

**Board of Vocational Nursing and Psychiatric Technicians
Initial Statement of Reasons**

Hearing Date: March 16, 2022

Subject Matter of Proposed Regulations: Fee Schedule

Sections Affected: Amend sections 2537, 2537.1, 2590, and 2590.1 of Article 6 of Division 25 of Title 16, California Code of Regulations

Specific Purpose of Each Adoption, Amendment, or Repeal:

Problems Addressed

The Board of Vocational Nursing and Psychiatric Technicians (Board) is a state agency vested with the authority to license and regulate licensed vocational nurses (LVNs), psychiatric technicians (PTs), prelicensure program providers (Education Providers), and continuing education (CE) program providers by enforcing the Vocational Nursing Practice Act and the Psychiatric Technicians Law (Business and Professions Code (BPC) sections 2840, et seq. and 4500, et seq.). The Board's

(BPC sections 2841.1 and 4501.1).

The Board is a self-supporting, special fund agency that obtains its revenues from licensing, certification, examination, permit, renewal, delinquency and application fees. Under existing law, the Board is specifically authorized to collect fees to support its functions. The fees are intended to be sufficient to cover the cost of the Board's regulatory services. BPC sections 2892 - 2892.7, 2895, 2895.5, 4518, 4518.1, 4544 - 4545.3, and 4548 establish the Board's fee collection authority and the statutory minimum and maximum fee schedule for applications for the initial license types, applications for renewal and other fees for Board applicants, licensees, and education providers.

The Board initiated a User Fee Audit report (Capital Accounting Partners, 2016) and after review and consideration of the findings of the fee analysis, the Board pursued a new statutory range for the Board's existing fees and amendments to the mandatory statutory fee schedules, which had not been adjusted in approximately a decade. In 2018, the Board sponsored language in DCA's omnibus bill, Senate Bill 1480 (Hill, Chapter 571, Statutes of 2018). Amendments from this legislation to BPC sections 2892.6, 2892.7, 2895, 4518, 4518.1 and 4548 set the minimum prescribed fees for the licensing, renewal, application and other fees collected by the Board effective January 1, 2019.

In April of 2020, the Department of Consumer Affairs (DCA) completed an analysis of the Board's fund condition and fee structure. This analysis, initiated at the request of Board staff, was to determine the sustainability of the fund and to ensure that the Board

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 1 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

was collecting sufficient revenue to fully recover its cost of regulating individuals and businesses within its jurisdiction.

The analysis found that the current level of fees was not adequate to keep the Board's fund solvent and that fees needed to be adjusted to reflect the actual cost to the Board to process and service each license type. An analysis was once again conducted by DCA's Budget Office in August of 2020, concluding that although legislatively authorized fee increases were implemented on January 1, 2019, the reserve funds are not adequate to sustain Board budget expenditures beyond the 2022-23 Budget Year.

In October 2021, the Board staff completed an analysis of the Board's fee structure. This analysis was initiated to ensure that the Board was collecting sufficient revenue to fully reimburse the Board for the actual cost of processing VN and PT license applications, renewals, CE provider applications and renewals, and all other services authorized by statute. The goal of the analysis was to identify the Board's actual budgetary need to process each initial and renewal application the Board is required to process. The data indicates that, without exception, the actual cost to process each item required by statute exceeds the maximum fee authorized to be charged in statute, as further explained below (see also Underlying Data—cost analysis, and summary of "List of Proposed Fee Changes" showing actual cost to process items).

This proposal is necessary to help ensure the Board has sufficient resources to maintain the highest priority of consumer safety and protection and recover costs for administration and enforcement of the Vocational Nursing Practice Act and the Psychiatric Technicians Law. The proposed regulations would increase the Board's licensing, certification, permit, renewal, verification, delinquency, and application fees to the statutory maximums, which will help to alleviate the Board's structural imbalance and help recover costs for services provided to applicants.

SPECIFIC PURPOSE, ANTICIPATED BENEFIT, AND RATIONALE

As indicated below, the Board is increasing the fees for the application for initial license, application for renewal, permit, verification and certification services, application for CE and course providers and CE and course provider renewals to the statutory maximums. This increase will, in part, reimburse the Board for its costs for the licensing services it provides. It will begin to eliminate the structural imbalance and begin to restore the Board's reserve fund.

Proposed Amendments to Sections 2537 and 2537.1 and 2590, and 2590.1

Purpose: The purpose of amending title 16, California Code of Regulations (CCR) sections 2537, 2537.1, 2590, and 2590.1, is to increase the fees charged to LVN and PT license applicants, LVN and PT licensees, and LVN and PT CE and educational course program providers in an amount necessary to better represent the actual cost of processing applications, renewals, permits, certifications, and other licensing items. The proposed regulations would increase the Board's licensing, certification, permit,

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 2 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

renewal, verification, delinquency and application fees to the statutory maximums as outlined below.

Anticipated Benefits: California residents would benefit from the proposed regulation because the fee increases will enable the Board to continue regulating the practice of LVNs, PTs, and prelicensure and CE providers; the fees will support the Board’s daily functions, including the enforcement program. The Board protects consumers by investigating complaints against LVNs and PTs and by disciplining licensees for violations of the Vocational Nursing Practice Act and Psychiatric Technicians Law through its enforcement program. The enforcement program also monitors licensees who have been placed on probation. The Board’s highest priority is consumer protection, and the proposed revisions to Title 16 CCR sections 2537, 2537.1, 2590, and 2590.1 will allow the Board to continue its important consumer-focused functions.

Factual Basis/Rationale: Pursuant to Business and Professions (BPC) Code sections 2892 - 2892.7, 2895, 2895.5, 4544 - 4545.3, 4518, 4518.1 and 4548, the Board has statutory authority to assess fees, including those proposed. The revenue generated from the fees is placed in the Vocational Nursing and Psychiatric Technicians Fund and is utilized by the Board to perform the duties and functions authorized by the Vocational Nursing Practice Act and Psychiatric Technicians Law. In 2019, the Board set fees at the minimum level of the range established in statute and enacted its first fee increase in nearly a decade. At its November 19, 2021 meeting, the Board voted to initiate a rulemaking to adopt the proposed fee schedule increases set forth in this proposal.

The Board has conducted a cost analysis of the Board’s current fee structure and program administration to justify the increases to the application, licensing, certification, verification, delinquency, permit, and renewal fees (see Underlying Data). The Board’s current operating costs exceed the revenue being collected and the Board is using its reserve fund to meet its structural imbalance. This proposed regulatory change will ensure the Board will be able to meet future expenses while incrementally replenishing the reserve fund. The proposed amendments to the Board’s fee schedule will help to reduce the Board’s structural budget imbalance in the near future, recover costs, and allow the Board additional time to continue operations and analyze future operational needs, which should allow the Board enough time to seek authority to increase statutory fee levels to completely eliminate the structural imbalance. In the interim, the Board is proposing the following increases to continue operations for the near future (see Underlying Data: November 4, 2021 Analysis of Fund Condition 2022-23 Baseline with regulatory fee increase).

Amend section 2537 of Article 6, Chapter 1 of Division 25 of Title 16 of the CCR (LVN Applicant and Licensee Fees)

Specifically, the Board is proposing the following changes to Section 2537 to increase existing fee amounts collected to their statutory limits. With the exceptions noted below, all text changes for section 2537 are to the fee amount number and would change the existing or “current fee” number listed in the regulation (and listed here) to the

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 3 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

“proposed fee and statutory limit” number listed in the columns below:

Proposed Amendments to Section 2537 -- List of Proposed Fee Changes for Vocational Nurses

Proposed Regulatory Section and Corresponding Business and Professions Code (BPC) Section Fee Authority	Current Fee	Proposed Fee and Statutory Limit	Increase Amount
§ 2537(a): Application for Licensure by Examination - California Vocational Nursing Program Graduate (BPC § 2895 (a))	\$220	\$300	\$80
§ 2537(b): Application for Licensure by Examination - Equivalent Education/Experience (BPC § 2895 (b))	\$250	\$330	\$80
§ 2537(c): Application for Licensure by Endorsement (BPC § 2895 (c))	\$220	\$300	\$80
§ 2537(e): Application for Re-Examination BPC § 2895 (e)	\$220	\$300	\$80
§ 2537(f): Application for Biennial Renewal (BPC § 2895 (f))	\$220	\$300	\$80
§ 2537(g): Biennial Renewal Delinquent Fee (BPC § 2895 (g))	\$110	\$150	\$40
§ 2537(h): Initial License Fee (BPC § 2895 (h))*	\$220	\$300	\$80
§ 2537(i): Interim Permit (BPC § 2895 (i))	\$20	\$50	\$30
§ 2537(j): Duplicate license or wall certificate (BPC § 2895 (j))	\$25	\$50	\$25
§ 2537(k): Verification of a California license to another State Board (BPC § 2895 (k))	\$100	\$150	\$50
§ 2537(l): Intravenous, Blood Withdrawal, or Intravenous with Blood Withdrawal Certification (BPC § 2895(l))	\$20	\$50	\$30

* The Board does not propose to amend the text for subdivision (h). However, the proposal will result in a fee increase since the current text provides that the “initial license fee is an amount equal to the biennial renewal fee” (here proposed at subsection (f) as a change from \$220 to \$300, which is an increase of \$80). To ensure that the regulated community is aware of the effect of these regulatory changes, the Board lists the fiscal impact of the changes here.

The Board has conducted a cost analysis to justify the proposed increases to the fees listed in Section 2537. The analysis indicates that the actual costs to administer and/or process these items are as follows:

Regulatory Section (16 CCR)	Actual Costs
2537(a): Application for Licensure by Examination - CA Vocational Nursing Program Graduate	\$ 362
2537(b): Application for Licensure by Examination - Equivalent Education/Experience	\$ 872
2537(c): Application for Licensure by Endorsement	\$ 465
2537(e): Application for Re-Examination	\$ 325
2537(f): Biennial Renewal Fee (2 years)	\$ 364
2537(g): Renewal Delinquent Fee	\$ 196
2537(h): Initial License Fee	\$ 305
2537(i): Interim Permit	\$ 87
2537(j): Duplicate license or wall certificate	\$ 72
2537(k): Verification of a Calif Licensee's license to another State Board	\$ 372
2537(l): Intravenous (IV), Blood Withdrawal (BW), or (IV with BW) Certification	\$ 181

Based upon this analysis and the analysis of the Board's fund condition (see analyses and fund condition statements in Underlying Data), the Board needs to increase the above-referenced fees in this section to the maximums permitted by BPC section 2895 to continue operations for the near future. The fee increases will bolster the Board's revenues and funding available to continue uninterrupted the Board's daily functions, enforcement, and licensing operations.

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 5 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

Amend section 2590 of Article 6, Chapter 2 of Division 25 of Title 16 of the CCR (PT Applicant and Licensee Fees)

Specifically, the Board is proposing the following changes to Section 2590 to increase existing fee amounts collected to their statutory limits. With the exceptions noted below, all text changes for section 2590 are to the fee amount number and would change the existing or “current fee” number listed in the regulation (and listed here) to the “proposed fee and statutory limit” number listed in the columns below:

Proposed Amendments to Section 2590 -- List of Proposed Fee Changes for Psychiatric Technicians

Proposed Regulatory Section and Corresponding Business and Professions Code (BPC) Section Fee Authority	Current Fee	Proposed Fee and Statutory Limit	Increase Amount
§ 2590 (a): Application for Licensure by Examination - California Psychiatric Technician Program Graduate (BPC § 4548 (a))	\$265	\$345	\$80
§ 2590 (b): Application for Licensure by Examination – by methods other than Section 2590(a) (BPC § 4548(b))	\$295	\$375	\$80
§ 2590 (c): Application for Licensure by Endorsement (BPC § 4548 (c))	\$220	\$300	\$80
§ 2590 (e): Application for Re-Examination (BPC § 4548 (e))	\$265	\$345	\$80
§ 2590 (f): Application for Biennial Renewal (BPC § 4548 (f))	\$220	\$300	\$80
§ 2590 (g): Biennial Renewal Delinquent Fee (BPC § 4548 (g))	\$110	\$150	\$40
§ 2590 (h): Initial License Fee BPC § 4548 (h)*	\$220	\$300	\$80
§ 2590 (i): Interim Permit BPC § 4548 (i)	\$20	\$50	\$30
§ 2590 (j): Duplicate license or wall certificate BPC § 4548 (j)	\$25	\$50	\$25
§ 2590 (k): Verification of a California license to another State Board BPC § 4548 (k)	\$20	\$50	\$30
§ 2590 (l): Blood Withdrawal Certification BPC § 4548 (l)	\$20	\$50	\$30

* The Board does not propose to amend the text. However, the proposal will result in a fee increase since the current text provides that the “initial license fee is an amount equal to the biennial renewal fee” (here proposed at subsection (f)) as a change from \$220 to \$300, which is an increase of \$80). To ensure that the regulated community is aware of the effect of these regulatory changes, the Board lists the fiscal impact of the changes here.

The Board has conducted a cost analysis to justify the proposed increases to the fees listed in Section 2590. The analysis indicates that the actual costs to administer and/or process these items are as follows:

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 6 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

Regulatory Section (16 CCR)	Actual Costs
§ 2590 (a): Application for Licensure by Examination - CA Psychiatric Tech Program Graduate	\$362
§ 2590 (b): Application for Licensure by Examination - Equivalent Education/Experience	\$ 773
§ 2590 (c): Application for Licensure by Endorsement	\$ 407
§ 2590 (e): Application for Re-Examination	\$ 347
§ 2590 (f): Biennial Renewal Fee (2 years)	\$ 305
§ 2590 (g): Renewal Delinquent Fee	\$ 167
§ 2590 (h): Initial License Fee B	\$ 305
§ 2590 (i): Interim Permit	\$ 87
§ 2590 (j): Duplicate license or wall certificate	\$ 72
§ 2590 (k): Verification of a California License to another State Board	\$ 372
§ 2590 (l): Blood Withdrawal (BW) Certification	\$ 181

Based upon this analysis and the analysis of the Board’s fund condition (see analyses and fund condition statements in Underlying Data), the Board needs to increase the above-referenced fees in this section to the maximums permitted by BPC section 4548 to continue operations for the near future. The fee increases will bolster the Board’s revenues and funding available to continue uninterrupted the Board’s daily functions, enforcement, and licensing operations.

Amend section 2537.1 of Article 6, Chapter 1 of Division 25 of Title 16 of the CCR (LVN CE Program Provider Fees)

Specifically, the Board is proposing the following changes to Section 2537.1 to increase existing fee amounts collected to their statutory limits. All text changes for section 2537.1 are to the fee amount number and would change the existing or “current fee” number listed in the regulation (and listed here) to the “proposed fee and statutory limit” number listed in the columns below:

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 7 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

Proposed Amendments to Section 2537.1 -- List of Proposed Fee Changes for Education Course Providers for Vocational Nursing

Proposed Regulatory Section and Corresponding Business and Professions Code (BPC) Section Fee Authority	Current Fee	Proposed Fee and Statutory Limit	Increase Amount
§ 2537.1(a): Continuing Education Course Provider Application (BPC § 2892.6)	\$150	\$250	\$100
§ 2537.1(b): Continuing Education Course Provider Biennial Renewal (BPC § 2892.6)	\$150	\$250	\$100
§ 2537.1(c): Application for Course Provider in Intravenous Therapy (BPC § 2892.7)	\$150	\$250	\$100
§ 2537.1(d): Intravenous Therapy Course Provider Biennial Renewal (BPC § 2892.7)	\$150	\$250	\$100
§ 2537.1(e): Blood Withdrawal Course Provider Application (BPC § 2892.7)	\$150	\$250	\$100
§ 2537.1(f): Blood Withdrawal Course Provider Biennial Renewal (BPC § 2892.7)	\$150	\$250	\$100
§ 2537.1(g): Intravenous with Blood Withdrawal Course Provider Application (BPC § 2892.7)	\$150	\$250	\$100
§ 2537.1(h): Intravenous with Blood Withdrawal Course Provider Biennial Renewal (BPC § 2892.7)	\$150	\$250	\$100

The Board has conducted a cost analysis to justify the proposed increases to the fees listed in Section 2537.1. The analysis indicates that the actual costs to administer and/or process these items are as follows:

Regulatory Section (16 CCR)	Actual Costs
§ 2537.1(a): Continuing Education (CE) Course Provider Application (VN)	\$ 278
§ 2537.1(b): Biennial Renewal - CE Course Provider (VN)	\$ 278
§ 2537.1(c): Blood Withdrawal (BW) Course Provider (VN) Application	\$ 306
§ 2537.1(d): Biennial Renewal - Blood Withdrawal (BW) Course Provider (VN)	\$ 306
§ 2537.1(e): Intravenous (IV) Course Provider (VN) Application	\$ 306

§ 2537.1(f): Biennial Renewal - Intravenous (IV) Course Provider (VN)	\$ 306
§ 2537.1(g): IV with Blood Withdrawal (IV with BW) Course Provider (VN) Application	\$ 306
§ 2537.1(h): Biennial Renewal - IV with Blood Withdrawal (IV with BW) Course Provider (VN)	\$ 306

Based upon this analysis and the analysis of the Board’s fund condition (see analyses and fund condition statements in Underlying Data), the Board needs to increase the above-referenced fees in this section to the maximums permitted by BPC sections 2892.6 and 2892.7 to continue operations for the near future. The fee increases will bolster the Board’s revenues and funding available to continue uninterrupted the Board’s daily functions, enforcement, and licensing operations.

Amend section 2590.1 of Article 6, Chapter 2 of Division 25 of Title 16 of the CCR (PT CE Program Provider Fees)

Specifically, the Board is proposing the following changes to Section 2590.1 to increase existing fee amounts collected to their statutory limits. All text changes for section 2590.1 are to the fee amount number and would change the existing or “current fee” number listed in the regulation (and listed here) to the “proposed fee and statutory limit” number listed in the columns below:

Proposed Amendments to Section 2590.1 -- List of Proposed Fee Changes for Education Course Providers for Psychiatric Technicians

Proposed Regulatory Section and Corresponding Business and Professions Code (BPC) Section Fee Authority	Current Fee	Proposed Fee and Statutory Limit	Increase Amount
§ 2590.1(a): Continuing Education Course Provider Application (BPC §§ 4518, 4518.1)	\$150	\$250	\$100
§ 2590.1(b): Continuing Education Course Provider Biennial Renewal (BPC §§ 4518, 4518.1)	\$150	\$250	\$100
§ 2590.1(c): Blood Withdrawal Course Provider Application (BPC §§ 4518, 4518.1)	\$150	\$250	\$100
§ 2590.1(d): Blood Withdrawal Course Provider Biennial Renewal (BPC §§ 4518, 4518.1)	\$150	\$250	\$100

The Board has conducted a cost analysis to justify the proposed increases to the fees listed in Section 2590.1. The analysis indicates that the actual costs to administer and/or process these items are as follows:

Regulatory Section (16 CCR)	Actual Costs
§ 2590.1(a): Continuing Education (CE) Course Provider (PT) Application	\$ 278
§ 2590.1(b): Biennial Renewal - CE Course Provider (PT)	\$ 306
§ 2590.1(c): Blood Withdrawal (BW) Course Provider (PT) Application	\$ 306
§ 2590.1(d): Biennial Renewal - BW Course Provider (PT)	\$ 306

Based upon this analysis and the analysis of the Board’s fund condition (see analyses and fund condition statements in Underlying Data), the Board needs to increase the above-referenced fees in this section to the maximums permitted by BPC sections 4518 and 4518.1 to continue operations for the near future. The fee increases will bolster the Board’s revenues and funding available to continue uninterrupted the Board’s daily functions, enforcement, and licensing operations.

If this regulatory proposal is not adopted, the Board may need to restrict its core operations, including slowing its ability to process applications, curtailing investigations, and limiting the Board’s ability to adjudicate violations of the laws it administers in an expedient manner.

These restrictions to the operational functions of the Board could result in licensing backlogs and compromise the Board’s ability to achieve its mission and statutory mandate of consumer protection.

Other amendments to the proposed text:

Subdivision (e) of sections 2537 and 2590 is amended to add “re” so it reads “re-examination” and “attempt” after the word “first” to clarify that that this fee applies to the re-taking of the same examination type, and for the reason of a failed examination.

This regulatory proposal also adds BPC section 2895 to the reference section cited in the Note at the end of the proposed text for section 2537, to more accurately reflect the statutory provisions being implemented and to more properly identify the source of the fee schedule authority for the Vocational Nursing Practice Act.

UNDERLYING DATA

- Senate Bill 1480 (Hill, Chapter 571 of the Statutes of 2018)
- August 21, 2020 Board Meeting Agenda

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 10 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

- August 21, 2020 Board Meeting Minutes
- Memo to Board Members from Executive Officer dated August 14, 2020 re: *Executive Officer's Report: August 2020*
- Attachment to August 14, 2020 Memo re: *Vocational Nursing and Psychiatric Technicians Analysis of Fund Condition, dated 8/7/2020*
- Department of Consumer Affairs Revenue Report FY 2020-2021: Board of Vocational Nursing and Psychiatric Technicians, run date: 04/28/2021
- Department of Consumer Affairs Expenditure Report FY 2020-2021: Board of Vocational Nursing and Psychiatric Technicians, run date: 04/28/2021
- Board of Vocational Nursing and Psychiatric Technicians Fund Condition report based on FM08 (showing Budget Years Actual 2019-20, 2020-21, 2021-22, 2022-23)
- Board of Vocational Nursing and Psychiatric Technicians Fund Condition report based on FM09 (showing Budget Years Actual 2019-20, 2020-21, 2021-22, 2022-23)
- Department of Consumer Affairs Expenditure Projection Report FY 2020-2021: Board of Vocational Nursing and Psychiatric Technicians, run date: 05/10/2021
- August 20, 2021 Board Meeting Agenda
- August 20, 2021 Board Meeting Minutes
- August 16, 2021 Memorandum: *Update on the Proposed Increase in Applicant, Licensee and Continuing Education Program Fees*
- August 20, 2021 Draft of Fee Changes
- August 19, 2021 Analysis of Fund Condition with Fee increases and AB 1536 Impact
- November 19, 2021 Board Meeting Agenda
- Draft November 19, 2021 Board Meeting Minutes
- November 19, 2021 Board Meeting Materials:
 - (1) Memorandum: *Discussion Regarding Fiduciary Responsibilities, Liabilities, and Governing Laws with Respect to the Fiscal State of the Board*
 - (2) November 19, 2021 Memorandum: *Fee Schedule - Discussion and Possible Action to Initiate a Rulemaking to Amend Title 16 California Code of Regulations Sections 2537, 2537.1, 2590, and 2590.1*
 - (3) November 19, 2021 *List of Proposed Fee Changes*
 - (4) Proposed Text for Title 16 California Code of Regulations Sections 2537, 2537.1, 2590, and 2590.1
 - (5) November 4, 2021 Analysis of Fund Condition 2022-23 Baseline (status quo)
 - (6) November 4, 2021 Analysis of Fund Condition 2022-23 Baseline with regulatory fee increase
- Cost Analysis for PT Applicant and Licensing Fees
- Cost Analysis for PT CE Course Provider Fees
- Cost Analysis for VN Applicant and Licensing Fees
- Cost Analysis for VN CE Course Provider Fees
- Fee Schedule, Fiscal Impact, and Annual Revenue Chart

BUSINESS IMPACT

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 11 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

This regulation may have an economic impact on businesses, specifically, the Board's licensees and applicants. This determination is based upon the following facts. The regulation would increase fees for increase the fees charged to LVN and PT license applicants, LVN and PT licensees, and LVN and PT CE and educational course or continuing education program (CE) providers. To the extent these applicants apply for licensure or licensees opt to renew their licenses and provider approvals, the proposed regulations will impact them as described in the following tables and in the Economic Impact Assessment described below.

However, the proposed regulations will not have a significant statewide adverse economic impact on businesses, including the ability to compete with other businesses in California, because the fee increases are considered to be very minor compared to the income of most applicants and licensees in these professions. As described above, this proposal represents a \$25-80 increase for licensing, permit, renewal, verification, and delinquency fees and an additional \$100 increase for application and renewal for educational course providers. Further, as the regulations do not materially increase the amount of fees charged to CE program providers, any financial impact on the businesses should be minor and offset by CE course fees.

Proposed Fee Impacts for Continuing Education Course Providers for Vocational Nursing	Annual Population	Increase Amount	Annual Cost
Continuing Education Course Provider BPC § 2892.6	19	\$100	\$1,900
Continuing Education Course Provider Biennial Renewal BPC § 2892.6	23	\$100	\$2,300
Blood Withdrawal Continuing Education Course Provider BPC § 2892.7	3	\$100	\$300
Blood Withdrawal Continuing Education Course Provider Biennial Renewal BPC § 2892.7	3	\$100	\$300
Intravenous Continuing Education Course Provider BPC § 2892.7	8	\$100	\$800
Intravenous Continuing Education Course Provider Biennial Renewal BPC § 2892.7	4	\$100	\$400
Intravenous with Blood Withdrawal Continuing Education Course Provider BPC § 2892.7	22	\$100	\$2,200
Intravenous with Blood Withdrawal Continuing Education Course Provider Biennial Renewal BPC § 2892.7	29	\$100	\$2,900
		Total:	\$11,100

Proposed Fee Impacts for Continuing Education Course Providers for Psychiatric Technicians	Annual Population	Increase Amount	Annual Cost
Continuing Education Course Provider (BPC §§ 4518, 4518.1)	2	\$100	\$200
Continuing Education Course Provider Biennial Renewal (BPC §§ 4518, 4518.1)	3	\$100	\$300
Blood Withdrawal Continuing Education Course Provider (BPC §§ 4518, 4518.1)	1	\$100	\$100
Blood Withdrawal Continuing Education Course Provider Biennial Renewal (BPC §§ 4518, 4518.1)	4	\$100	\$400
		Total:	\$1,000

ECONOMIC IMPACT ASSESSMENT

The Board concludes that this regulatory proposal will have the following effects:

- (1) It will not create or eliminate any jobs within the State of California;
- (2) It will not create new, or eliminate existing, businesses within the State of California; and,
- (3) It will not expand businesses currently doing business within the state of California, because these costs are considered minor compared to the income of most applicants and licensees in these professions and for the businesses who offer CE programs approved by the Board. As described above, this proposal represents a \$25-80 increase for licensing, permit, certification, renewal, verification, and delinquency fees and an additional \$100 increase for application and renewal for educational course providers.

The total annual cost of all fees collected under this proposal is approximately 6.5 million dollars, and is detailed as follows:

Cost Impacts and Applicable Business and Professions Code Sections for Vocational Nurses	Annual Population	Increase Amount	Annual Revenue
Application for Licensure by Examination - California Vocational Nursing Program Graduate BPC § 2895 (a)	6,534	\$80	\$522,720
Application for Licensure by Examination - Equivalent Education/Experience BPC § 2895 (b)	1,792	\$80	\$143,360
Application for Licensure by Endorsement BPC § 2895 (c)	1,023	\$80	\$81,840
Application for Re-Examination BPC § 2895 (e)	4,901	\$80	\$392,080
Application for Biennial Renewal BPC § 2895 (f)	49,621	\$80	\$3,969,680

Cost Impacts and Applicable Business and Professions Code Sections for Vocational Nurses	Annual Population	Increase Amount	Annual Revenue
Biennial Renewal Delinquent Fee BPC § 2895 (g)	2,430	\$40	\$97,200
Initial License Fee BPC § 2895 (h)	7,050	\$80	\$564,000
Interim Permit BPC § 2895 (i)	323	\$30	\$9,690
Duplicate license or wall certificate BPC § 2895 (j)	389	\$25	\$9,725
Verification of a California license to another State Board BPC § 2895 (k)	2,144	\$50	\$107,200
Intravenous, Blood Withdrawal, or Intravenous with Blood Withdrawal Certification BPC § 2895(l)	4,818	\$30	\$144,540
Total:			\$6,042,035

Cost Impacts and Applicable Business and Professions Code Sections for Psychiatric Technicians	Annual Population	Increase Amount	Annual Cost
Application for Licensure by Examination - California Psychiatric Technician Program Graduate BPC § 4548 (a)	364	\$80	\$29,120
Application for Licensure by Examination - Equivalent Education/Experience BPC § 4548 (b)	22	\$80	\$1,760
Application for Licensure by Endorsement BPC § 4548 (c)	0	\$80	\$0
Application for Re-Examination BPC § 4548 (e)	228	\$80	\$18,240
Application for Biennial Renewal BPC § 4548 (f)	4,422	\$80	\$353,760
Biennial Renewal Delinquent Fee BPC § 4548 (g)	161	\$40	\$6,440
Initial License Fee BPC § 4548 (h)	322	\$80	\$25,760
Interim Permit BPC § 4548 (i)	24	\$30	\$720
Duplicate license or wall certificate BPC § 4548 (j)	24	\$25	\$600
Verification of a California license to another State Board BPC § 4548 (k)	9	\$30	\$270
Blood Withdrawal Certification BPC § 4548 (l)	3	\$30	\$90
Total:			\$436,760

Cost Impacts and Applicable Business and Professions Code for Continuing Education Course Providers for Vocational Nursing	Annual Population	Increase Amount	Annual Cost
Continuing Education Course Provider BPC § 2892.6	19	\$100	\$1,900
Continuing Education Course Provider Biennial Renewal BPC § 2892.6	23	\$100	\$2,300
Blood Withdrawal Continuing Education Course Provider BPC § 2892.7	3	\$100	\$300
Blood Withdrawal Continuing Education Course Provider Biennial Renewal BPC § 2892.7	3	\$100	\$300
Intravenous Continuing Education Course Provider BPC § 2892.7	8	\$100	\$800
Intravenous Continuing Education Course Provider Biennial Renewal BPC § 2892.7	4	\$100	\$400
Intravenous with Blood Withdrawal Continuing Education Course Provider BPC § 2892.7	22	\$100	\$2,200
Intravenous with Blood Withdrawal Continuing Education Course Provider Biennial Renewal BPC § 2892.7	29	\$100	\$2,900
		Total:	\$11,100

Cost Impacts and Applicable Continuing Education Course Providers for Psychiatric Technicians	Annual Population	Increase Amount	Annual Cost
Continuing Education Course Provider (BPC § 4518, 4518.1)	2	\$100	\$200
Continuing Education Course Provider Biennial Renewal (BPC §§ 4518, 4518.1)	3	\$100	\$300
Blood Withdrawal Continuing Education Course Provider (BPC §§ 4518, 4518.1)	1	\$100	\$100
Blood Withdrawal Continuing Education Course Provider Biennial Renewal (BPC §§ 4518, 4518.1)	4	\$100	\$400
		Total:	\$1,000
		Total Cost:	\$6,490,895

The proposed regulations affect individuals and some small businesses financially, but the effects will be minimal and absorbable. The affected individuals are applicants for PT and LVN licenses, applicants for intravenous and blood withdrawal certification and renewal, PT and LVNs renewing their licenses, and continuing education providers of PT and LVN courses. The number of applications for PT and LVN licensure and

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 15 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021

intravenous and blood withdrawal certification have been relatively stable for years. The Board does not anticipate that the number of applications or licenses will change significantly as a result of these proposed regulations. Even though a minimal financial impact will occur, it is anticipated that these regulations will not affect the creation of jobs, nor eliminate jobs within the State of California, because the cost increases for licensure, license renewal, intravenous and blood withdrawal certification and renewal, and CE education would be minor and absorbable relative to the average income of these businesses and professions.

The Board also concludes that this proposal will have the following effects:

- It will benefit the health and welfare of California residents because the proposal will increase the Board’s revenue and funding available to continue uninterrupted the Board’s enforcement, investigative, licensing, examination, and public outreach operations.
- This regulatory proposal does not affect worker safety or the State’s environment because the proposed regulations are not relative to workers’ safety or the environment. This regulatory proposal focuses on an increase in fee schedules to help to reduce the Board’s current structural imbalance and does not affect worker safety or the State’s environment.

SPECIFIC TECHNOLOGIES OR EQUIPMENT

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

CONSIDERATION OF ALTERNATIVES

No reasonable alternative to the regulatory proposal would be more effective in carrying out the purpose for which the regulation is proposed, would be as effective and less burdensome to affected private persons than the adopted regulation, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

No alternatives were considered because the Board’s fund will become insolvent in the near future without a fee increase. If the Board reduces its annual expenditures to mitigate the structural fund imbalance, the Board would be forced to cut mission critical functions, which will jeopardize the public safety of California consumers.

Board of Vocational Nursing & Psychiatric Technicians (BVNPT)	Initial Statement of Reasons	Page 16 of 16
Sections Affected: 16 CCR §2537, 2537.1, 2590, 2590.1	Fee Schedule	Revision Date: 12/22/2021