

**TITLE 16. BOARD OF PHARMACY
DEPARTMENT OF CONSUMER AFFAIRS**

INITIAL STATEMENT OF REASONS

Hearing Date: No hearing scheduled

Subject Matter of Proposed Regulation: Pharmacy Technician Fees

Section Affected: Amend Title 16, California Code of Regulations (CCR) section 1749

Background / Problem Addressed

The California State Board of Pharmacy (Board) is a state agency vested with the authority to regulate the pharmacy industry, including pharmacies, pharmacists, and pharmacy technicians (Business and Profession Code (BPC) section 4000, et seq.). The Board's mandate and mission are to protect the public (BPC section 4001.1).

BPC section 4400 establishes the fee schedule for application, renewal, and other fees for Board applicants and licensees.

Following completion of an independent fee audit and public discussion, the Board secured legislative changes to update its fee schedule in Senate Bill 816 (Chapter 723, Statutes of 2023). Under the provisions of the measure, the Board's fees were recast, with some fees reduced, some remaining the same, and other fees increasing. The new fee schedule becomes effective January 1, 2025. Changes to the Board's fee regulation in Title 16, CCR section 1749 are necessary to align with the new fee schedule established in statute, providing clarity to the Board's regulated public.

This regulatory proposal will amend the existing fee regulation at CCR section 1749, making specific the pharmacy technician license renewal fee and reducing it from the pre-set fee established in amended BPC section 4400. This regulatory proposal will also make specific the delinquency fee that will be assessed for failure to renew pharmacy technician licenses. (Concurrently, a separate Section 100 regulatory proposal will amend this regulation section to set the other fees at the pre-set levels established in statute.)

Anticipated Benefits from this Regulatory Proposal

Protection of the public is the Board's highest priority in exercising its licensing, regulatory, and disciplinary functions. This regulatory proposal benefits the health and welfare of California residents by removing a potential barrier to continued pharmacy technician licensure while ensuring the Board has sufficient resources to maintain its current operations (licensing, regulation, and enforcement activities) and meet its consumer protection mandate. Additionally, this proposal makes specific the Board's pharmacy technician renewal fee and delinquency fee in accordance with the recent recasting of Board fees in amended BPC section 4400.

Specific Purpose of, and Rationale for, Each Adoption, Amendment, or Repeal

The Board is amending CCR section 1749(c) to set the pharmacy technician license renewal fee following the amendments to the fee schedule established in BPC section 4400.

The fee for the biennial renewal of a pharmacy technician license will decrease from \$195 to \$150. The Board notes, pursuant to Chapter 723, Statutes of 2023 (SB 816), the pharmacy technician license renewal fee range will be revised from a range of \$140 (minimum) to \$195 (maximum) to a range of \$125 (minimum) to \$180 (set fee and maximum), effective January 1, 2025.

As a result, the costs (savings) impacts resulting from the proposed regulations are based on current law, effective January 1, 2025, which lowers the maximum fee amount from \$195 to \$180. The cost (savings) reported in this proposal are therefore based on the incremental difference between the renewal license set fee amount \$180 and the proposed fee amount of \$150 set under this proposal (with commensurate adjustments to delinquency fees).

The amendments are necessary to ensure pharmacy technician license renewal fees are in compliance with SB 816, which also helping individuals to maintain licensure. The proposed fee amounts were approved by the Board consistent with current law and as a policy decision to assist pharmacy technicians with lower costs of licensure.

Additionally, subdivision (c) is amended to change the delinquency fee for a pharmacy technician to \$75, which is 50% of the renewal fee, not to exceed \$150, as set forth in BPC section 163.5.

Table 1: Fee Schedule CCR section 1749 (c)

| CA State Board of Pharmacy | | | |
|---|---------------------------------|-------------------------|----------------------------|
| CCR 1749 (c) Pharmacy Technician | Statutory Fee (cap)* | Proposed Fee | Decrease Amount |
| Renewal License | \$180 | \$150 | (\$30) |
| Renewal License - Delinquent | \$90 | \$75 | (\$15) |

*Effective 1/1/2025 - Pursuant to Ch 723, Statutes of 2023 (SB 816)

Underlying Data

1. Senate Bill 816 (Chapter 723, Statutes of 2023)
2. Relevant Meeting Materials and Draft Minutes from Board of Pharmacy Meeting held December 13, 2023

3. Relevant Meeting Materials and Draft Minutes from Board of Pharmacy Meeting held April 24-25, 2024

Business Impact

The Board has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting businesses including the ability of California businesses to compete with businesses in other states. The proposed regulatory change establishes the pharmacy technician license renewal fees.

This regulation may have an economic impact on the Board’s licensees by reducing pharmacy technician biennial license fees. To the extent a licensed pharmacy technician opts to renew their license, the proposed regulations will result in cost (savings) of approximately \$881,000 per year as follows:

Table 2: Cost (savings) Impact – Applicant and Licensee Population

| CA State Board of Pharmacy | | | |
|---|-------------------------------|------------------------------|-------------------------|
| CCR 1749 (c) Pharmacy Technician | Annual Population* | Decrease Amount** | Cost Savings |
| Renewal License | 28,640 | (\$30) | (\$859,200) |
| Renewal License - Delinquent | 1,430 | (\$15) | (\$21,450) |
| Total Cost (savings): | | | (\$880,650) |

*Based on 3-year historical data

**Effective 1/1/2025 - Pursuant to Ch 723, Statutes of 2023 (SB 816)

Economic Impact Assessment

The Board has determined that this proposal will:

- (1) Not create or eliminate jobs within California because the incremental fee decrease is negligible compared to the average salary of licensees.
- (2) Not create or eliminate new businesses within California because the incremental fee decrease is negligible compared to the average salary of licensees.
- (3) Not expand businesses currently doing business in the State of California because the incremental fee decrease is negligible compared to the average salary of licensees.
- (4) Benefit the health and welfare of California residents, specially licensed pharmacy technicians because it reduces biennial license renewal fees below the statutory maximum.
- (5) Not affect worker safety or the environment because the proposed regulations are not relative to workers’ safety or the environment. This regulatory proposal focuses on renewal license fee and does not affect worker safety or the state’s environment.

Fiscal Impact Assessment:

The Board estimates the proposed regulations will decrease pharmacy technician renewal license fee revenues by approximately \$881,000 per year. While the proposed fee levels will result in reduced revenues, SB 816 also adjusted the Board's other fees to help eliminate any structural imbalance. As a result, the projected decrease in revenues is not anticipated to negatively impact the Board at this time.

Because the Board currently charges the fees in this proposal and/or performs workload associated with pharmacy technician programs and fees, no additional workload and costs are anticipated.

The regulations result in one-time information technology (IT) costs of \$5,000 to update cashiering and accounting software. Any IT costs will be absorbed within existing resources.

The regulation does not result in costs or savings in federal funding to the state.

Specific Technologies or Equipment

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

Consideration of Alternatives

No reasonable alternative to the regulatory proposal would be either more effective in carrying out the purpose for which the action is proposed or as effective or less burdensome to affected private persons and equally effective in achieving the purposes of the regulation in a manner that ensures full compliance with the law being implemented or made specific.

The Board considered not reducing the pharmacy technician license renewal fee from the pre-set amount of \$180 established in BPC section 4400; however, the Board determined that a reduction in the fees was appropriate to ease the financial burden associated with pharmacy technician license renewal.

Description of reasonable alternatives to the regulation that would lessen any adverse impact on small business:

No such alternatives have been proposed, however, the Board welcomes comments from the public.