Attachment 4

DEPARTMENT OF CONSUMER AFFAIRS
TITLE 16. BOARD OF PHARMACY

PROPOSED REGULATORY LANGUAGE
Fee Schedules

Legend:	Added text is indicated with an underline. Omitted text is indicated by (* * * *) Deleted text is indicated by ~~strikeout~~.

Amend section 1749 of Division 17 of Title 16 of the California Code of Regulations to read as follows:

§ 1749. Fee Schedule.

Effective July 1, 2027, ~~T~~the application, renewal, penalties, and other fees, unless otherwise specified, are hereby fixed as follows:

(a) The fee for the issuance of any non-government owned pharmacy license is ~~seven hundred fifty dollars ($750)~~two thousand dollars ($2,000). The fee for the annual renewal of any non-government owned pharmacy license is ~~one thousand twenty-five dollars ($1,025)~~one thousand five hundred dollars ($1,500). The penalty for failure to renew is one hundred fifty dollars ($150).

(1) The fee for the issuance of any government owned pharmacy license is one thousand dollars ($1,000). The fee for the annual renewal of any government owned pharmacy license is one thousand twenty-five dollars ($1,025). The penalty for failure to renew is one hundred fifty dollars ($150).

(b) The fee for the issuance of any temporary pharmacy license is ~~one thousand six hundred dollars ($1,600)~~two thousand seven hundred forty dollars ($2,740).

(c) The fee for the issuance of a pharmacy technician license is one hundred twenty dollars ($120). The fee for the biennial renewal of a pharmacy technician license is one hundred fifty dollars ($150). The penalty for failure to renew is seventy-five dollars ($75).

(d) The application fee for examination as a pharmacist is two hundred sixty dollars ($260).

(e) The fee for regrading an examination is one hundred fifteen dollars ($115).

(f)(1) The fee for the issuance of an original pharmacist license is one hundred ninety-five dollars ($195).

(2) The application fee for an advanced practice pharmacist license is three hundred

dollars ($300). If granted, there is no fee for the initial license issued, which will expire at the same time the pharmacist license expires.

(g)(1) The fee for the biennial renewal of a pharmacist license is four hundred fifty dollars ($450). The penalty fee for failure to renew is one hundred fifty dollars ($150).

(2) The fee for the biennial renewal of an advanced practice pharmacist license is three hundred dollars ($300). The penalty fee for failure to renew is one hundred fifty dollars ($150). The fees in this paragraph are in addition to the fees required to renew the pharmacist's license as specified in paragraph 1.

(h) The fee for the issuance of a wholesaler or third-party logistics provider license is one thousand four hundred eleven dollars ($1,~~000~~411). The fee for the annual renewal of a wholesaler or third-party logistics provider license is one thousand four hundred eleven dollars ($1,~~000~~411). The penalty for failure to renew is one hundred fifty dollars ($150). The fee for a temporary wholesaler or third-party logistics provider license is ~~seven hundred fifteen dollars ($715)~~one thousand nine dollars ($1,009).

(i) The fee for the issuance of a hypodermic license is five hundred fifty dollars ($550). The fee for the annual renewal of a hypodermic needle license is four hundred dollars ($400). The penalty for failure to renew is one hundred fifty dollars ($150).

(j) The fee for the issuance of a designated representative license pursuant to Section 4053 of the Business and Professions Code, a designated representative-3PL license pursuant to Section 4053.1 of the Business and Professions Code, or a designated representative-reverse distributor license pursuant to Section 4053.2 of the Business and Professions Code, is three hundred forty-five dollars ($345). The fee for the annual renewal of a license as a designated representative, designated representative-3PL, or a designated representative-reverse distributor is three hundred eighty-eight dollars ($388). The penalty for failure to renew is one hundred fifty dollars ($150).

(k) The application fee for a license as a nonresident wholesaler or nonresident third-party logistics provider is one thousand four hundred eleven dollars ($1,~~000~~411). The fee for the annual renewal of a nonresident wholesaler or nonresident third-party logistics provider is one thousand four hundred eleven dollars ($1,~~000~~411). The penalty for failure to renew is one hundred fifty dollars ($150). The fee for a nonresident wholesaler or nonresident third-party logistics provider temporary license is ~~seven hundred fifteen dollars ($715)~~one thousand nine dollars ($1,009).

(*l*) The fee for an intern pharmacist license is one hundred seventy-five dollars ($175). The fee for transfer of intern hours or verification of licensure to another state is one hundred twenty dollars ($120).

(m)The fee for the reissuance of any license, or renewal thereof, which must be reissued because of change in the information on a premises license, other than name change, is three hundred ninety-five dollars ($395).

(n) The fee for the reissuance of any license that has been lost or destroyed or reissued due to a name change is seventy-five dollars ($75). The fee for processing an application to change a name or correct an address on a premises license is two hundred six dollars ($206). The fee for the processing of an application to change a pharmacist-in-charge, designated representative-in-charge, or responsible manager on a premises license record is two hundred fifty dollars ($250).

(o) The fee for evaluation of continuing education courses for accreditation is forty dollars ($40) for each hour of accreditation requested.

(p) The fee for the issuance of a clinic license is six hundred twenty dollars ($620). The fee for the annual renewal of a clinic license is four hundred dollars ($400)). The penalty for failure to renew is one hundred fifty dollars ($150).

(q) The fee for the issuance of a license to compound sterile drug preparations or a hospital satellite compounding pharmacy license is three thousand eight hundred seventy-five dollars ($3,875). The fee for the annual renewal of a license to compound sterile drug preparations or a hospital satellite compounding pharmacy license is four thousand eighty-five dollars ($4,085). The penalty for failure to renew a license to compound sterile drug preparations or a hospital satellite compounding pharmacy license is one hundred fifty dollars ($150). The fee for a temporary license to compound sterile drug preparations or a hospital satellite compounding pharmacy temporary license is ~~one thousand sixty-five dollars ($1,065)~~one thousand five hundred three dollars ($1,503).

(r) The fee for the issuance of a nonresident sterile compounding pharmacy license is ~~eight thousand five hundred dollars ($8,500)~~sixteen thousand five hundred two dollars ($16,502). The fee for the annual renewal of nonresident sterile compounding pharmacy license is ~~eight thousand five hundred dollars ($8,500)~~ seventeen thousand forty dollars ($17,040). The penalty for failure to renew is one hundred fifty dollars ($150). The fee for a temporary nonresident sterile compounding pharmacy license is ~~one thousand five hundred dollars ($1,500)~~two thousand dollars ($2,000).

(s) The fee for the issuance of a license as a designated representative for a veterinary food-animal drug retailer is three hundred forty-five dollars ($345). The fee for the annual renewal of a license as a designated representative for a veterinary food-animal drug retailer is three hundred eighty-eight dollars ($388). The penalty for failure to renew is one hundred fifty dollars ($150).

(t) The fee for a veterinary food-animal drug retailer license is six hundred ten dollars ($610). The application fee for the annual renewal for a veterinary food-animal drug retailer is four hundred sixty dollars ($460). The fee for a veterinary food-animal drug

retailer temporary license is five hundred twenty dollars ($520). The penalty for failure to renew is one hundred fifty dollars ($150).

(u) The fee for the issuance of a retired pharmacist license is fifty dollars ($50).

(v) The fee for the issuance of a centralized hospital packaging pharmacy license is three thousand eight hundred fifteen dollars ($3,815). The fee for the annual renewal of a centralized hospital packaging pharmacy license is two thousand nine hundred twelve dollars ($2,912). The penalty for failure to renew is one hundred fifty dollars ($150).

(w) The fee for the issuance of an outsourcing facility license is twenty-five thousand dollars ($25,000). The fee for the annual renewal of an outsourcing facility is ~~twenty-five dollars ($25,000)~~thirty thousand dollars ($30,000). The penalty for failure to renew is one hundred fifty dollars ($150). The fee for an outsourcing facility temporary license is four thousand dollars ($4,000).

(x) The fee for the issuance of a nonresident outsourcing facility license is ~~twenty-eight thousand five hundred dollars ($28,500)~~forty-two thousand three hundred eighteen dollars ($42,318). The fee for the annual renewal of a nonresident outsourcing facility is ~~twenty-eight thousand five hundred dollars ($28,500)~~forty-six thousand three hundred fifty-three dollars ($46,353). The penalty for failure to renew is one hundred fifty dollars ($150). The fee for a nonresident outsourcing facility temporary license is four thousand dollars ($4,000).

(y) The fee for the issuance of a correctional clinic license is six hundred twenty dollars ($620). The annual renewal application fee for a correctional clinic license is four hundred dollars ($400). The penalty for failure to renew is one hundred fifty dollars ($150).

(z) The application and initial license fee for operation of an EMSADDS is one hundred fifty dollars ($150). The application fee for the annual renewal of an EMSADDS is two hundred dollars ($200). The penalty for failure to renew is one hundred dollars ($100). The application and renewal fee for a licensed wholesaler that is also an emergency medical services provider agency is eight hundred ten dollars ($810).

(aa) The application and initial license fee for a designated paramedic license is three hundred fifty dollars ($350). The application fee for the biennial renewal of a designated paramedic license is two hundred dollars ($200). The penalty for failure to renew a designated paramedic license is one hundred dollars ($100).

(ab) The application and initial license fee for a remote dispensing site pharmacy application is one thousand seven hundred thirty dollars ($1,730). The fee for the annual renewal for a remote dispensing site pharmacy license is one thousand twenty-five dollars ($1,025). The penalty for failure to renew a remote dispensing site pharmacy license is one hundred fifty dollars ($150). The fee for the issuance of any

temporary remote dispensing site pharmacy license is eight hundred ninety dollars ($890).

(ac) The fee for the issuance of an ADDS license to a correctional clinic is five hundred dollars ($500). The fee for the annual renewal of an ADDS license issued to a correctional clinic is four hundred dollars ($400). The penalty for failure to renew is one hundred fifty dollars ($150).

(ad) The fee for the issuance of an ADDS license to all entities other than correctional clinics is five hundred twenty-five dollars ($525). The fee for the annual renewal of an ADDS license, issued to entities other than correctional clinics, is four hundred fifty-three dollars ($453). The penalty for failure to renew is one hundred fifty dollars ($150).

(ae) The fee for the issuance of a nonresident pharmacy license is ~~two thousand four hundred twenty-seven dollars ($2,427)~~three thousand four hundred twenty-four dollars ($3,424). The fee for the annual renewal of a nonresident pharmacy license is ~~one thousand twenty-five dollars ($1,025)~~two thousand dollars ($2,000). The penalty for failure to renew is one hundred fifty dollars ($150). The fee for the issuance of a temporary nonresident pharmacy license is two thousand four hundred sixty-nine dollars ($2,~~000~~469).

Note: Authority cited: Sections 4005 and 4400, Business and Professions Code. Reference: Sections 163.5, 4005, 4032, 4044.3, 4053, 4053.1, 4110, 4112, 4119.01, 4119.11, 4120, 4127.1, 4127.15, 4127.2, 4128.2, 4129.1, 4129.2, 4129.8, 4130, 4160, 4161, 4180, 4187, 4190, 4196, 4200, 4202, 4202.5, 4203, 4208, 4210, 4304, 4400, 4401 and 4403, Business and Professions Code.

#	Section	Commenter	Comment	Staff Recommendations
1	General	Jared Sewall	The commenter appreciates the Board's increased fee structure that is not focused on personal licensee fee increases but is concerned some of the suggested fee increases on facilities are too high. Many of the increases are double digit percent increases, some more than 100%, which is concerning and not in line with a standard Cost of Living/doing business. The commenter suggests a yearly review and titration up of fees or a phased approach rather than a large one time increase.	The Board has reviewed and considered the comment. Board staff do not believe a yearly review and corresponding titration-up of fees is feasible as the processing time for a regulation change is approximately one year. Staff note that while the commenter did not propose specific changes to the regulation text, Board staff believe that in light of the modest increase in revenue received in fiscal year 2025/26, the Board could consider a reduction in a few fees, as reflected in the proposed modified text.
2	General	Jared Sewall and Scott Brunner, CAE on behalf of Alliance for Pharmacy Compounding	When the cost of business becomes too large, and the risk too high, these kinds of facilities stop operating in California. This is dangerous to patients in multiple ways, including; patients would immediately loose access to medications and must start a process of a file transfer to a new pharmacy causing unnecessary stress, less pharmacies will equal less competition and higher	Staff note that while the commenter did not propose specific changes to the regulation text, Board staff believe that in light of the modest increase in revenue received in fiscal year 2025/26, the Board could consider a reduction in a few fees, as reflected in the proposed modified text.

			prices for patients, and the increased cost of business and fees will inevitably raise prices for patients.	
3	General	Alireza Alibanaei, Pharm.D. on behalf of Gold Coast Pharmacy	The commenter appreciates the Board's responsibility to maintain adequate funding to fulfill its consumer protection mission and recognize the importance of ensuring that licensing, enforcement, and regulatory activities remain effective. However, the commenter urges the Board to carefully consider the cumulative financial burden these proposed fee increases will place on California's independent community pharmacies. Independent pharmacies serve as one of the most accessible healthcare resources in many communities. Every additional financial burden—whether from declining reimbursement or increased regulatory fees—reduces our ability	Staff note that while the commenter did not provide specific changes to the regulation text, Board staff believe that in light of the modest increase in revenue received in fiscal year 2025/26, the Board could consider a reduction in a few fees, including the application and renewal fee for pharmacies (including independent pharmacies) as reflected in the proposed modified text 1749(a).

			to invest in patient care, staffing, technology, and expanded clinical services. Many independent pharmacies have already closed, and others remain financially vulnerable.	
4	General	Alireza Alibanaei, Pharm.D. on behalf of Gold Coast Pharmacy and Scott Brunner, CAE on behalf of Alliance for Pharmacy Compounding	The commenter requests that the Board consider whether additional economic analysis focused specifically on independent community pharmacies, a phased implementation of fee increases, or other measures that could achieve the Board's fiscal objectives while minimizing the impact on small healthcare businesses that provide essential services to Californians. Protecting the public requires not only a financially stable Board but also a financially sustainable community pharmacy network. The commenter encourages the Board to carefully balance these important objectives before adopting the proposed fee increases.	See comment 3 for response.
5	General	Alireza Alibanaei, Pharm.D. on	The ISOR concludes that the proposed fee increases	See comment 3 for response. Additionally, Board staff note that the Board does not have direct authority/control over PBM

		behalf of Gold Coast Pharmacy	will have only a minimal and absorbable impact on businesses, the commenter disagrees. Community pharmacies throughout California continue to face unprecedented financial challenges due to declining reimbursement from Pharmacy Benefit Managers (PBMs), increasing operating costs, inflation, staffing shortages, and expanding regulatory requirements. While PBM reimbursement is outside the Board's direct authority, these financial realities significantly affect pharmacies ability to absorb additional regulatory costs.	reimbursement, increasing operating costs, inflation, and staffing shortages.
6	General	Scott Brunner, CAE on behalf of Alliance for Pharmacy Compounding	The commenter is concerned with the magnitude and concentration of the proposed increases on pharmacies that provide compounded medications to California patients, particularly nonresident sterile compounding pharmacies and outsourcing facilities.	Staff note that while the commenter did not provide specific changes to the regulation text, staff believe it may be possible to reduce some of the fees suggested by other commenters. Board staff believe that in light of the modest increase in revenue received in fiscal year 2025/26, the Board could consider a reduction in a few fees, including the renewal fee for nonresident sterile compounding pharmacies and nonresident outsourcing facilities as reflected in the proposed modified text 1749(r) and 1749(x).

7	General	Scott Brunner, CAE on behalf of Alliance for Pharmacy Compounding	Under the proposal, the initial license fee for a nonresident sterile compounding pharmacy would increase from $8,500 to $16,502, and the annual renewal fee would increase from $8,500 to $17,040. By comparison, the annual renewal fee for a nonresident pharmacy would increase from $1,025 to $2,000. The increases for outsourcing facilities are similarly substantial. An outsourcing facility renewal would increase from $25,000 to $30,000, while a non-resident outsourcing facility license would increase from $28,500 to $42,318 and its annual renewal from $28,500 to $46,353. These are not modest adjustments. For a nonresident sterile compounding pharmacy, the annual cost of maintaining a California license would essentially double.	See response to comment 6, above.
8	General	Scott Brunner, CAE on behalf of Alliance for	Commenter appreciates that the Board conducted a workload cost analysis and that some of the proposed	Staff note that while the commenter did not provide specific changes to the regulation text, Board staff believe that in light of the modest increase in revenue received in fiscal year 2025/26, the Board could

		Pharmacy Compounding	amounts reflect statutory maximums. However, the fact that a fee *may* be increased to the statutory maximum does not necessarily mean that doing so all at once is the best policy. Indeed, the Board's Initial Statement of Reasons repeatedly identifies addressing its structural imbalance and ensuring future fiscal solvency as the rationale for these increases.	consider a reduction in a few fees, as reflected in the proposed modified text. As stated in the ISOR, ensuring the Board's future fiscal insolvency is necessary and the proposed fee increases will make this possible. The Board is statutorily required to maintain a 12-month reserve.
9	General	Scott Brunner, CAE on behalf of Alliance for Pharmacy Compounding	The commenter is particularly concerned about the potential impact to patient access. Many nonresident compounding pharmacies and outsourcing facilities serve California patients and healthcare facilities because a needed prescription is not readily available from an in-state source. Dramatically increasing the annual cost of maintaining California licensure may cause some facilities, particularly smaller specialized pharmacies, to reconsider whether they can economically continue	See response to comment 6, above.

			serving the state of California. That would leave California patients with fewer pharmacy options without necessarily producing a corresponding consumer protection benefit.	
10	General	Scott Brunner, CAE on behalf of Alliance for Pharmacy Compounding	Commenter urges the Board to consider a phased approach to these increases, particularly for non-resident sterile compounding pharmacies and outsourcing facilities, rather than immediately moving these categories to or near their statutory maximums. Commenter encourages the Board to continue examining opportunities to reduce regulatory and administrative costs before passing the entirety of those increased costs to licensees.	See response to comment 6, above. Further, Board staff agree with the commenter that a phased approach to increasing fees is appropriate, as reflected in the Board's proposed amendments to its fee schedule, which limits changes to fee increases to specified facilities. The Board continuously reviews workload and evaluates processes to increase efficiencies.
11	General	Scott Brunner, CAE on behalf of Alliance for Pharmacy Compounding	Notably, these same concerns were raised when the Board considered initiating this rulemaking in March. Public commenters specifically cautioned that significant increases for nonresident pharmacies,	See response to comment 10, above.

			sterile compounding pharmacies, specialty pharmacies, and outsourcing facilities could restrict access to needed medications and urged consideration of a tiered or phased approach.	
12	General	Diana Zen on behalf of Zen Apothecary Pharmacy	Small independent pharmacies are already struggling with increasingly difficult financial conditions. Every month, we work to meet our operating expenses while continuing to provide medications and personal pharmacy services to our patients. Unlike large corporate pharmacy chains, a small independent pharmacy does not have hundreds or thousands of locations over which to spread increased regulatory and operating costs. An additional fee may appear relatively small when considered as a single regulatory expense, but for a small pharmacy operating on narrow margins, these increases accumulate with every other expense we are already required to absorb. Our pharmacy is more than	See comment 3 for response.

			a place where prescriptions are filled. Because we are small, we have the opportunity to know our patients. We speak with them, answer their questions, help them understand their medications, work through insurance problems, communicate with their doctors, and try to find solutions when they cannot afford or obtain something they need. That personal relationship is one of the greatest strengths of an independent community pharmacy. Many of our patients know us personally and feel comfortable coming to us for help. We have the time and familiarity to recognize when a patient is confused, when something does not seem right, or when someone simply needs extra assistance navigating the healthcare system.	
13	General	Diana Zen on behalf of Zen Apothecary Pharmacy	When an independent pharmacy closes, a community does not simply lose another retail business. Patients lose healthcare	See comment 3 for response.

			professionals who know them and who have often cared for them for years. We understand that the Board requires adequate funding to perform its licensing, enforcement, and consumer-protection responsibilities. We are not asking the Board to abandon those responsibilities. They are asking the Board to consider whether substantially increasing fees on pharmacies that are already financially vulnerable is the appropriate way to accomplish that goal.	
14	General	Diana Zen on behalf of Zen Apothecary Pharmacy	The proposed regulation would increase the fee for issuance of a non-government-owned pharmacy license from $750 to $2,000 and the annual renewal fee from $1,025 to $1,500. These increases disproportionately affect small independently owned pharmacies that cannot absorb costs in the same manner as large corporate organizations.	See comment 3 for response.

15	General	Diana Zen on behalf of Zen Apothecary Pharmacy	Commenter asks the Board to reconsider these increases and explore alternatives that recognize the differences between small independent community pharmacies and large pharmacy organizations. This could include a reduced fee for qualifying small businesses, a tiered fee structure based upon pharmacy size or prescription volume, a smaller increase, or a phased implementation that would lessen the immediate financial burden. California should be working to preserve access to community pharmacies, especially at a time when independent pharmacies are already struggling to remain open. Please consider not only the revenue that these increased fees may generate for the Board, but also what California communities stand to lose when another independent pharmacy can no longer afford to keep its doors open.	As noted in the Notice of Proposed Regulatory Action at page 6, the Board does not maintain data relating to the percentage of licensees who own a small business, nor does the Board have data on licensees' prescription volume, making a tiered fee structure based on these factors not feasible at this time. See comment 3 for response.

16	General	Loriann De Martini, PharmD, BCGP, MPH on behalf of the California Society of Health-System Pharmacists (CSHP)	Commenter strongly supports the Board's fundamental responsibility to protect the public and recognizes that fulfilling this responsibility requires adequate and sustainable resources. Effective licensing, enforcement, inspections, investigations, disciplinary activities, implementation of new laws and regulations, and other public protection functions require appropriate personnel, technology, infrastructure, and administrative support. We therefore recognize that maintaining the Board's ability to fulfill its statutory responsibilities may necessitate periodic adjustments to licensing and regulatory fees. At the same time, the environment in which the Board operates continues to change. New legislation and regulations may expand or alter the Board's responsibilities, create new oversight requirements, or require specialized expertise and additional staff resources.	The Board has reviewed the comment and declines to make any amendments to the proposed text as the comment is outside the scope of the comment period because the comment does not involve objections, support, or recommendation directed towards the modified text in this specific regulatory action. In addition, please refer to response to comment 3.

			Conversely, changes within the pharmacy marketplace—including pharmacy closures and reductions or shifts in certain categories of licensed entities—may affect both Board revenues and the volume and nature of the regulatory workload.	
17	General	Loriann De Martini, PharmD, BCGP, MPH on behalf of the California Society of Health-System Pharmacists (CSHP)	Given the changing conditions listed in comment 15, the commenter believes it is important that proposed fee adjustments be supported by an understanding of the Board's current and projected responsibilities and the resources necessary to carry them out. This should include consideration of anticipated workload associated with new laws and regulations, licensing and inspection responsibilities, enforcement activities, and other statutory obligations, as well as changes in the number and types of entities subject to Board oversight. Commenter requests greater clarity regarding the foundation for	Board staff have reviewed the comment and do not recommend changes based on the comment received and note that it appears the commenter is making a suggestions relating to the rulemaking process for future fee increases. Board staff respectfully refer the commenter to the underlying data included in the rulemaking to gain an understanding of the analysis conducted to project operational costs and to assess the fee increases necessary to meet the Board's current and projected operational needs while maintaining the 12-month reserve as required by statute.

			future proposed fee increases and how the Board has projected its future resource requirements. In particular, it would be helpful for stakeholders to understand how projected staffing and operational needs have been evaluated in relation to changes in regulatory responsibilities, workload, and the number and types of licensees regulated by the Board.	
18	General	Loriann De Martini, PharmD, BCGP, MPH on behalf of the California Society of Health-System Pharmacists (CSHP)	The commenter encourages consideration of opportunities for operational efficiencies. Advances in technology, automation, digital licensing and renewal processes, data analytics, risk-based approaches to oversight, and other process improvements may provide opportunities to improve efficiency while maintaining—or enhancing—the Board's public protection responsibilities. Consideration of such opportunities is consistent with responsible	Board staff has reviewed the comment and do not recommend changes to the text based on the comment. Board staff note that while the comments are outside the scope of the regulation, it may be appropriate for the commenter to review public information released by the Board describing its efforts related to business modernization. Information relating to the Board's business modernization efforts can be found at page 87 of the Board's 2025 Sunset Report (available at https://www.pharmacy.ca.gov/publications/sunset_2025.pdf), as well as in the California Department of Consumer Affairs' Business Modernization 2025 Annual report (available at http://dca.ca.gov/publications/business_modernization_plan2025.pdf).

			stewardship of the resources provided by California's licensees.	
19	General	Loriann De Martini, PharmD, BCGP, MPH on behalf of the California Society of Health-System Pharmacists (CSHP)	Commenter recognize that operational efficiencies will not necessarily eliminate the need for fee increases. Indeed, the Board may determine that additional resources are necessary to appropriately carry out its responsibilities, particularly as the regulatory environment becomes increasingly complex. Where that is the case, providing stakeholders with a clear connection between regulatory responsibilities, workload, necessary resources, anticipated efficiencies, and the resulting fee structure would strengthen understanding of the proposed adjustments. Commenter encourage the Board to consider the cumulative financial environment facing California pharmacies and pharmacy practice. Pharmacy closures, reimbursement pressures, workforce costs, technology	See comment 3 for response. Board staff respectfully refer the commenter to the underlying data included in the rulemaking to gain an understanding of the analysis conducted to project operational costs and to assess the fee increases necessary to meet the Board's current and projected operational needs while maintaining the 12-month reserve as required by statute.

			requirements, and expanding regulatory obligations continue to affect the sustainability of pharmacy services. While regulatory fees represent only one component of these costs, consideration of their cumulative impact is important, particularly as California seeks to maintain patient access to pharmacy services.	

Fujimoto, Brianna@DCA

From: Jared Sewall <jared.sewall@gmail.com>
Sent: Friday, July 31, 2026 11:20 AM
To: PharmacyRulemaking@DCA
Subject: Public Comment- Proposed amendments to Title 16 CCR § 1749, related to Fee Schedules

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Hello Brianna,

I wanted to submit a comment regarding the proposed amendments to Title 16 CCR § 1749, related to Fee Schedules. See below in quotations for the comment.

"Dear CA Board of Pharmacy,

While I am appreciative of the Board's increased fee structure that that is not focused on personal licensee fee increases, I am concerned some of the outlines fee increases on facilities are much too high.

Reviewing the proposed Board Fees Schedule, I notice many of these increases were double digit % increases, some >100%, which is concerning and not in line with a standard Cost of Living/doing business annual increase one would expect (even within California). I agree the Board should be increasing pricing annually on these facility license fees but would suggest a review as a yearly titration up vs a large one time increase.

The large part of that stems not from any personal financial ties with these types of facilities but rather understanding the impact. When the cost of business becomes to large, and the risk to high, these kind of facilities stop operating in California. This is dangerous to patients in multiple ways:

1) Patients immediately loose access to medications and must start a process of a file transfer to a new Pharmacy. Those interruptions and stress are uneeded

2) Less Pharmacies will equal less competition and higher prices for patients.

3) Even if no Pharmacies close or negligible amount do, the increased cost of business and fees will inevitably raise prices for patients still.

Thank you for consideration into this matter"

Thank you Brianna,

-Jared

Fujimoto, Brianna@DCA

From: GOLDCOASTPHARMACY2020@GMAIL.COM
Sent: Friday, July 31, 2026 11:57 AM
To: PharmacyRulemaking@DCA
Subject: COMMENTS ON PROPOSED AMENDMENTS TO 16 CCR § 1749 – FEE SCHEDULES

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Dear Ms. Fujimoto,

Thank you for the opportunity to comment on the proposed amendments to Title 16, California Code of Regulations, section 1749 regarding Board fee schedules.

I appreciate the Board's responsibility to maintain adequate funding to fulfill its consumer protection mission and recognize the importance of ensuring that licensing, enforcement, and regulatory activities remain effective.

However, I respectfully urge the Board to carefully consider the cumulative financial burden these proposed fee increases will place on California's independent community pharmacies.

The Initial Statement of Reasons concludes that the proposed fee increases will have only a minimal and absorbable impact on businesses. As an independent pharmacy owner, my experience is different. Community pharmacies throughout California continue to face unprecedented financial challenges due to declining reimbursement from Pharmacy Benefit Managers (PBMs), increasing operating costs, inflation, staffing shortages, and expanding regulatory requirements. While PBM reimbursement is outside the Board's direct authority, these financial realities significantly affect pharmacies' ability to absorb additional regulatory costs.

Independent pharmacies serve as one of the most accessible healthcare resources in many communities. Every additional financial burden—whether from declining reimbursement or increased regulatory fees—reduces our ability to invest in patient care, staffing, technology, and expanded clinical services. Unfortunately, many independent pharmacies have already closed, and others remain financially vulnerable.

I respectfully request that the Board consider whether additional economic analysis focused specifically on independent community pharmacies, a phased implementation of fee increases, or other measures could achieve the Board's fiscal objectives while minimizing the impact on small healthcare businesses that provide essential services to Californians.

Protecting the public requires not only a financially stable Board of Pharmacy but also a financially sustainable community pharmacy network. I encourage the Board to carefully balance these important objectives before adopting the proposed fee increases.

Thank you for your consideration and for the opportunity to provide these comments.

Sincerely,

Alireza Alibanaei, Pharm.D.
Pharmacy Owner

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— Gold Coast Pharmacy

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www.a4pc.org

Alliance for Pharmacy Compounding

Compounding the Joy of Living®

September 2, 2026

Brianna Fujimoto
California State Board of Pharmacy
2720 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

Re: Proposed Amendment to 16 CCR § 1749 – Fee Schedule

Dear Ms. Fujimoto:

On behalf of the Alliance for Pharmacy Compounding, we respectfully submit these comments regarding the Board's proposed amendments to its fee schedule in section 1749.

APC recognizes the Board's obligation to maintain sufficient resources to carry out its licensing, inspection, enforcement, and consumer-protection responsibilities. We understand from the Initial Statement of Reasons that the Board is facing a structural imbalance and that the Department of Consumer Affairs' analysis found that current fees do not fully recover the Board's costs.

Our concern is not with reasonable fee adjustments. Rather, we are concerned with the magnitude and concentration of the proposed increases on pharmacies that provide compounded medications to California patients, particularly nonresident sterile compounding pharmacies and outsourcing facilities.

Under the proposal, the initial license fee for a nonresident sterile compounding pharmacy would increase from $8,500 to $16,502, and the annual renewal fee would increase from $8,500 to $17,040. By comparison, the annual renewal fee for a nonresident pharmacy would increase from $1,025 to $2,000.

The increases for outsourcing facilities are similarly substantial. An outsourcing facility renewal would increase from $25,000 to $30,000, while a non-resident outsourcing facility license would increase from $28,500 to $42,318 and its annual renewal from $28,500 to $46,353.

These are not modest adjustments. For a nonresident sterile compounding pharmacy, the annual cost of maintaining a California license would essentially double.

We appreciate that the Board conducted a workload cost analysis and that some of the proposed amounts reflect statutory maximums. However, the fact that a fee *may* be increased to the statutory maximum does not necessarily mean that doing so all at once is the best policy. Indeed, the Board's Initial Statement of Reasons repeatedly identifies addressing its structural imbalance and ensuring future fiscal solvency as the rationale for these increases.

We are particularly concerned about the potential impact to patient access. Many nonresident compounding pharmacies and outsourcing facilities serve California patients and healthcare facilities because a needed preparation is not readily available from an in-state source. Dramatically increasing the annual cost of maintaining California licensure may cause some facilities, particularly smaller specialized pharmacies, to reconsider whether they can economically continue serving the state of

California. That would leave California patients with fewer pharmacy options without necessarily producing a corresponding consumer-protection benefit.

We therefore respectfully urge the Board to consider a phased approach to these increases, particularly for non-resident sterile compounding pharmacies and outsourcing facilities, rather than immediately moving these categories to or near their statutory maximums. We also encourage the Board to continue examining opportunities to reduce regulatory and administrative costs before passing the entirety of those increased costs to licensees.

Notably, these same concerns were raised when the Board considered initiating this rulemaking in March. Public commenters specifically cautioned that significant increases for nonresident pharmacies, sterile compounding pharmacies, specialty pharmacies, and outsourcing facilities could restrict access to needed medications and urged consideration of a tiered or phased approach.

APC supports appropriate funding for effective pharmacy regulations. We simply ask that the Board balance that need against the very real impact these unusually large increases may have on pharmacies' ability to continue serving California patients.

Thank you for your consideration.

Sincerely,



Scott Brunner, CAE
Chief Executive Officer

From: Zen Apothecary Pharmacy
To: PharmacyRulemaking@DCA
Subject: Public Comment – Proposed Amendment to 16 CCR § 1749, Fee Schedules
Date: Thursday, September 3, 2026 3:46:50 PM

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Dear California State Board of Pharmacy:

I am writing on behalf of a small independent community pharmacy to respectfully oppose the proposed increase in pharmacy licensing fees under 16 CCR § 1749, particularly the increase in the annual pharmacy license renewal fee.

Small independent pharmacies are already struggling with increasingly difficult financial conditions. Every month, we work to meet our operating expenses while continuing to provide medications and personal pharmacy services to our patients. Unlike large corporate pharmacy chains, a small independent pharmacy does not have hundreds or thousands of locations over which to spread increased regulatory and operating costs.

An additional fee may appear relatively small when considered as a single regulatory expense, but for a small pharmacy operating on narrow margins, these increases accumulate with every other expense we are already required to absorb.

Our pharmacy is more than a place where prescriptions are filled. Because we are small, we have the opportunity to know our patients. We speak with them, answer their questions, help them understand their medications, work through insurance problems, communicate with their doctors, and try to find solutions when they cannot afford or obtain something they need.

That personal relationship is one of the greatest strengths of an independent community pharmacy.

Many of our patients know us personally and feel comfortable coming to us for help. We have the time and familiarity to recognize when a patient is confused, when something does not seem right, or when someone simply needs extra assistance navigating the healthcare system.

When an independent pharmacy closes, a community does not simply lose another retail business. Patients lose healthcare professionals who know them and who have often cared for them for years.

We understand that the Board requires adequate funding to perform its licensing, enforcement, and consumer-protection responsibilities. We are not asking the Board to abandon those responsibilities. We are asking the Board to consider whether substantially increasing fees on pharmacies that are already financially vulnerable is the appropriate way to accomplish that goal.

The proposed regulation would increase the fee for issuance of a non-government-owned pharmacy license from **$750 to $2,000** and the annual renewal fee from **$1,025 to $1,500.** These increases disproportionately affect small independently owned pharmacies that cannot absorb costs in the same manner as large corporate organizations.

We respectfully ask the Board to reconsider these increases and explore alternatives that recognize the differences between small independent community pharmacies and large pharmacy organizations. This could include a reduced fee for qualifying small businesses, a tiered fee structure based upon pharmacy size or prescription volume, a smaller increase, or a phased implementation that would lessen the immediate financial burden.

California should be working to preserve access to community pharmacies, especially at a time when independent pharmacies are already struggling to remain open.

Please consider not only the revenue that these increased fees may generate for the Board, but also what California communities stand to lose when another independent pharmacy can no longer afford to keep its doors open.

Thank you for allowing us the opportunity to comment and for considering the impact this proposal will have on small independent pharmacies and the patients we serve.

Respectfully,

Diana Zen
Zen Apothecary Pharmacy
Corona, California

September 11, 2026

Brianna Fujimoto
Board of Pharmacy
2720 Gateway Oaks Drive, Ste. 100
Sacramento, CA 95833
PharmacyRulemaking@dca.ca.gov

Subject: Comments on Proposed Amendments to 16 CCR §1749 Fee Schedule

Dear President Oh and Members of the Board:

On behalf of the California Society of Health-System Pharmacists (CSHP), representing pharmacists practicing in hospitals, health systems, clinics, and integrated care environments throughout California, we appreciate the opportunity to provide comments regarding the Board of Pharmacy's proposed amendments to Section 1749 of Title 16 of the California Code of Regulations concerning Board fee schedules.

CSHP strongly supports the Board's fundamental responsibility to protect the public and recognizes that fulfilling this responsibility requires adequate and sustainable resources. Effective licensing, enforcement, inspections, investigations, disciplinary activities, implementation of new laws and regulations, and other public protection functions require appropriate personnel, technology, infrastructure, and administrative support. We therefore recognize that maintaining the Board's ability to fulfill its statutory responsibilities may necessitate periodic adjustments to licensing and regulatory fees.

At the same time, the environment in which the Board operates continues to change. New legislation and regulations may expand or alter the Board's responsibilities, create new oversight requirements, or require specialized expertise and additional staff resources. Conversely, changes within the pharmacy marketplace—including pharmacy closures and reductions or shifts in certain categories of licensed entities—may affect both Board revenues and the volume and nature of the regulatory workload.

Given these changing conditions, CSHP believes it is important that proposed fee adjustments be supported by an understanding of the Board's current and projected responsibilities and the

resources necessary to carry them out. This should include consideration of anticipated workload associated with new laws and regulations, licensing and inspection responsibilities, enforcement activities, and other statutory obligations, as well as changes in the number and types of entities subject to Board oversight.

We would therefore appreciate greater clarity regarding the foundation for future proposed fee increases and how the Board has projected its future resource requirements. In particular, it would be helpful for stakeholders to understand how projected staffing and operational needs have been evaluated in relation to changes in regulatory responsibilities, workload, and the number and types of licensees regulated by the Board.

As part of this assessment, CSHP also encourages consideration of opportunities for operational efficiencies. Advances in technology, automation, digital licensing and renewal processes, data analytics, risk-based approaches to oversight, and other process improvements may provide opportunities to improve efficiency while maintaining—or enhancing—the Board's public protection responsibilities. Consideration of such opportunities is consistent with responsible stewardship of the resources provided by California's licensees.

We recognize that operational efficiencies will not necessarily eliminate the need for fee increases. Indeed, the Board may determine that additional resources are necessary to appropriately carry out its responsibilities, particularly as the regulatory environment becomes increasingly complex. Where that is the case, providing stakeholders with a clear connection between regulatory responsibilities, workload, necessary resources, anticipated efficiencies, and the resulting fee structure would strengthen understanding of the proposed adjustments.

We also encourage the Board to consider the cumulative financial environment facing California pharmacies and pharmacy practice. Pharmacy closures, reimbursement pressures, workforce costs, technology requirements, and expanding regulatory obligations continue to affect the sustainability of pharmacy services. While regulatory fees represent only one component of these costs, consideration of their cumulative impact is important, particularly as California seeks to maintain patient access to pharmacy services.

In summary, CSHP supports ensuring that the California State Board of Pharmacy has the resources necessary to fulfill its critical public protection mission. We recognize that appropriate resourcing—including adequate personnel, technology, and infrastructure—may require adjustments to the Board's fee structure. We encourage the Board, in determining the appropriate level of those adjustments, to clearly articulate the relationship between its evolving regulatory responsibilities, projected workload, changes in the regulated community, necessary staffing and operational resources, and opportunities for greater operational efficiency.

Such an approach would provide a strong and transparent foundation for determining the resources and fee structure necessary to support the Board's public protection responsibilities now and into the future.

Thank you for the opportunity to provide these comments and for the Board's continued commitment to protecting the health and safety of Californians.

Respectfully,



Loriann De Martini, PharmD, BCGP, MPH
Chief Executive Officer
California Society of Health-System Pharmacists