



SANDRA SHEWRY  
Director

State of California—Health and Human Services Agency  
Department of Health Services



ARNOLD SCHWARZENEGGER  
Governor

July 06, 2006

AFL 06-17 (Correction)

TO: ALL FACILITIES LICENSED BY THE DEPARTMENT OF HEALTH SERVICES (DHS) LICENSING AND CERTIFICATION PROGRAM (L&C) UNDER CALIFORNIA HEALTH AND SAFETY (H&S) CODE SECTIONS

SUBJECT: **BUDGET ACT - L&C LICENSE FEE SCHEDULE FOR 2006/2007 AND ASSESSMENT OF LATE PAYMENT PENALTIES FOR LICENSE RENEWALS**

Attachment B (DELINQUENT PENALTY FEES – BUDGET TRAILER BILL LANGUAGE), included in the ALL FACILITIES LETTER 06-17 dated June 28, 2006 contained an error. The corrections are noted below by a strikethrough. In addition a corrected Attachment B is included with this notice.

*Section 1266.5(b) and 1266.5(b)(1) of the Health and Safety Code are corrected as follows:*

1266.5. (a) Whenever any entity required to pay fees pursuant to Section 1266 continues to operate beyond its license expiration date, without the Licensing and Certification Program renewal fees first having been paid as required by this division, those fees are delinquent.

(b) A late payment penalty shall be added to any delinquent fees due with an application for license renewal made later than midnight of the licensure expiration date. The late payment penalty shall be computed as follows:

(1) For a delinquency period of ~~more than~~ 30 days or less, the penalty shall be 10 percent of the fee.



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If you have any questions on this AFL, please submit your questions to [rcollection@dhs.ca.gov](mailto:rcollection@dhs.ca.gov). In addition, L&C will publish your questions and answers on the L&C website located on the CDHS website: [www.dhs.ca.gov/lnc](http://www.dhs.ca.gov/lnc).

Sincerely,

**Original Signed by Brenda G. Klutz**

Brenda G. Klutz  
Deputy Director

Attachment

## **DELINQUENT PENALTY FEES – BUDGET TRAILER BILL LANGUAGE**

Section 1266.5 is added to the Health and Safety Code, to read:

1266.5. (a) Whenever any entity required to pay fees pursuant to Section 1266 continues to operate beyond its license expiration date, without the Licensing and Certification Program renewal fees first having been paid as required by this division, those fees are delinquent.

(b) A late payment penalty shall be added to any delinquent fees due with an application for license renewal made later than midnight of the license expiration date. The late payment penalty shall be computed as follows:

(1) For a delinquency period of 30 days or less, the penalty shall be 10 percent of the fee.

(2) For a delinquency period of more than 30 days to and including 60 days, the penalty shall be 20 percent of the fee.

(3) For a delinquency period of more than 60 days, the penalty shall be 60 percent of the fee.

(c) The department may, upon written notification to the licensee, offset any moneys owed to the licensee by the Medi-Cal program or any other payment program administered by the department, to recoup the license renewal fee and any associated late payment penalties.

(d) No license may be renewed without payment of the Licensing and Certification Program fee plus any late payment penalty.