

ASSEMBLY BILL

No. 2398

Introduced by Assembly Member Alvarez

February 20, 2026

An act to add Article 6.1 (commencing with Section 2127) to Chapter 5 of Division 2 of the Business and Professions Code, relating to healing arts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2398, as introduced, Alvarez. Practice of medicine: Physician Graduate License Act.

Existing law, the Medical Practice Act, establishes the Medical Board of California to license and regulate the practice of medicine and specifies educational, examination, and other qualifications for licensure as a physician and surgeon.

This bill would establish the Physician Graduate License Act, under which the board would be required to issue a physician graduate license to an applicant who has graduated from medical school but has not completed a residency program and who satisfies specified requirements. The bill would require a physician graduate to practice under a supervising practice agreement with a sponsoring physician and surgeon who meets specified requirements, including maintaining an active practice in California. The bill would make a physician graduate license valid for 3 years and renewable for an unspecified number of 3-year periods, subject to certain conditions. The bill would require the board to set application, licensure, and renewal fees for the physician graduate license, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) California faces a severe and growing shortage of physicians,
4 particularly in primary care specialties and in federally designated
5 health professional shortage areas and medically underserved areas.

6 (b) California has untapped resources of medical talent,
7 including recent medical school graduates who have been unable
8 to secure residency positions and experienced internationally
9 trained physicians who seek to practice in areas of need.

10 (c) It is in the public interest to create additional supervised
11 pathways to practice medicine that maintain rigorous standards
12 for patient safety while expanding access to care in communities
13 with the greatest need.

14 SEC. 2. Article 6.1 (commencing with Section 2127) is added
15 to Chapter 5 of Division 2 of the Business and Professions Code,
16 to read:

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Article 6.1. Physician Graduate License Act

20 2127. This article shall be known, and may be cited, as the
21 Physician Graduate License Act.

22 2127.1. (a) "Physician graduate" means an individual who has
23 graduated from an accredited medical school but has not completed
24 a residency program and who is issued a license under this article.

25 (b) "Sponsoring physician" means a physician who holds a full
26 and unrestricted license to practice medicine in California and who
27 enters into a supervising practice agreement with a physician
28 graduate.

29 (c) "Supervising practice agreement" means a written agreement
30 between a sponsoring physician and a physician graduate that
31 outlines the terms of supervision and the scope of practice.

32 2127.2. The board shall issue a physician graduate license to
33 an applicant who meets all of the following requirements:

34 (a) Has graduated within the preceding four years from a medical
35 school that is either of the following:

36 (1) Accredited by the Liaison Committee on Medical Education
37 or the Commission on Osteopathic College Accreditation.

- 1 (2) Located outside the United States and recognized by the
2 board as providing an equivalent medical education.
- 3 (b) Has passed Steps 1 and 2 of the United States Medical
4 Licensing Examination or an equivalent examination as determined
5 by the board.
- 6 (c) Has not completed a residency program accredited by the
7 Accreditation Council for Graduate Medical Education or the
8 American Osteopathic Association.
- 9 (d) Has not previously held a physician graduate license that
10 was revoked or suspended.
- 11 (e) Has proficiency in the English language.
- 12 (f) Has a valid offer of employment under a supervising practice
13 agreement with a sponsoring physician whose practice is located
14 in California.
- 15 2127.3. (a) A physician graduate shall at all times practice
16 under a supervising practice agreement with a sponsoring
17 physician. The sponsoring physician shall do all of the following:
- 18 (1) Hold a full and unrestricted California physician's and
19 surgeon's license.
- 20 (2) Be board-certified in the specialty in which the physician
21 graduate will practice.
- 22 (3) Maintain an active practice in California.
- 23 (4) Not be the subject of any pending disciplinary action.
- 24 (b) The supervising practice agreement shall be submitted to
25 and approved by the board and shall include all of the following:
- 26 (1) The specific scope of practice authorized for the physician
27 graduate.
- 28 (2) The supervision plan, including the frequency of direct
29 supervision, chart review protocols, and availability of the
30 sponsoring physician for consultation.
- 31 (3) The name, license number, and specialty of the sponsoring
32 physician.
- 33 (4) The locations where the physician graduate will practice.
- 34 (c) The board shall establish by regulation the standards for
35 supervision, including all of the following:
- 36 (1) Direct supervision requirements during the initial six months
37 of practice.
- 38 (2) The maximum number of physician graduates a sponsoring
39 physician may supervise.
- 40 (3) Protocols for emergency situations and after-hours care.

1 2127.4. (a) A physician graduate license shall be valid for
2 three years and may be renewed for additional three-year periods
3 if all of the following requirements are met:

4 (1) The licensee continues to practice under an approved
5 supervising practice agreement.

6 (2) The licensee completes at least 50 hours of continuing
7 medical education per renewal period.

8 (3) The sponsoring physician submits a satisfactory evaluation
9 of the physician graduate's performance.

10 (b) A physician graduate may apply for a full and unrestricted
11 physician's and surgeon's license after completing five years of
12 practice under this article if the physician graduate meets all of
13 the following requirements:

14 (1) Has passed Step 3 of the United States Medical Licensing
15 Examination.

16 (2) Has received positive evaluations from all sponsoring
17 physicians.

18 (3) Has no history of disciplinary action.

19 (4) Meets all other requirements for licensure under this chapter.

20 2127.5. (a) A physician graduate shall disclose to each patient,
21 in writing and verbally if requested, that they are a physician
22 graduate practicing under supervision.

23 (b) This disclosure shall occur before providing treatment and
24 shall include the name and contact information of the sponsoring
25 physician.

26 2127.6. The board shall set application, initial licensure, and
27 renewal fees for the physician graduate license at an amount
28 sufficient to cover the costs of administering this article, but not
29 to exceed the fees charged for a physician's and surgeon's license.