1,417	$ 2,319	$ 2,364	$ 2,411	$ 2,459	$ 2,508	$ 2,558	$ 2,609	$ 2,661	$ 2,714	$ 2,768
FUND BALANCE											
Reserve for economic uncertainties	$ 2,889	$ 1,953	$ 1,399	$ 1,221	$ 994	$ 718	$ 392	$ 15	$ -414	$ -896	$ -1,432
Months in Reserve	14.9	9.9	7.0	6.0	4.8	3.4	1.8	0.1	-1.8	-3.9	-6.1

Analysis of Fund Condition #3

3017 - Board of Occupational Therapy
Analysis of Fund Condition

Prepared 6/10/2016

*Fee increases effective 1/1/2018:	*Fee increases effective 1/1/2021:
-OT Renewal and Initial License Fees $150 to $220; OTA Renewal and Initial License Fees $150 to $180	-OT Renewal and Initial License Fees $220 to $270; OTA Renewal and Initial License Fees $180 to $220
-Delinquent Fee from $75 to $100	-OT Inactive Renewal from $220 to $270; OTA Inactive Renewal from $180 to $220
-Limited Permit Fee from $75 to $100	
-OT Inactive Renewal from $25 to $220; OTA Inactive Renewal from $25 to $180	

2016-17 Governor's Budget
w/fee increases eff 1/1/2018 and subsequent increases eff 1/1/2021

	CY 2015-16	Gov Budget BY 2016-17	BY+1 2017-18	BY+2 2018-19	BY+3 2019-20	BY+4 2020-21	BY+5 2021-22	BY+6 2022-23	BY+7 2023-24	BY+8 2024-25	BY+9 2025-26
BEGINNING BALANCE	$ 2,983	$ 2,889	$ 1,953	$ 1,401	$ 1,223	$ 996	$ 943	$ 1,064	$ 1,134	$ 1,152	$ 1,117
Prior Year Adjustment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Adjusted Beginning Balance	$ 2,983	$ 2,889	$ 1,953	$ 1,401	$ 1,223	$ 996	$ 943	$ 1,064	$ 1,134	$ 1,152	$ 1,117
REVENUES AND TRANSFERS											
Revenues:											
125600 Other regulatory fees	$ 33	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35	$ 35
Duplicant license fee increase from $15 to $25			$ 1	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2	$ 2
125700 Other regulatory licenses and permits	$ 242	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254	$ 254
Fee increases eff 1/1/2018			$ 88	$ 153	$ 153	$ 153	$ 153	$ 153	$ 153	$ 153	$ 153
Fee increases eff 1/1/2021						$ 35	$ 70	$ 70	$ 70	$ 70	$ 70
125800 Renewal fees	$ 983	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033	$ 1,033
Fee increases eff 1/1/2018			$ 337	$ 688	$ 688	$ 688	$ 688	$ 688	$ 688	$ 688	$ 688
Fee increases eff 1/1/2021						$ 188	$ 377	$ 377	$ 377	$ 377	$ 377
125900 Delinquent fees	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15
Fee increase from $75 to $100 eff 1/1/2018			$ 23	$ 6	$ 6	$ 6	$ 6	$ 6	$ 6	$ 6	$ 6
141200 Sales of documents	-	-	-	-	-	-	-	-	-	-	-
142500 Miscellaneous services to the public	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21	$ 21
150300 Income from surplus money investments	$ 8	$ 8	$ 8	$ 8	$ 8	$ 8	$ 8	$ 8	$ 8	$ 8	$ 8
150500 Interest income from interfund loans	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
160400 Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-
161000 Escheat of unclaimed checks and warrants	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1	$ 1
161400 Miscellaneous revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
164300 Penalty Assessments	$ 20	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16	$ 16
Totals, Revenues	$ 1,323	$ 1,383	$ 1,812	$ 2,233	$ 2,232	$ 2,455	$ 2,679	$ 2,679	$ 2,679	$ 2,679	$ 2,679
Transfers from Other Funds											
Transfers to Other Funds											
Totals, Revenues and Transfers	$ 1,323	$ 1,383	$ 1,812	$ 2,233	$ 2,232	$ 2,455	$ 2,679	$ 2,679	$ 2,679	$ 2,679	$ 2,679
Totals, Resources	$ 4,306	$ 4,272	$ 3,765	$ 3,634	$ 3,455	$ 3,451	$ 3,622	$ 3,743	$ 3,813	$ 3,831	$ 3,796
EXPENDITURES											
Disbursements:											
0840 SCO (State Operations)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8880 Financial Information System for California (State Operations)	$ 2	$ 1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
1110 Program Expenditures (State Operations)	$ 1,415	$ 2,318	$ 2,364	$ 2,411	$ 2,459	$ 2,508	$ 2,558	$ 2,609	$ 2,661	$ 2,714	$ 2,768
	$ 1,417	$ 2,319	$ 2,364	$ 2,411	$ 2,459	$ 2,508	$ 2,558	$ 2,609	$ 2,661	$ 2,714	$ 2,768
FUND BALANCE											
Reserve for economic uncertainties	$ 2,889	$ 1,953	$ 1,401	$ 1,223	$ 996	$ 943	$ 1,064	$ 1,134	$ 1,152	$ 1,117	$ 1,028
Months in Reserve	14.9	9.9	7.0	6.0	4.8	4.4	4.9	5.1	5.1	4.8	4.4

OTAC
Occupational Therapy
Association of California

July 22, 2016

Heather Martin, Executive Officer
California Board of Occupational Therapy
2005 Evergreen Street, Suite 2250
Sacramento, CA 95815

RE: Modified Text - Proposed Amendments to Licensing Fees

Dear Ms. Martin,

On behalf of the Occupational Therapy Association of California (OTAC), I am writing to inform you that we remain concerned with the proposed increase in license fees for occupational therapists and occupational therapy assistants, including the modifications to the proposed increase dated July 6, 2016.

OTAC is a not-for-profit professional society representing the interests of all 18,694 licensed occupational therapy clinicians throughout California. Occupational therapists (OTs) and occupational therapy assistants (OTAs) work with people of all ages experiencing physical and behavioral health conditions or disabilities to develop, improve, or restore functional daily living skills, such as caring for oneself, managing a home, achieving independence in the community, driving, or returning to work.

As we stated in our original letter to the Board dated May 18, 2016, OTAC believes that the over 47% increase in license fees for occupational therapists and 20% increase for occupational therapy assistants is considerable. Likewise, OTAC is concerned about the July 6 modifications to the proposed language, which incrementally institute an even greater license fee increase after 2021 and make the biennial renewal fee for inactive licenses the same as the biennial renewal fee for active licenses. This proposal could negatively impact occupational therapy practitioners in California, especially the part-time workforce which will view this significant increase as a major barrier to continuing to practice. This could thereby impact access to qualified occupational therapists, which would hurt consumers, particularly as the demand for OTs continues to grow.

The Board has indicated that the proposed license fee increase is needed to address a decrease in its budget reserve, despite a lack of clear information regarding this decline. OTAC commends the Board for responsibly managing its resources and is generally supportive of the Board's efforts, and we recognize the need to increase the license fees. However, we continue to have reservations regarding the significant size of the increase. We urge the Board to provide a clear, detailed explanation to the public of the license fee increases, which will ensure transparency.

Further, while OTAC supports the need to increase license fees, we are apprehensive about the financial hardship to both OTAC and our national association, the American Occupational Therapy Association (AOTA) that will be caused by the loss of revenues resulting from the increase. This hardship will weaken the occupational therapy practice community, which is counter to CBOT's mission to protect consumers via access to competent practitioners. We encourage the deployment of a detailed strategy to assess the impacts of incremental license fee increases, which would evaluate outcomes such as whether workflow and/or customer service improved.

OTAC seeks to become a more effective collaborator in educating the public about options for receiving notifications of changes from CBOT and the many avenues for submitting comments and asking questions. We are already redesigning portions of our newsletter and other communications systems to increase awareness and support the justification for the fee increase. OTAC is excited and happy to support the effort for improved communication with license holders.

Thank you for your attention to this matter. If you have any questions, please contact Ivan Altamura with Capitol Advocacy at (916) 444-0400 or ialtamura@capitoladvocacy.com.

Sincerely,

Heather J. Kitching, OTD, OTR/L
OTAC President

cbot, CBOT@DCA

From: Lindsay Gullahorn <lgullahorn@capitoladvocacy.com>
Sent: Friday, July 22, 2016 4:41 PM
To: cbot, CBOT@DCA
Cc: Ivan Altamura; Jennifer Hendrick-Snyder
Subject: OTAC Letter re: CBOT Proposed License Fee Regulations
Attachments: OTAC CBOT Modifed Fee Increase Text Comment Letter 072216.pdf

Hello,

Please see the attached letter from our client, the Occupational Therapy Association of California (OTAC), regarding the CBOT's proposed regulations relating to license fees. Please let us know if you have any questions.

Thanks you,
Lindsay

Lindsay Gullahorn
Legislative Analyst
Capitol Advocacy
1301 I Street
Sacramento, CA 95814
916-273-1208 direct
916-444-0400 main
Lgullahorn@capitoladvocacy.com

cbot, CBOT@DCA

From: beth@sbceo.org
Sent: Thursday, July 21, 2016 12:00 PM
To: cbot, CBOT@DCA
Subject: Comment on Proposed Regulation
Attachments: Comment on cbot proposed regualtion.docx

Greetings,

Please see attached for my submission of comment.

thank you,

Beth Anderson OTR/L
beth@sbceo.org
CBOT L# OT 5934

cbot@dca.ca.gov
Comment on Proposed Regulation

Hello and thank you for your work to regulate our professional standards and assure consumer protection.

The proposed regulation I will comment to is that ...
Requirement for OTs and OTAs to notify consumers that they are licensed and regulated by CBOT as well as require that OTs and OTAs wear a name tag in 18-point font while working, or as an alternative, prominently display a copy of their license in the practice area of the office where the therapist works.

I feel I understand the intent of this proposal for consumer information and protection.
My concerns related to this are two-fold,

1) I garner that most agencies employing OTs have are ever growing requirements for identification for security reasons. I believe these types of identification take precedence and are sufficient to provide easy access for both professional identification and that for security purposes.

2) If employed through an agency I feel it is an administrative function of the agency to require evidence from the employed professional and provide consumers evidence of license verification on request. I suspect most agencies notify and/or post information about their hiring practices and the professional standards they hold their employees to as well. In my job setting providing itinerate OT services in public schools I do not have an office to display my license and do not feel separate notification from me as one service provider and employee directly to a consumer is warranted, reasonable or appropriate.

In summary although I feel the intent of this proposal is reasonable and needed I do not feel that a state level regulation of this type is the best way to put it into practice. It does not reflect the diverse environments in which it would be implemented and would perhaps be better implemented in a way more localized to the environments i.e. within agency and company standards than to the requirements of therapists themselves. If this was needed to apply to self-employed OTs, that would perhaps not fall under other regulations, guidelines or standards of a company than it might be need to be considered for implementation at this regulatory level.

Thank you for the opportunity to make a comment. If I might add it would facilitate consumer access to make comment if there was a link to do so on your webpage where proposed legislation is posted.

With appreciation for your work,

Beth Anderson OTR/L
beth@sbceo.org
CBOT L# OT 5934

cbot@dca.ca.gov
Comment on Proposed Regulation

Hello and thank you for your work to regulate our professional standards and assure consumer protection.

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Thank you for the opportunity to make a comment. If I might add it would facilitate consumer access to make comment if there was a link to do so on your webpage where proposed legislation is posted.

With appreciation for your work,

Beth Anderson OTR/L
beth@sbceo.org
CBOT L# OT 5934

cbot, CBOT@DCA

From: Valerie Adams <sadams4937@aol.com>
Sent: Saturday, July 23, 2016 12:07 PM
To: cbot, CBOT@DCA
Subject: Proposed modification to Code of Regulations

Follow Up Flag: Follow up
Flag Status: Flagged

To Heather Martin, Ranjila Sandhu, Denise Miller, and the other Board members:

As part of the request for public comment I am expressing my strong displeasure that the Board is considering such as huge increase in the biennial licensing renewal fees. I question the efficiency of the use of the fees collected by the Board. According go the Document titled "2012 Sunset Review Report" the board planned to increase the biennial renewal fee from $150 to $170 beginning in July 2014. This appeared to have been an understandable and acceptable increase, justified by the need to maintain a required level of funds in reserve. It is not clear why that smaller increase was not completed and why this huge increase is necessary at this time. I am afraid this large increase indicates that the board has been mishandling the funds they have been receiving.

Sincerely,

Valerie S. Adams, MA, OTR/L

July 22, 2016

Heather Martin
Executive Officer
California Board of Occupational Therapy
2005 Evergreen Street, Suite 2250
Sacramento, CA 95815

RE: Proposed Modifications to Licensing Fees – Modified Text dated July 6, 2016

Dear Ms. Martin:

The American Occupational Therapy Association (AOTA) is the national professional association representing the interests of more than 213,000 occupational therapists, occupational therapy assistants, and students of occupational therapy. The practice of occupational therapy is science-driven, evidence-based, and enables people of all ages to live life to its fullest by promoting health and minimizing the functional effects of illness, injury, and disability. AOTA supports the California Board of Occupational Therapy in its mission to protect the health, safety, and welfare of California consumers and the authority of the Board to create regulations to achieve this mission.

On behalf of AOTA, I am writing to express concern over high increases of licensure fees. The proposed amendments to the regulations would account for a 47 % increase in licensing fees for occupational therapists and 20% increase for occupational therapy assistants until 2021. After 2021, a further increase in fees would set the cost 80% higher for occupational therapists and 40% for occupational therapy assistants. AOTA continues to believe that this increase is significant and may be burdensome to practitioners in California.

In a previous comment letter, AOTA requested information regarding the budget, but did not receive that information. Again, if there is a recent and significant change in the budget revenues versus expenditures, AOTA would like to see more detailed information included in the Final Statement of Reasons to explain the fee increases.

AOTA Comments regarding the Modified Text

The modified text provides:

> ~~(d)~~ (e)The biennial renewal fee for occupational therapists shall be ~~one hundred fifty dollars ($150)~~ two hundred twenty dollars ($220). For licenses that expire on or after January 1, 2021, the biennial renewal fee shall be two hundred seventy dollars ($270).

AOTA Comment: AOTA appreciates that the Board is implementing a phased in approach to the fee increases, but we believe that the increases are too high and have not been adequately explained. We disagree with fiscal impact estimates and the Cost Impact on Representative Private Person or Business in the initial statement of reasons, especially given the new increases to be implemented in 2021. AOTA requests that more detailed information be included in the Final Statement of Reasons to explain the fee increases. We did not see any information to indicate that the Board has explored

measures to cut costs. One idea might be to eliminate the costly and burdensome process that is required to become approved providers of Advanced Practice Post-Professional Education. (See: http://www.bot.ca.gov/licensees/advanced.shtml).

As an alternative to the dramatic fee increases, AOTA suggests a 25% increase in the biennial renewal fee to $187.50 and then a 50% increase to $225 in 2021.

The modified text provides:

(f)The biennial renewal fee for occupational therapy assistants shall be ~~one hundred fifty dollars ($150)~~ one hundred eighty dollars ($180). For licenses that expire on or after January 1, 2021, the biennial renewal fee shall be two hundred ten dollars ($210).

AOTA Comment: AOTA appreciates that the Board is implementing a phased in approach to the fee increases, but we believe that the increases are too high and have not been adequately explained. We disagree with fiscal impact estimates and the Cost Impact on Representative Private Person or Business in the initial statement of reasons, especially given the new increases to be implemented in 2021. AOTA requests that more detailed information be included in the Final Statement of Reasons to explain the fee increases. We did not see any information to indicate that the Board has explored measures to cut costs.

As an alternative to the dramatic fee increases, AOTA suggests a 10% increase in the biennial renewal fee to $165 and then a 20% increase to $180 in 2021.

The modified text provides:

~~(f)~~ (h) ~~The renewal fee for an inactive license shall be twenty-five dollars ($25) fifty dollars ($50).~~ The biennial renewal fee for an inactive license shall be the same as the biennial renewal fee for an active license.

AOTA Comment: The existing renewal fee for an inactive license is $25. The modified text states that this fee will be the same as the biennial renewal fee. For OTs, the fee will be $220 and then $270 after January 1, 2021. For OTAs, the fee will be $180 and then $210 after January 1, 2021. AOTA requests that more detailed information be included in the Final Statement of Reasons to explain the fee increases. The Board might want to consider creating FAQs that can be posted on CBOT's website to help explain the increases and the rationale.

Occupational therapists provide valuable and needed services to consumers in California. Fee increases must be reasonable to ensure that barriers are not created and that the supply of practitioners is sufficient to meet the needs of consumers. AOTA strongly counsels a more modest and incremental approach to increasing fees, if in fact any fee increases can be justified. We respectively request that the Board revise its proposed rules on fee increases accordingly.

Please contact me at cvogeley@aota.org or 301/652-6611 x 1913 if you have questions or need additional information about any other issues related to the practice of occupational therapy.

Sincerely,

Chrissy Vogeley
Manager, State Affairs

Cc: Heather Kitching
President, Occupational Therapy Association of California

cbot, CBOT@DCA

From: grace <gracechin@comcast.net>
Sent: Sunday, July 31, 2016 6:44 PM
To: cbot, CBOT@DCA
Subject: increase in OT license fee

I strongly object to the proposed license fee increase.

I am a per diem OT working in 2 healthcare groups. My work hours fluctuate every week. I am a Registered OT with a California license. I have over 15 years of experience and hold an advance practice certificate in hand therapy. Keeping my license and keeping my membership in various professional groups are getting more and more expensive. Employers look to see if I am actively involved in OT associations and able to get professional support. So membership in professional associations has become one of the pre-requisite in some jobs, especially when the employer have a small group of therapists on site. Here is the list of fees that I am paying for to keep me working:

NBCOT $60 (National Board of Certification of OT)
CBOT $150
AOTA $199 (American OT Association)
OTAC $190 (OT Association of California)
ASHT (American Society of Hand Therapy) $240
Total ~$ 840

How many days I have to work in order to pay these fees? It is almost the monthly rent of a studio here. If the California license is going to increase the fee, I will forced to quit some membership to save money to pay for that. If I do that, my opportunity of being hired or assigned duties will be less. Or I will have to re-consider if it is worth to keep working as a per diem.

The second reason is that I don't see a need for CBOT to raise the fee at such a high percentage. Why CBOT needs so much operation cost as compared with NBCOT? Both require renewal procedures and validation of CEU.

I had worked with the CBOT staff during my application of advanced practice certificate 4-5 years ago. My experience was not very pleasant. The staff there lost all my papers in the process and I had to re-submit everything all over again. I got a verbal apology from them. I felt that the staff were not well organized and the operation was not systematic. Thus the office wasted lots of time and energy to handle the application and verification of information. I would like to see effective running of the CBOT office. Practitioners need to be told the reason for the increase and how the money will be used to increase the effective running of the board and provide good service to the applicants.

Therefore , I object the big increase in the license fee. I hope that you will consider these concerns.

Thanks
Mei.

cbot, CBOT@DCA

From: Julia Evans <jules234@gmail.com>
Sent: Friday, August 05, 2016 11:07 AM
To: cbot, CBOT@DCA
Subject: Fee Increase Comment

To Whom It May Concern,

I have looked over the materials about a possible fee increase for the CA OT license and find that making an almost 50% increase in the fees hard to agree with. Many therapists do not have their companies providing any financial assistance with licenses and other fees and this is just one more thing to spend money on. Although costs do increase I find it hard to believe that an increase of almost 50% is warranted. Part of running a successful business is to stay within a budget and we can't always continue raising the cost of things just to be able to always spend the money we want to. A modest fee increase may be warranted, but $70 is too much.

Julia Evans, MA, OTR/L