



Senate California Legislature

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Senator, Twenty-Third District

SB 601: License Fee Waivers for Businesses Affected by Emergencies

BILL SUMMARY

SB 601 would authorize any state agency that issues a business or occupational license to reduce or waive fees for licensure, renewal of licensure, or replacement of a physical license for display, if a person or business has been displaced by a state or federally declared emergency within one year of the incident.

BACKGROUND

In recent years, California has seen several of the most damaging and costly natural disasters in history. Among these were the Tubbs Fire which destroyed at least 8,400 structures and cost more than \$1 billion in insurance liability, the Southern California mud and debris flows which claimed 21 lives and damaged well over 400 structures, and the Camp Fire which claimed 85 lives and destroyed more than 18,800 structures.

These disasters have decimated local economies and businesses, affecting an estimated 381,784 businesses identified by FEMA across nine counties: Butte, Lake, Mendocino, Napa, Nevada, Orange, Solano, Sonoma, and Yuba.

In an effort to streamline economic recovery efforts, there is precedent within the Business and Professions Code that empowers the Board of Optometry to reduce or waive fees for a person who is displaced by a federal or state emergency to encourage getting them back to work as soon as possible. This is a powerful tool to encourage economic recovery in the wake of such a devastating year for Californians that ought to be expanded to all professions.

PROBLEM

As evidenced by the recent fires that wreaked havoc throughout the state, Californians affected by disasters are severely economically disadvantaged. In the aftermath, expenses pile up as victims must replace important documents and possessions, including licensing documents. Many of them lose everything and struggle to rebuild their lives and

businesses. Anything the state can do to relieve pressure on those affected and ease their transition back to normalcy ought to be of the highest priority.

According to the Institute for Justice, the average amount spent on licensing fees in California is \$486 and many occupations require a physically displayed license in the workplace. California is among the most onerously regulated economies in the nation and disaster victims often have neither the time nor resources to navigate the necessary steps to get back to work. They have already gone through the regulatory process to initially become licensed and whatever can be done to streamline the process of helping them get back to work will benefit the state's economy as it recovers from emergencies.

SOLUTION

SB 601 would allow state licensing entities to reduce or waive the fees associated with licensure, including renewal of licensure or replacement of a physical license for display, in cases where a business has been displaced by a state or federally declared emergency within one year of the incident.

BILL STATUS

Assembly Governmental Organization Committee

SUPPORT

R Street Institute (sponsor)
Rebuild Paradise Foundation
California Board of Accountancy
CalChamber
Southwest California Legislative Council
California Dental Association
Board of Behavioral Sciences
California State Board of Pharmacy
San Gabriel Valley Economic Partnership
Contractors State License Board
National Association of Social Workers

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