Meeting of the Board for Professional Engineers, Land Surveyors, and Geologists

Thursday, May 3, 2018 beginning at 9:00 a.m. and continuing on Friday, May 4, 2018 beginning at 9:00 a.m., if necessary

Department of Consumer Affairs
1747 North Market Boulevard, Hearing Room
Sacramento, CA 95834
I. Roll Call to Establish a Quorum

II. Public Comment for Items Not on the Agenda

NOTE: The Board cannot take action on items not on the agenda. The Board will also allow for Public Comment during the discussion of each item on the agenda. Please see the last page of this Official Notice and Agenda for additional information regarding Public Comment.

III. Consideration of Rulemaking Proposals

A. Requirements for Licensure – Geologists and Geophysicists, Title 16, California Code of Regulations section 3031 et. seq., section 3041 and section 3042. (Possible Action)

IV. Administration

A. Fiscal Year 2017/18 Budget Review

V. Legislation

A. Legislative Calendar

B. Discussion of Legislation for 2018 (Possible Action):
   AB 767 Master Business License Act.
   AB 2138 Licensing boards: denial of application: revocation or suspension of licensure: criminal conviction.
   AB 2409 Professions and vocations: occupational regulations.
   AB 2264 Professions and vocations: fees
   AB 2483 Indemnification of public officers and employees: antitrust awards.
   AB 3126 Contractors’ State License Law: cash deposit in lieu of a bond.
   AB 3134 Professional engineers.
   SB 920 Engineering, land surveying, and architecture: limited liability partnerships.
   SB 984 State boards and commissions: representation: women.
   SB 1098 Geologists and geophysicists: fees.

VI. Enforcement

A. Enforcement Statistical Reports
   1. Fiscal Year 2017/18 Update

VII. Exams/Licensing

A. Update on Spring 2018 Examinations
B. Update on Application Numbers
C. Adoption of Test Plan Specifications for the California Professional Land Surveyor Examination (Possible Action)
D. Adoption of Test Plan Specifications for California Geotechnical Engineer Examination (Possible Action)

VIII. Executive Officer’s Report
A. Rulemaking Status Report
B. SB 2 (2017 Ch. 364) Effect on Filing a Record of Survey
C. Update on Board’s Business Modernization Report
D. Personnel
E. ABET
F. Association of State Boards of Geology (ASBOG)
G. National Council of Examiners for Engineering and Surveying (NCEES)
   1. Report of Western Zone Interim Meeting
   2. Selection of Funded Delegates to Attend Annual Meeting – August 15-18, 2018 (Possible Action)
   3. Recommend Dallas Sweeney as Associate Member to NCEES (Possible Action)
H. Update on Outreach Efforts

IX. Technical Advisory Committees (TACs)
A. Assignment of Items to TACs (Possible Action)
B. Appointment of TAC Members (Possible Action)
C. Reports from the TACs (Possible Action)

X. President’s Report/Board Member Activities

XI. Approval of Meeting Minutes (Possible Action)
A. Approval of the Minutes of the March 8, 2018, Board Meeting

XII. Discussion Regarding Proposed Agenda Items for Next Board Meeting
A. June 28-29, 2018, Board Meeting will be held in San Diego at CalTrans District 11, 4050 Taylor Street, Wallace Room #134 San Diego, CA 92110-2737

XIII. Other Items Not Requiring Board Action

XIV. Closed Session – The Board will meet in Closed Session to discuss, as needed:
A. Personnel Matters [Pursuant to Government Code sections 11126(a) and (b)]
B. Examination Procedures and Results [Pursuant to Government Code section 11126(c)(1)]
C. Administrative Adjudication [Pursuant to Government Code section 11126(c)(3)]

XV. Open Session to Announce the Results of Closed Session

XVI. Adjourn
I. Roll Call to Establish a Quorum
II. Public Comment for Items Not on the Agenda

NOTE: The Board cannot take action on items not on the agenda. The Board will also allow for Public Comment during the discussion of each item on the agenda. Please see the last page of this Official Notice and Agenda for additional information regarding Public Comment.
III. Consideration of Rulemaking Proposals
   A. Requirements for Licensure – Geologists and Geophysicists, Title 16, California Code of Regulations section 3031 et. seq., section 3041 and section 3042. (Possible Action)
**Consideration of Rulemaking Proposals**  
Requirements for Licensure – Geologists and Geophysicists, Title 16, California Code of Regulations section 3031 et. seq., (Possible Action)

In February 2017, the Board approved a staff proposal to begin the formal rulemaking process to amend Title 16, California Code of Regulations section 3031, et. seq. During the review of the rulemaking package, DCA’s Deputy Director of Legal Affairs provided comments and suggestions to Board staff. Based on these comments and suggestions, staff has made revisions relating to the following items.

- Revise language in the proposed Section 3031(a)(2) to clarify how the Board expects Professional Geologist applicants to meet the education requirements.
- Delete Section 3031(c) which proposed reference requirements for the geology specialty title authorities of Certified Engineering Geologist (CEG) and Certified Hydrogeologist (CHG). The reference requirements for these specialty title authority licenses are already described in the existing Sections 3041 3042. Therefore, this proposed text is unnecessary.
- Revise language in the proposed Section 3031.1(b)(1) regarding references for the Professional Geophysicist license to be consistent with the language in the statute.
- Revise the text of proposed Section 3031.2 to describe the required information to be provided by a reference for a license application.

The revised draft text for the proposed changes to Section 3031, et. seq., of the regulations relating to the practices of geology and geophysics has been provided in the meeting materials. The new changes are shown in double strikethrough text for deletions and double underlined text for additions.

**PROPOSED MOTION:**
Approve the revised text as shown and direct staff to continue with the rulemaking process to amend Title 16, California Code of Regulations section 3031, et. seq.
TITLE 16. BOARD FOR PROFESSIONAL ENGINEERS,  
LAND SURVEYORS AND GEOLOGISTS  
DEPARTMENT OF CONSUMER AFFAIRS  

PROPOSED LANGUAGE  

Amend California Code of Regulations, Title 16, Section 3031.  
Adopt California Code of Regulations, Title 16, Sections 3031.1, 3031.2 and 3031.3

ARTICLE 3. EXAMINATIONS

§3031. Examination—Required. Professional Geologist Educational and Experience Requirements

(a) Every applicant for registration as a geologist shall be required to take and pass examinations as provided in Section 7841(d) of the code or every applicant for registration as a geophysicist, or every applicant for certification in any specialty, shall be required to take and pass an examination as prescribed by the board except as provided in Section 7847 of the code.

(b) (a) To be eligible for the geological examination Professional Geologist license, an applicant shall have completed the educational requirements as set forth in either Section 7841(b)(1) or Section 7841(b)(2) of the Code, and completed at least five (5) years of educational and work professional geological experience in professional geological work, as set forth in subdivisions (b) and (c) of Section 7841(c) of the Code. To be eligible for the Geologist-in-Training certificate, an applicant shall have completed the educational requirements as set forth in either Section 7841.2(c)(1) or Section 7841.2(c)(2) of the Code.

(1) Graduate study or research in geological sciences at a school or university whose geological curricula meet criteria established by rules of the board, shall be counted on a year-for-year basis in computing the experience requirements specified in Section 7841 of the Code. A year of graduate study or research is defined as being a 12 calendar month period during which the candidate is enrolled in a full-time program of graduate study or research. Shorter periods will be prorated.

(1) As described in Section 7841(b)(1) of the Code, and Section 7841.2(c)(1) of the Code, graduation from a college or university with a major in geological sciences or any other discipline relevant to geology, refers to graduation with a baccalaureate degree or higher in
geology or a related geological science, from a program accredited by the Applied and Natural Science Accreditation Commission of ABET Inc., the organization defined in 16 CCR Section 404 (a).

(2) An applicant shall not be eligible to earn credit for professional geological work performed under the supervision of a professional geologist or registered civil or petroleum engineer until the applicant has completed the educational requirements set forth in subdivision (b) of Section 7841 of the Code.

(2) As described in Section 7841(b)(2) of the Code, and Section 7841.2(c)(2) of the Code, the requirement for successfully completing 30 semester hours or 45 quarter hours, in courses that, in the opinion of the Board are relevant to geology, of which at least 24 semester hours or 36 quarter hours, are upper division or graduate level, shall include the minimum coursework and concepts as specified in (A) and (B) below. Additional geologic coursework necessary to meet the total 30 semester hours or 45 quarter hours requirement specified in Section 7841(b)(2) and Section 7841.2(c)(2) of the Code may be selected at the applicant’s discretion but must be relevant to the definition of geology specified in Section 7802 of the Code. This requirement must be fulfilled at a college or university which, at the time the applicant was enrolled, was accredited by a recognized national or regional accrediting organization. “Life Experience Course Credit” is not acceptable.

(A) Basic Core Geologic Concepts: Of the 30 semester hours or 45 quarter hours required by the Code, an applicant must successfully complete a minimum of 15 semester hours or 22.5 quarter hours of core geological science courses in the following subject areas as specified: in each of the following subject areas:

(i) “Earth Materials” must include a minimum of 4 semester hours or 6 quarter hours of instruction in the identification, classification, and chemistry of minerals and rocks; their formation; the interpretation of their origins; as well as their uses and importance.

(ii) “Structural Geology” must include a minimum of 3 semester hours or 4.5 quarter hours of instruction in the description and analysis of structural features of rocks to reconstruct the motions and processes involved in the build up and deformation of the Earth’s crust from small to large scales. It must also include
the interpretation of brittle and ductile strain, the fundamentals of plate tectonics, and the analysis of local and regional geologic structure.

(iii) “Stratigraphy and Sedimentation” must include a minimum of 3 semester hours or 4.5 quarter hours of instruction in the identification and interpretation of sedimentary rocks, sedimentary processes and structures, application of stratigraphic and dating methods, identifying the impact of climate and geologic processes on depositional patterns, and facies analysis.

(iv) “Upper-Division Field Geology” must include a minimum of 5 semester hours or 7.5 quarter hours of field training designed to demonstrate a progression of field investigation skills culminating in a final project or integrative field experience that is based on the knowledge and skills acquired in earlier geological science courses. This must include instruction in the geological techniques or methods needed to measure, map, evaluate and communicate geologic data; and the ability to plan and conduct geological investigations based upon existing sources of geologic information. This shall include preparing and interpreting geologic maps, cross-sections, stratigraphic columns, and written reports. The field training may be obtained in one or more separate upper division field courses, but must not be introductory in nature or be part of laboratory exercises for other geological science courses. At the discretion of the Board, academic instruction in field methods such as geophysical techniques, logging trenches or borings, designing wells, and other common professional geologic tasks may serve as a component of the Upper-Division Field Geology requirement described in this section so long as it is part of an established field techniques course taught within a college or university geology or related geological sciences program.

(B) Applied Upper-Division Geology Coursework: Of the 30-24 semester hours or 45-36 quarter hours of upper division coursework required by this section the Code, an applicant must successfully complete a minimum of 6 semester hours or 9 quarter hours from a combination of at least 2 of the following subject areas.

(i) “Geomorphology” must include instruction in the classification, origin, and analysis of landforms and watershed elements as well as the surface and
tectonic processes that relate landforms to the underlying geologic materials. This must include methods of geomorphic analysis and interpretation of different types of mapped data, including topographic, geologic, and remotely sensed data.

(ii) “Engineering Geology” must include instruction in that branch of geology as defined in Section 3003 (b) of Title 16, California Code of Regulations. This should include instruction in those skills necessary to demonstrate knowledge and abilities as described in Section 3041 (a) (2).

(iii) “Hydrogeology” must include instruction in that branch of geology as defined in Section 3003 (h) of Title 16, California Code of Regulations. This should include instruction in those skills necessary to demonstrate knowledge and abilities as described in Section 3042 (b) (2).

(iv) “California Geology” must include the instruction necessary to demonstrate the knowledge required for professional licensure in this state as described in Section 7841 (d) of the Code.

(v) “Paleontology” must include instruction necessary to recognize common fossils and fossil types, the geologic settings that would indicate the potential for paleontological resources, and the evolutionary history of fossil groups of traditional importance to geologists. Other topics may include basic modes of preservation, skeletal anatomy, systematics and taxonomy, biostratigraphy, paleoecology, and paleobiogeography.

(vi) “Resources Geology” must include the instruction needed to identify the origin, occurrence, and distribution of non-renewable resources, including metallic, nonmetallic, and energy-producing materials; problems related to resource extraction; estimations and limitations of reserves; and reclaiming sites after extraction of resources.

(vii) “Environmental Geology” must include an introduction to concepts involved in environmental site assessment and remediation, environmental geochemistry, and the mitigation of potentially negative effects of human activities such as exploration for mineral and energy resources, or solid and hazardous waste
disposal on geologic systems, as well as the protection of water resources, land and watershed restoration.

(viii) “Geophysics” must include instruction in that branch of geology defined in Section 7802.1 of the Code and Section 3003 (e) of Title 16, California Code of Regulations.

(ix) “Technology Applications in Geology” encompasses a wide range of technology related instruction that includes an emphasis on applications to geologic investigations. These subjects may include, but are not limited to, instruction in the use of Geographic Information Systems (GIS), computer modeling of groundwater or other processes, signal processing or numerical methods of data analysis. Instruction without a specific and demonstrable geologic application will not qualify. A maximum of 3 semester hours or 4.5 quarter hours would be accepted at the discretion of the Board.

(x) “Applied geoscience topics taught by a college or university department other than a geology or related geological sciences department” refers to instruction in subject areas with a reasonable and rational application to the professional practice of geology. These courses are limited to the topics of geological engineering, geotechnical engineering, mining engineering, petroleum engineering, soil science, engineering soil mechanics, or hydrology. A maximum of 3 semester hours or 4.5 quarter hours taught in a college or university department other than a geology or related geological sciences department would be accepted at the discretion of the Board.

Independent study, research projects, theses or dissertations may, at the Board’s discretion, be used to satisfy the upper-division coursework requirements defined in (A) or (B) if it can be documented, to the Board’s satisfaction, to meet the requirements of one or more of the courses specified in (A) or (B) above. Courses that combine subjects or skill sets, that can be documented to the Board’s satisfaction to meet the requirements described in (A) or (B) above, may be accepted at the Board’s discretion.

(3) In no case will credit be given for professional geological work experience performed during the same time period when full time graduate study or research is being done for which educational experience credit is being allowed. Part time graduate study or research and part time
professional geological work experience will be prorated and combined on a 12 calendar month basis.

(3) Workshops, professional development seminars, conferences, short courses, student internships, or reading courses may not be used to satisfy the requirements described in Section 3031 (a) (2).

(4) It shall be the applicant’s responsibility to demonstrate that his/her academic instruction meets the requirements of the Board. The applicant must provide official sealed transcripts, and any other reasonable and necessary supporting evidence, when requested by the Board, to document successful completion of all educational requirements.

(b) Professional geological experience for licensure as a geologist is that experience satisfactory to the Board that has been gained while performing professional geologic tasks under the responsible charge of a person legally qualified to practice geology who in the opinion of the Board has the training and experience to have responsible charge of geological work.

(1) For the purposes of this section, “legally qualified” means having an appropriate license as a person will be deemed to have the training and experience to have responsible charge of geological work if they meet any one of the following:

(A) holds licensure as a Professional Geologist;

(B) holds licensure as a Professional Geophysicist;

(C) is licensed as a Civil Engineer or a licensed Petroleum Engineer practicing geology within the exemption described in Section 7838 of the Code and with who presents to the Board documented expertise evidence that the reference has the training and experience in the area of geology in which the applicant’s experience is earned sufficient to qualify the reference as being in to have responsible charge of geologic work; or

(D) or a reference is legally practicing authorized to practice geology in a situation or locale where the reference is not required to be licensed and who, in the opinion of presents to the Board, documented evidence that the reference has the training and experience in the area of geology in which the applicant’s experience is earned sufficient to qualify the reference to have responsible charge of geological work.

(2) Professional geological experience shall be computed on an actual time worked basis not to exceed 40 hours per week.
(3) An applicant for licensure as a Professional Geologist shall be granted credit for professional geological experience, up to a combined maximum of 3 years, for the following education:

(A) Two (2) years professional geological experience credit for graduation with a baccalaureate degree in geology or a related geological science, from a program accredited by the Applied Science Accreditation Commission of ABET Inc. as described in Section 3031 (a) (1), or for the completion of the 30 semester hours or 45 quarter hours of geological sciences courses as described in Section 3031 (a) (2).

(B) One year of professional geological experience credit for one year of graduate study or research in the geologic sciences. A year of graduate study or research is defined as a 12 calendar month period during which the candidate is enrolled in a full-time program of graduate study or research. Full-time graduate study is defined as 2 semesters per year of 8 semester hours each (12 quarter hours), or as defined by the college or university whichever is less.

(C) Part-time graduate study or research, and part-time professional geological work experience will be prorated and combined on a 12 calendar month basis. No credit will be given for professional geological work experience performed during the same time period when full-time graduate study or research is being done for which educational credit is being allowed. Part-time graduate study or research and part-time professional geological work experience will be prorated and combined on a 12 calendar month basis.

(4) An applicant shall not be eligible to earn credit for professional geological experience performed under the supervision of a legally qualified professional as defined in this section until the applicant has completed the educational requirements set forth in subdivision (b) of Section 7841 of the Code.

(c) To be eligible for the geophysical examination, an applicant shall have completed at least seven years of educational and work experience in professional geophysical work, as set forth in subdivisions (b) and (c) of Section 7841.1 of the code.

(1) Graduate study or research in geophysical related sciences at a school or university whose geophysical curricula meet criteria established by rules of the board, shall be counted on a year-for-year basis in computing the experience requirements specified in Section 7841.1 of the code. A year of graduate study or research is defined as being a 12 calendar month period during
which the candidate is enrolled in a full-time program of graduate study or research. Shorter periods will be prorated.

(2) An applicant shall not be eligible to earn credit for professional geophysical work performed under the supervision of a professional geophysicist until the applicant has completed the educational requirements set forth in subdivision (b) of Section 7841.1 of the code.

(3) In no case will credit be given for professional geophysical work experience performed during the same time period when full-time graduate study or research is being done for which educational experience credit is being allowed. Part-time graduate study or research and part-time professional geophysical work experience will be prorated and combined on a 12 calendar month basis.

(c) Professional geologic experience for certification in a specialty of geology is defined in Sections 3041 and 3042. References for an application for certification in a specialty of geology must either be certified in that specialty; or be “legally qualified” as defined in 3031 (b) (1) above, and have a minimum of 5 years experience in responsible charge of work in that geologic specialty.

(d) Every applicant for registration as a geologist who obtains a passing score determined by a recognized criterion-referenced method of establishing the pass point in the California examination shall be deemed to have passed the California examination. Such a passing score may vary moderately with changes in test composition. This subsection shall become effective on December 1, 1998, and shall be repealed on December 31, 1999.

(e) Each applicant for registration as a geologist who obtains a passing score on the Fundamentals of Geology and Practice of Geology examinations created by the National Association of State Boards of Geology on or after November 1, 1996 and obtains a passing score as determined by a recognized criterion-referenced method of establishing the pass point in the California specific examination pursuant to Section 7841(d) shall be deemed to have passed the required examinations for licensure as a professional geologist in California. This subsection shall become effective on January 1, 2000.

(1) Candidates shall receive credit for obtaining a passing score on the Fundamentals of Geology examination, the Practice of Geology examination and the California specific examination and shall be required to submit an application to retake and pass only those examinations previously failed.
(f) Every applicant for registration as a geophysicist or for certification in any specialty, who obtains a passing score determined by a recognized criterion-reference method of establishing the pass point in the California examination shall be deemed to have passed the California examination. Such a passing score may vary moderately with changes in test composition.


§3031.1 Professional Geophysicist Educational and Experience Requirements

(a) To be eligible for the Professional Geophysicist license, an applicant shall have completed the educational requirements set forth in Section 7841.1 (b) of the Code, and at least 7 years of professional geophysical work, as set forth in Section 7841.1 (c) of the Code.

(1) An applicant for licensure as a Professional Geophysicist will be granted credit towards the educational requirements, as specified in Section 7841.1 (b) of the Code, fulfilled at a college or university which, at the time the applicant was enrolled, was accredited by a recognized national or regional accrediting commission. “Life Experience Degrees–Course Credit” is not acceptable to satisfy the requirements of Section 7841.1(b)(2) of the Code.

(b) Professional geophysical work for geophysics licensure is that experience satisfactory to the Board that has been gained while performing professional geophysical work under the responsible charge of a person legally qualified to practice geophysics, a licensed Professional Geophysicist, or in responsible charge of professional geophysical work, as specified in Section 7841.1(c) of the Code.

(1) For the purposes of this section, “legally qualified” means having an appropriate license as:

(A) a Professional Geologist;

(B) a Professional Geophysicist;

(C) a licensed Civil Engineer or a licensed Petroleum Engineer practicing geophysics within the exemption described in Section 7838 of the Code and with documented expertise in the area of geophysics in which the applicant’s experience is earned sufficient to qualify them as being in responsible charge of geophysical work:
(D) or a reference legally practicing geophysics in a situation or locale where the reference is not required to be licensed who, in the opinion of the Board, has the training and experience to have responsible charge of geophysical work.

(2) (1) Professional geophysical work shall be computed on an actual time worked basis not to exceed 40 hours per week.

(2) (2) An applicant for licensure as a Professional Geophysicist shall be granted credit for professional geophysical work, up to a combined maximum of four years, for the following education:

(A) One-half year of work credit for each year of full time undergraduate study in the geophysical sciences up to a maximum of two years. A year of undergraduate study or research is defined as a 12 calendar month period during which the candidate is enrolled in a full-time undergraduate program as defined by the college or university.

(B) One year of work credit for one year of graduate study or research in the geophysical sciences. A year of graduate study or research is defined as a 12 calendar month period during which the candidate is enrolled in a full-time program of graduate study or research. Full-time graduate study is defined as 2 semesters per year of 8 semester hours each (12 quarter hours), or as defined by the college or university whichever is less.

(C) Part-time graduate study or research, and part-time professional geophysical work experience will be prorated and combined on a 12 calendar month basis. No credit will be given for professional geophysical work experience performed during the same time period when full-time graduate study or research is being done for which educational credit is being allowed. Part time graduate study or research and part-time professional geophysical work experience will be prorated and combined on a 12 calendar month basis.

(4) (3) An applicant shall not be eligible to earn credit for professional geophysical work performed under the supervision of a legally qualified professional as defined in this section Professional Geophysicist until the applicant has completed the educational requirements set forth in subdivision (b) of Section 7841.1 of the Code.

Note: Authority cited: Section 7818, Business and Professions Code. Reference: Section 7841.1, Business and Professions Code.
§3031.2  **Reference Requirements: Professional Geologist, and Professional Geophysicist, and Specialty Certification**

(a) To assist the Board in evaluating an applicant’s qualifications, each applicant for licensure as a Professional Geologist, or as a Professional Geophysicist, or any specialty certification shall submit documentation from a minimum of 3 completed reference forms from legally qualified references, who in the opinion of the Board have the training and experience to have responsible charge of geological work as defined in Section 3031(b)(1) or geophysical work as defined in Section 3031.1(b), respectively. The references must be sufficient to document professional geological experience or professional geophysical work consistent with the length and scope of the professional work or experience being claimed by the applicant.

(1) None of the references can be related to the applicant by birth, blood, or marriage, registration as domestic partners, or adoption.

(2) Reference forms must either be stamped by the licensee giving the reference, or notarized, and must clearly indicate areas of personal knowledge of the applicant’s qualifying experience or work.

(2) Documentation submitted to the Board by a reference must be the original copy with an original signature and seal on every page of the documentation submitted. Photocopies, scanned copies, and electronic signatures are not acceptable.

(3) The documentation must include the following information:

(A) The reference must state that they have personal knowledge of the applicant’s qualifying experience in a responsible position as defined in section 3003(c), and must clearly indicate the nature of their relationship with the applicant;

(B) The reference must clearly indicate the number of months they can qualify the applicant as having completed professional geological work as defined in Section 3003(d) or professional geophysical work as defined in Section 3003(e);

(C) The reference must document how they computed the number of months of qualifying work experience using the definition of full time work provided in Sections 3031(b)(2) and 3031.1(b)(1);

(D) The reference must provide a detailed, complete and accurate description of the qualifying professional geologic work or professional geophysical work completed by the applicant in accordance with Section 3065(b)(11);
(E) The work experience description must be sufficient to cover the time period being documented as qualifying experience by the reference;

(F) The reference must use the appropriate scientific terms while avoiding colloquialisms, industry jargon, and slang; and,

(G) The reference must include the following statement:

I declare under penalty of perjury under the laws of the State of California that the information in this reference is true and correct, and that I have adhered to and agree to abide by the professional standards of Business and Professions Code §7872 and California Code of Regulations, Title 16, Division 29, §3065 (Board Code of Professional Standards). I further understand that I am subject to disciplinary action if any portion of this reference is found to be inaccurate, false, misleading, or ambiguous.

(3) Nothing contained in this section shall limit the authority of the Board to require that an applicant submit additional references, employment verifications, or any other information pertinent to the applicant’s education and/or experience to verify that the applicant meets the minimum qualifications for a Professional Geologist license as defined in Section 7841 of the Code, or the minimum qualifications for a Professional Geophysicist license as defined in Section 7841.1 of the Code, or for a specialty certification in either geology or geophysics as defined in Sections 7842 and 7842.1 of the Code.


§3031.3 Examination Credit: Professional Geologist, Professional Geophysicist and Specialty Certification

(a) Each applicant for licensure as a geologist who obtains a passing score on the Fundamentals of Geology and Practice of Geology examinations created by the National Association of State Boards of Geology on or after November 1, 1996 and obtains a passing score as determined by a recognized criterion-referenced method of establishing the pass point in the California specific examination pursuant to Section 7841(d) shall be deemed to have passed the required examinations for licensure as a professional geologist in California.
(b) Candidates shall receive credit for obtaining a passing score on the Fundamentals of Geology examination, the Practice of Geology examination, and the California specific examination and shall be required to submit an application to retake and pass only those examinations previously failed.

(c) Every applicant for licensure as a geophysicist or for certification in any specialty, who obtains a passing score determined by a recognized criterion-reference method of establishing the pass point in the California examination shall be deemed to have passed the California examination. Such a passing score may vary moderately with changes in test composition.

Note: Authority cited: Section 7818, Business and Professions Code. Reference: Sections 7841, 7841.1 7841.2, 7842 and 7842.1, Business and Professions Code.
IV. Administration

A. Fiscal Year 2017/18 Budget Review
## Revenue

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<tr>
<th>Description</th>
<th>FY 2016-17</th>
<th>FY 2017-18</th>
<th>% Change</th>
<th>FY 2017-18 FM 1 Projections</th>
<th>FY 2017-18 Updated Projections</th>
<th>% Change</th>
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<tbody>
<tr>
<td>1. Applications/Licensing Fees (125700)</td>
<td>1,608,833</td>
<td>897,266</td>
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<td>2,829,000</td>
<td>1,238,475</td>
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<td>2. Renewal fees (125800)</td>
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<td>6,138,000</td>
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<td>Delinquent fees (125900)</td>
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<td>Interest</td>
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<td>Other</td>
<td>101,575</td>
<td>139,788</td>
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<td><strong>Total Revenue:</strong></td>
<td>6,665,918</td>
<td>4,770,638</td>
<td>-28%</td>
<td>9,182,000</td>
<td>8,441,000</td>
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## Expense

### Personnel Services:

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<thead>
<tr>
<th>Description</th>
<th>FY 2016-17</th>
<th>FY 2017-18</th>
<th>% Change</th>
<th>FY 2017-18 FM 1 Projections</th>
<th>FY 2017-18 Updated Projections</th>
<th>% Change</th>
</tr>
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<tr>
<td>Civil Service Perm.</td>
<td>1,569,473</td>
<td>1,650,550</td>
<td>5%</td>
<td>2,962,803</td>
<td>2,980,000</td>
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<td>Temp Help</td>
<td>74,477</td>
<td>78,467</td>
<td>5%</td>
<td>206,002</td>
<td>208,000</td>
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<tr>
<td>Exam Proctor</td>
<td>2,732</td>
<td>5,082</td>
<td>184%</td>
<td></td>
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<tr>
<td>Board Members</td>
<td>4,500</td>
<td>6,433</td>
<td>44%</td>
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<tr>
<td>Committee Members</td>
<td>1,300</td>
<td>2,250</td>
<td>71%</td>
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<tr>
<td>Overtime</td>
<td>862</td>
<td>160,074</td>
<td>184%</td>
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<tr>
<td><strong>Total Salaries and Wages:</strong></td>
<td>1,653,344</td>
<td>1,892,491</td>
<td>14%</td>
<td>3,184,053</td>
<td>3,205,490</td>
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<tr>
<td><strong>Total Benefits:</strong></td>
<td>876,802</td>
<td>830,751</td>
<td>-5%</td>
<td>1,528,585</td>
<td>1,589,166</td>
<td>4%</td>
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<tr>
<td><strong>Total Personnel Services:</strong></td>
<td>2,530,146</td>
<td>2,723,242</td>
<td>8%</td>
<td>4,712,638</td>
<td>4,794,656</td>
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### Operating Expense and Equipment:

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<tr>
<th>Description</th>
<th>FY 2016-17</th>
<th>FY 2017-18</th>
<th>% Change</th>
<th>FY 2017-18 FM 1 Projections</th>
<th>FY 2017-18 Updated Projections</th>
<th>% Change</th>
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<tbody>
<tr>
<td>Fingerprints</td>
<td>27,623</td>
<td>61,802</td>
<td>124%</td>
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<tr>
<td>General Expense</td>
<td>28,745</td>
<td>62,716</td>
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<td>Printing</td>
<td>15,052</td>
<td>50,332</td>
<td>232%</td>
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<td>Communication</td>
<td>13,930</td>
<td>27,525</td>
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<td>Postage</td>
<td>28,270</td>
<td>83,707</td>
<td>291%</td>
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<tr>
<td>Travel Out-of-State</td>
<td>2,941</td>
<td>5,188</td>
<td>75%</td>
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<td>Travel In State</td>
<td>48,767</td>
<td>113,054</td>
<td>132%</td>
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<td>Training</td>
<td>290</td>
<td>430</td>
<td>52%</td>
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<td>Facilities Operations</td>
<td>352,412</td>
<td>368,931</td>
<td>6%</td>
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<td>C &amp; P Services - Interdept.</td>
<td>400,000</td>
<td>179,842</td>
<td>-57%</td>
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<td>C &amp; P Services - External</td>
<td>465,661</td>
<td>375,299</td>
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<tr>
<td>Minor Equipment</td>
<td>17,642</td>
<td>5,533</td>
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<td>Prorata</td>
<td>1,043,181</td>
<td>2,236,987</td>
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<td><strong>Total General Expenses:</strong></td>
<td>2,444,224</td>
<td>3,571,341</td>
<td>-31%</td>
<td>3,231,273</td>
<td>5,177</td>
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### Examinations:

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<th>Description</th>
<th>FY 2016-17</th>
<th>FY 2017-18</th>
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<th>FY 2017-18 FM 1 Projections</th>
<th>FY 2017-18 Updated Projections</th>
<th>% Change</th>
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<td>Exam Rent - Non State</td>
<td>245</td>
<td>3,000</td>
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<td>Administrative External Svcs</td>
<td>857,115</td>
<td>713,143</td>
<td>-18%</td>
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<td>C/P Svs - Ext Expert Examiners</td>
<td>109,342</td>
<td>177,185</td>
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<tr>
<td>Other Expense</td>
<td>5,177</td>
<td>5,177</td>
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<tr>
<td><strong>Total Examinations:</strong></td>
<td>966,457</td>
<td>895,750</td>
<td>-8%</td>
<td>938,227</td>
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### Enforcement:

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<th>FY 2017-18</th>
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<th>FY 2017-18 FM 1 Projections</th>
<th>FY 2017-18 Updated Projections</th>
<th>% Change</th>
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<tr>
<td>Attorney General</td>
<td>178,183</td>
<td>438,759</td>
<td>150%</td>
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<td>Office Admin. Hearing</td>
<td>33,717</td>
<td>92,113</td>
<td>175%</td>
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<td>Evidence / Witness Fees</td>
<td>86,145</td>
<td>241,016</td>
<td>182%</td>
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<td>Court Reporters</td>
<td>2,475</td>
<td>3,531</td>
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<td>DOI - Investigation</td>
<td>184,919</td>
<td>235,675</td>
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<tr>
<td><strong>Total Enforcement:</strong></td>
<td>485,439</td>
<td>984,594</td>
<td>-52%</td>
<td>1,011,094</td>
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<tr>
<td><strong>Total OE&amp;E:</strong></td>
<td>3,896,120</td>
<td>5,154,094</td>
<td>-31%</td>
<td>5,478,184</td>
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**Total Expense:**

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<th>Description</th>
<th>FY 2016-17</th>
<th>FY 2017-18</th>
<th>% Change</th>
<th>FY 2017-18 FM 1 Projections</th>
<th>FY 2017-18 Updated Projections</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue:</strong></td>
<td>6,665,918</td>
<td>9,182,000</td>
<td>38%</td>
<td>8,441,000</td>
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<tr>
<td><strong>Total Expense:</strong></td>
<td>6,426,266</td>
<td>10,190,822</td>
<td>-57%</td>
<td>9,948,750</td>
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<tr>
<td><strong>Difference:</strong></td>
<td>239,652</td>
<td>-1,008,822</td>
<td>-16%</td>
<td>-1,507,750</td>
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</table>
Financial Statement Notes

Notations:

1 Applications/Licensing Fees (125700): Data retrieved from the FI$Cal report indicates only half of the revenue generated versus last year at the same point in time. Revenue collected is for the processing of applications, collection of exam fees for development and administration, issuance of initial licenses, and issuance of retired licenses. There is a drop off in application numbers versus last year due to open filing process and the change in the refile process.

2 Renewal fees (125800): Data retrieved from the FI$Cal report indicates a reduction in renewal revenue from the Prior Year (PY). Internal tracking documents indicate renewal numbers that exceed last year’s information at this point in the Fiscal Year (FY).

3 Overtime: Data included in this expense line item includes a retirement payout for a Senior Registrar and Flex Elect contributions paid out to staff that do not participate in the State of California’s healthcare plans.

4 C & P Services - Interdepartmental: Expense line item includes all expert contract services with other California State agencies for exam development. The majority of these contracts have not been encumbered on the FI$Cal report.

5 C & P Services – External: The bulk of the expenses are attributed to expert consultants contracted to develop all state exams. Additional expenses are attributed to the business solutions agreement currently underway to develop appropriate documents and justification for a future licensing system option.

6 Enforcement: Data retrieved from the FI$Cal reports may be delayed and in some instances (DOI Investigations) included in other line items - Pro Rata. Staff is researching FI$Cal coding to understand the CALSTARS and FI$Cal crosswalk for coding.

Additional Information

<table>
<thead>
<tr>
<th>Consultant/Professional Services - Internal</th>
<th>Services provided by other state agencies or Interagency Agreements within the Department of Consumer Affairs.</th>
<th>State Subject Matter Experts- state employees for exam development</th>
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</thead>
<tbody>
<tr>
<td>Administrative – External Services</td>
<td>National exam contracts, consultant services for exam development, and may include contract costs associated with preparation and scoring of examinations.</td>
<td>Exam contracts-Prometric Contracts, NCEES, ASBOG</td>
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</table>
### Analysis of Fund Condition

(Dollars in Thousands)

#### Budget and Governor's Act

<table>
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<tr>
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<td><strong>Beginning Balance</strong></td>
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<tr>
<td>1,925</td>
<td>$5,832</td>
<td>$6,991</td>
<td>$8,263</td>
<td>$10,042</td>
<td>$7,878</td>
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<tr>
<td><strong>Prior Year Adjustment</strong></td>
<td>$163</td>
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<td><strong>Adjusted Beginning Balance</strong></td>
<td>$2,088</td>
<td>$5,787</td>
<td>$7,019</td>
<td>$8,271</td>
<td>$7,878</td>
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<tr>
<td><strong>Revenues and Transfers</strong></td>
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<td></td>
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<tr>
<td>Other regulatory fees</td>
<td>$117</td>
<td>$125</td>
<td>$88</td>
<td>$139</td>
<td>$126</td>
<td>$108</td>
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<tr>
<td>Other regulatory licenses and permits</td>
<td>$2,572</td>
<td>$2,552</td>
<td>$2,705</td>
<td>$2,423</td>
<td>$1,239</td>
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<td>Renewal fees</td>
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<td>$6,084</td>
<td>$6,189</td>
<td>$6,988</td>
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<td>Delinquent fees</td>
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<td>Sales of documents</td>
<td>$-</td>
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<tr>
<td>Miscellaneous services to the public</td>
<td>$-</td>
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<tr>
<td>Sales of documents</td>
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<tr>
<td>Income from surplus money investments</td>
<td>$7</td>
<td>$15</td>
<td>$32</td>
<td>$62</td>
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<td>Interest Income from interfund loans</td>
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<td>$8</td>
<td>$-</td>
<td>$70</td>
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<td>Sale of fixed assets</td>
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<td>Escheat of unclaimed checks and warrants</td>
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<td>$10</td>
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<tr>
<td>Miscellaneous revenues</td>
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<td>$1</td>
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<tr>
<td><strong>Totals, Revenues</strong></td>
<td>$9,038</td>
<td>$8,048</td>
<td>$8,994</td>
<td>$8,988</td>
<td>$8,484</td>
<td>$8,904</td>
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<tr>
<td><strong>Transfers to Other Funds</strong></td>
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<tr>
<td>GF Loan per item 1110-011-0770</td>
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<td>$800</td>
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<td><strong>Budget Act of 2011</strong></td>
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<tr>
<td><strong>Totals, Revenues and Transfers</strong></td>
<td>$11,538</td>
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<td><strong>Expenses</strong></td>
<td>$7,794</td>
<td>$7,344</td>
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<td><strong>FUND BALANCE</strong></td>
<td>$5,832</td>
<td>$6,991</td>
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<td><strong>Month in Reserve</strong></td>
<td>9.5</td>
<td>10.8</td>
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<td>7.4</td>
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</table>
V. Legislation
   A. Legislative Calendar
   B. Discussion of Legislation for 2018 (Possible Action):
      AB 767  Master Business License Act.
      AB 2138  Licensing boards: denial of application: revocation or suspension of
               licensure: criminal conviction.
      AB 2409  Professions and vocations: occupational regulations.
      AB 2264  Professions and vocations: fees
      AB 2483  Indemnification of public officers and employees: antitrust awards.
      AB 3126  Contractors’ State License Law: cash deposit in lieu of a bond.
      AB 3134  Professional engineers.
      SB 920  Engineering, land surveying, and architecture: limited liability
               partnerships.
      SB 984  State boards and commissions: representation: women.
      SB 1098  Geologists and geophysicists: fees.
<table>
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<th>JANUARY</th>
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</tbody>
</table>

**DEADLINES**

- Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).
- Jan. 3 Legislature Reconvenes (J.R. 51(a)(4)).
- Jan. 10 Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- Jan. 12 Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house in the odd-numbered year (J.R. 61(b)(1)).
- Jan. 15 Martin Luther King, Jr. Day.
- Jan. 19 Last day for any committee to hear and report to the floor bills introduced in that house in the odd-numbered year (J.R. 61(b)(2)). Last day to submit bill requests to the Office of Legislative Counsel.
- Jan. 31 Last day for each house to pass bills introduced in that house in the odd-numbered year (J.R. 61(b)(3), (Art. IV, Sec. 10(c)).

<table>
<thead>
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</table>

- Feb. 16 Last day for bills to be introduced (J.R. 61(b)(4), (J.R. 54(a)).
- Feb. 19 Presidents’ Day.

<table>
<thead>
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- Mar. 22 Spring Recess begins upon adjournment of this day’s session (J.R. 51(b)(1)).
- Mar. 30 Cesar Chavez Day observed.

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- Apr. 2 Legislature Reconvenes from Spring Recess (J.R. 51(b)(1)).
- Apr. 27 Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house (J.R. 61(b)(5)).

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*Holiday schedule subject to Senate Rules committee approval*
JUNE

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June 1 Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).

June 4 Committee meetings may resume (J.R. 61(b)(12)).

June 15 Budget Bill must be passed by midnight (Art. IV, Sec. 12(c)(3)).

June 28 Last day for a legislative measure to qualify for the Nov. 6 General Election ballot (Elections code Sec. 9040).

June 29 Last day for policy committees to hear and report fiscal bills to fiscal committees (J.R. 61(b)(13)).

JULY

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July 4 Independence Day.

July 6 Last day for policy committees to meet and report bills (J.R. 61(b)(14)). Summer Recess begins upon adjournment provided Budget Bill has been passed (J.R. 51(b)(2)).

AUGUST

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Aug. 6 Legislature Reconvenes (J.R. 51(b)(2)).

Aug. 17 Last day for fiscal committees to meet and report bills (J.R. 61(b)(15)).

Aug. 20-31 Floor Session only. No committees, other than Conference and Rules Committees, may meet for any purpose (J.R. 61(b)(16)).

Aug. 24 Last day to amend on the floor (J.R. 61(b)(17)).

Aug. 31 Last day for each house to pass bills, except bills that take effect immediately or bills in Extraordinary Session (Art. IV, Sec. 10(c), J.R. 61(b)(18)). Final Recess begins upon adjournment (J.R. 51(b)(3)).

*Holiday schedule subject to Senate Rules committee approval

IMPORTANT DATES OCCURRING DURING INTERIM STUDY RECESS

2018

Sept. 30 Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor’s possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).

Nov. 6 General Election

Nov. 30 Adjournment Sine Die at midnight (Art. IV, Sec. 3(a)).

Dec. 3 12 Noon convening of the 2019-20 Regular Session (Art. IV, Sec. 3(a)).

2019

Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).
Introduced Legislation

AB 2138 (Chiu D & Low D) San Francisco & Campbell

Licensing boards: denial of application: revocation or suspension of licensure: criminal conviction.

Status: 4/3/2018-Re-referred to Committee on Business & Professions; set for hearing 4/24/18
Location: 2/26/2018-Assembly Business & Professions

Last Amend: 4/2/2018

Updated 4/18/18

Staff Analysis: AB 2138

Bill Summary: Existing law authorizes a board to deny, suspend, or revoke a license or take disciplinary action against a licensee on the grounds that the applicant or licensee has been convicted of a crime that is substantially related to the qualifications, functions, and duties of the profession. Existing law provides that a person shall not be denied a license solely on the basis that the person has been convicted of a felony, as specified. Existing law also prohibits a person from being denied a license solely on the basis of a conviction that has been dismissed, as specified. Existing law requires a board to develop criteria to aid it when considering the denial, suspension, or revocation of a license to determine whether a crime is substantially related to the qualifications, functions, or duties of the business or profession the board regulates and requires a board to develop criteria to evaluate the rehabilitation of a person when considering the denial, suspension, or revocation of a license, as well as defining what is meant by “substantially related” in regulation.

This bill would authorize a board to deny, revoke, or suspend a license on the grounds that the applicant or licensee has been convicted of a crime only if the applicant or licensee is presently incarcerated or if the conviction, as defined, occurred within the preceding 5 years, except for violent felonies, and would require the crime to be directly and adversely related to the qualifications, functions, or duties of the business or profession. The bill would prohibit a board from denying a person a license based on the conviction of a crime, or on the basis of acts underlying a conviction for a crime, if the conviction has been dismissed or expunged, if the person has made a showing of rehabilitation, if the person has been granted clemency or a pardon, or if an arrest resulted in a disposition other than a conviction. The bill would provide that these provisions relating to denial, revocation, or suspension of a license would supersede contradictory provisions in existing laws.

The bill would require the board to develop criteria for determining whether a crime is directly and adversely related to the qualifications, functions, or duties of the business or profession. The bill would require a board to follow certain procedures when requesting or acting on an applicant’s or licensee’s criminal history information. The bill would also require a board to annually submit a report to the Legislature and post the report on its Internet Web site containing specified information regarding actions taken by a board based on an applicant or licensee’s criminal history information.

This bill would prohibit a board from denying a license based solely on an applicant’s failure to disclose a fact that would not have been cause for denial of the license had the fact been disclosed.

This bill would repeal the authorization for a board to suspend a license if a licensee is not in compliance with a child support order or judgment.

This bill would prohibit a board from taking disciplinary action against a licensee or denying a license for professional misconduct if the licensee has successfully completed certain diversion programs or alcohol and drug problem assessment programs or deferred entry of judgment.

The bill would limit probationary terms or restrictions placed on a license by a board to two years or less and would authorize additional conditions to be imposed only if the board determines that there is clear and convincing evidence that additional conditions are necessary to address a risk shown by clear and convincing
evidence. The bill would require a board to develop criteria to aid it in considering the imposition of probationary conditions and to determine what conditions may be imposed. The bill would authorize a licensee or registrant whose license or registration has been placed on probation to petition the board for a change to that probation one year from the effective date of the board’s decision, would require the board to issue a decision on the petition within 90 days, and would deem the petition granted if the board does not file a decision denying the petition within 90 days.

**Staff Comment:** This bill could create more work for staff and increase application processing times and would severely hamper the Board’s ability to appropriately protect the public. Currently, when an applicant submits their application for licensure they are required to disclose their criminal history and submit the appropriate certified court documentation and a statement of explanation for each criminal conviction. This bill would prohibit the Board from requiring an applicant to self-disclose criminal history information. Moreover, if AB 2138 were signed into law, the Board would no longer be permitted to consider only non-violent felony convictions to deny an applicant licensure or take disciplinary action against a licensee. This bill would also establish a five-year statute of limitations from the date of the conviction on the Board’s ability to consider non-violent felony convictions. Given the professions this Board regulates, there are often crimes that are directly related to the professions that are “non-violent,” such as embezzlement and fraud. There are times when the Board does not learn of the conviction for several years after it has occurred, and staff must then conduct an investigation and process the denial or disciplinary action throughout the administrative process, all of which could exceed the five-year period. Furthermore, the Board has had cases in the past where the person has been placed on supervised criminal probation or parole for more than five years; Administrative Law Judges have determined that being on supervised probation or parole is not sufficient evidence of rehabilitation to allow the person to obtain or maintain a license with due regard to the protection of the public. Additionally, this bill would specify that the Board could place a licensee on probation for only two years or less. Historically, two years has not been sufficient time for the person to comply with terms and conditions of probation, such as taking educational courses or reimbursing the Board’s costs; restricting the period of probation to only two years or less would be setting the person up to fail and violate probation. The bill also provides that the person can petition the Board for reduction, modification, or termination of probation after one year and would require the Board to issue a decision on the petition within 90 days of receipt; if the Board failed to issue a decision within that time period, the petition would be deemed granted. It is unclear how this provision would work considering that other laws, specifically the Administrative Procedure Act (Chapters 4, 4.5, and 5 of Part 1 of Division 3 of Title 2 of the Government Code), govern the conduct of hearings on such petitions. Additionally, this bill requires the boards to collect and publish demographic data regarding applicants who are denied licensure or who have licenses revoked/suspended. In conclusion, staff believes this bill would negatively impact the Board’s ability to consider all factors and evidence involved in a case and to determine the appropriate action based on those specific facts with due regard to public protection relating to the professions this Board is charged with regulating.

**Staff Recommendation:** Staff recommends the Board vote to oppose this legislation as amended April 2, 2018.

**Laws:** An act to amend Sections 7.5, 480, 481, 482, 488, 490, 492, 493, 1005, and 11345.2 of, to add Section 481.5 to, and to repeal Section 490.5 of, the Business and Professions Code, relating to professions and vocations.
 Introduced by Assembly Members Chiu and Low

February 12, 2018

An act to amend Sections 480 and Sections 7.5, 480, 481, 482, 488, 490, 492, 493, 1005, and 11345.2 of, to add Section 481.5 to, and to repeal Section 490.5 of, the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL’S DIGEST

AB 2138, as amended, Chiu. Licensing boards: denial of application: revocation or suspension of licensure: criminal conviction.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs and Affairs. Existing law authorizes a board to deny, suspend, or revoke a license or take disciplinary action against a licensee on the grounds that the applicant or licensee has, among other things, been convicted of a crime, as specified. Existing law provides that a person shall not be denied a license solely on the basis that the person has been convicted of a felony if he or she has obtained a certificate of rehabilitation or that the person has been convicted of a misdemeanor if he or she has met applicable requirements of rehabilitation developed by the board, as specified. Existing law also prohibits a person from being denied a license solely on the basis of a conviction that has been dismissed, as specified. Existing law requires a board to develop criteria to aid it when considering the denial, suspension, or revocation of a license to determine whether a crime is substantially related to the qualifications, functions, or duties of the
business or profession the board regulates and requires a board to develop criteria to evaluate the rehabilitation of a person when considering the denial, suspension, or revocation of a license.

This bill would instead prohibit a person from being denied a license solely on the basis that he or she has been convicted of a nonviolent crime and would make conforming changes. 

The bill would revise and recast those provisions to instead authorize a board to, among other things, deny, revoke, or suspend a license on the grounds that the applicant or licensee has been convicted of a crime only if the applicant or licensee is presently incarcerated or if the conviction, as defined, occurred within the preceding 5 years, except for violent felonies, and would require the crime to be directly and adversely related to the qualifications, functions, or duties of the business or profession. The bill would prohibit a board from denying a person a license based on the conviction of a crime, or on the basis of acts underlying a conviction for a crime, if the conviction has been dismissed or expunged, if the person has made a showing of rehabilitation, if the person has been granted clemency or a pardon, or if an arrest resulted in a disposition other than a conviction. The bill would provide that these provisions relating to denial, revocation, or suspension of a license would supersede contradictory provisions in specified existing law.

The bill would require the board to develop criteria for determining whether a crime is directly and adversely related to the qualifications, functions, or duties of the business or profession. The bill would require a board to find that a person has made a showing of rehabilitation if certain conditions are met. The bill would require a board to follow certain procedures when requesting or acting on an applicant’s or licensee’s criminal history information. The bill would also require a board to annually submit a report to the Legislature and post the report on its Internet Web site containing specified deidentified information regarding actions taken by a board based on an applicant or licensee’s criminal history information.

Existing law authorizes a board to deny a license on the grounds that an applicant knowingly made a false statement of fact that is required to be revealed in the application for licensure.

This bill would prohibit a board from denying a license based solely on an applicant’s failure to disclose a fact that would not have been cause for denial of the license had the fact been disclosed.

Existing law authorizes a board to suspend a license if a licensee is not in compliance with a child support order or judgment.
This bill would repeal that authorization.

Existing law authorizes specified agencies to take disciplinary action against a licensee or deny a license for professional misconduct if the licensee has successfully completed certain diversion programs or alcohol and drug problem assessment programs.

This bill would instead prohibit a board from taking disciplinary action against a licensee or denying a license for professional misconduct if the licensee has successfully completed certain diversion programs or alcohol and drug problem assessment programs or deferred entry of judgment.

Existing law authorizes a board after a specified hearing requested by an applicant for licensure to take various actions, including imposing probationary conditions on the license.

This bill would additionally authorize a board to grant the license and immediately issue a public reproval. The bill would limit probationary terms or restrictions placed on a license by a board to 2 years or less and would authorize additional conditions to be imposed only if the board determines that there is clear and convincing evidence that additional conditions are necessary to address a risk shown by clear and convincing evidence. The bill would require a board to develop criteria to aid it in considering the imposition of probationary conditions and to determine what conditions may be imposed. The bill would authorize a licensee or registrant whose license or registration has been placed on probation to petition the board for a change to that probation one year from the effective date of the board’s decision, would require the board to issue a decision on the petition within 90 days, and would deem the petition granted if the board does not file a decision denying the petition within 90 days.

This bill would also make necessary conforming changes.


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

SECTION 1. Section 7.5 of the Business and Professions Code is amended to read:

7.5. (a) A conviction within the meaning of this code means a judgment following a plea or verdict of guilty or a conviction following a plea of nolo contendere. contendere or finding of guilt.

Any action which a board is permitted to take following the
establishment of a conviction may be taken when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code.

However, a board may not deny a license to an applicant who is otherwise qualified pursuant to subdivision (b) or (c) of Section 480.

Nothing in this section shall apply to the licensure of persons pursuant to Chapter 4 (commencing with Section 6000) of Division 3.

(c) Except as provided in subdivision (b), this section controls over and supersedes the definition of conviction contained within individual practice acts under this code.

SECTION 1.

SEC. 2. Section 480 of the Business and Professions Code is amended to read:

480. (a) A (1) Notwithstanding any other provision of this code, a board may deny a license regulated by this code on the grounds that the applicant has one of the following: been convicted of a crime or has been subject to formal discipline only if either of the following conditions are met:

(1) Been convicted of a crime. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that a board is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4, 1203.4a, or 1203.41 of the Penal Code.

(2) Done any act involving dishonesty, fraud, or deceit with the intent to substantially benefit himself or herself or another, or substantially injure another.

(3) (A) Done any act that if done by a licentiate of the business or profession in question, would be grounds for suspension or revocation of license.

(B) The board may deny a license pursuant to this subdivision only if the crime or act is substantially related to the qualifications;
functions, or duties of the business or profession for which application is made.

(A) The applicant has been convicted of a crime for which the applicant is presently incarcerated or for which the conviction occurred within the preceding five years. However, the preceding five year limitation shall not apply to a conviction for a violent felony, as defined in Section 667.5 of the Penal Code. The board may deny a license pursuant to this subparagraph only if the crime is directly and adversely related to the qualifications, functions, or duties of the business or profession for which application is made.

(B) The applicant has been subjected to formal discipline by a licensing board within the preceding five years based on professional misconduct that would have been cause for discipline before the board for which the present application is made and that is directly and adversely related to the qualifications, functions, or duties of the business or profession for which the present application is made. However, prior disciplinary action by a licensing board within the preceding five years shall not be the basis for denial of a license if the basis for that disciplinary action was a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the Penal Code or a comparable dismissal or expungement.

(2) Denial of a license includes denial of an unrestricted license by issuance of a restricted or probationary license.

(b) Notwithstanding any other provision of this code, a person shall not be denied a license solely on the basis that he or she has been convicted of a nonviolent crime, or on the basis of acts underlying a conviction for a crime, if he or she has obtained a certificate of rehabilitation under Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the Penal Code, has been granted clemency or a pardon by a state or federal executive, or has made a showing of rehabilitation pursuant to Section 482.

(c) Notwithstanding any other provision of this code, a person shall not be denied a license on the basis of any conviction, or on the basis of the acts underlying the conviction, that has been dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the Penal Code, or a comparable dismissal or expungement. An applicant who has a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, 1203.41, or 1203.42 of the Penal Code
shall provide proof of the dismissal if it is not reflected on the report furnished by the Department of Justice.

(d) Notwithstanding any other provision of this code, a board shall not deny a license on the basis of an arrest that resulted in a disposition other than a conviction, including an arrest that resulted in an infraction, citation, or a juvenile adjudication.

(e) A board may deny a license regulated by this code on the ground that the applicant knowingly made a false statement of fact that is required to be revealed in the application for the license. A board shall not deny a license based solely on an applicant’s failure to disclose a fact that would not have been cause for denial of the license had it been disclosed.

(f) A board shall follow the following procedures in requesting or acting on an applicant’s criminal history information:

(1) A board shall not require an applicant for licensure to disclose any information or documentation regarding the applicant’s criminal history.

(2) If a board decides to deny an application based solely or in part on the applicant’s conviction history, the board shall notify the applicant in writing of all of the following:

(A) The denial or disqualification of licensure.

(B) Any existing procedure the board has for the applicant to challenge the decision or to request reconsideration.

(C) That the applicant has the right to appeal the board’s decision.

(D) The processes for the applicant to request a copy of his or her complete conviction history and question the accuracy or completeness of the record pursuant to Sections 11122 to 11127 of the Penal Code.

(g) (1) For a minimum of three years, each board under this code shall retain application forms and other documents submitted by an applicant, any notice provided to an applicant, all other communications received from and provided to an applicant, and criminal history reports of an applicant.

(2) Each board under this code shall retain the number of applications received for each license and the number of applications requiring inquiries regarding criminal history. In addition, each licensing authority shall retain all of the following information:
(A) The number of applicants with a criminal record who received notice of denial or disqualification of licensure.

(B) The number of applicants with a criminal record who provided evidence of mitigation or rehabilitation.

(C) The number of applicants with a criminal record who appealed any denial or disqualification of licensure.

(D) The final disposition and demographic information, including, but not limited to, voluntarily provided information on race or gender, of any applicant described in subparagraph (A), (B), or (C).

(3) (A) Each board under this code shall annually make available to the public through the board’s Internet Web site and through a report submitted to the appropriate policy committees of the Legislature deidentified information collected pursuant to this subdivision. Each board shall ensure confidentiality of the individual applicants.

(B) A report pursuant to subparagraph (A) shall be submitted in compliance with Section 9795 of the Government Code.

(h) “Conviction” as used in this section shall have the same meaning as defined in Section 7.5.

(i) This section supersedes any contradictory provision in a licensing act under this code or initiative act referred to in Division 2 (commencing with Section 500) that authorizes license denial based on a criminal conviction, arrest, or the acts underlying an arrest or conviction.

SEC. 3. Section 481 of the Business and Professions Code is amended to read:

481. (a) Each board under the provisions of this code shall develop criteria to aid it, when considering the denial, suspension, or revocation of a license, to determine whether a crime or act is substantially related to the qualifications, functions, or duties of the business or profession it regulates.

(b) Criteria for determining whether a crime is directly and adversely related to the qualifications, functions, or duties of the business or profession a board regulates shall include all of the following:

(1) The nature and gravity of the offense.

(2) The number of years elapsed since the date of the offense.
(3) The nature and duties of the profession in which the applicant seeks licensure or in which the licensee is licensed.

c) A board shall not deny a license based in whole or in part on a conviction without considering evidence of rehabilitation.

d) Each board shall post on its Internet Web site a summary of the criteria used to consider whether a crime is considered to be directly and adversely related to the qualifications, functions, or duties of the business or profession it regulates consistent with this section.

SEC. 4. Section 481.5 is added to the Business and Professions Code, to read:

481.5. (a) Probationary terms or restrictions placed on a license by a board shall be limited to two years or less. Any additional conditions may be imposed only if the board determines that there is clear and convincing evidence that additional conditions are necessary to address a risk shown by clear and convincing evidence.

(b) Each board under this code shall develop criteria to aid it when considering the imposition of probationary conditions or restrictions to determine what conditions may be imposed to address a risk shown by clear and convincing evidence.

(c) (1) A licensee or registrant whose license or registration has been placed on probation may petition the board for a change to the probation, including modification or termination of probation, one year from the effective date of the decision. The board shall issue its decision on the petition within 90 days of submission of the petition. The petition shall be deemed granted by operation of law if the board does not file a decision denying the petition within 90 days of submission of the petition.

(2) The one-year time period to petition for modification or termination of penalty shall control over longer time periods under a licensing act under this code or initiative act referred to in Division 2 (commencing with Section 500).

SEC. 5. Section 482 of the Business and Professions Code is amended to read:

482. (a) Each board under the provisions of this code shall develop criteria to evaluate the rehabilitation of a person when doing either of the following:

(a)
(1) Considering the denial of a license by the board under Section 480, or 480.

(b)

(2) Considering suspension or revocation of a license under Section 490.

Each board shall take into account all competent evidence of rehabilitation furnished by the applicant or licensee. find that an applicant or licensee has made a showing of rehabilitation if any of the following are met:

(1) The applicant or licensee has completed the criminal sentence at issue without a violation of parole or probation.

(2) (A) The applicant or licensee documents that he or she has worked in a related field continuously for at least one year prior to licensure or successfully completed a course of training in a related field, unless the board finds a public record of an official finding that the applicant committed professional misconduct in the course of that work.

(B) Work in a related field may include, but is not limited to, work performed without compensation and work performed while incarcerated.

(C) “Related field,” for purposes of this paragraph, means a field of employment whose duties are substantially similar to the field regulated by the board.

(3) The applicant or licensee has satisfied criteria for rehabilitation developed by the board.

SEC. 6. Section 488 of the Business and Professions Code is amended to read:

488. Except as otherwise provided by law, following a hearing requested by an applicant pursuant to subdivision (b) of Section 485, the board may take any of the following actions:

(a) Grant the license effective upon completion of all licensing requirements by the applicant.

(b) Grant the license effective upon completion of all licensing requirements by the applicant, grant the license and immediately issue a public reproval pursuant to Section 495, immediately revoke the license, stay the revocation, and impose probationary conditions on the license, which may include suspension.

(c) Deny the license.
(d) Take other action in relation to denying or granting the license as the board in its discretion may deem proper.

SEC. 7. Section 490 of the Business and Professions Code is amended to read:

490. (a) (1) In addition to any other action that a board is permitted to take against a licensee, a board may suspend or revoke a license on the ground that the licensee has been convicted of a crime, if the crime is substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued. Crime for which the applicant is presently incarcerated or for which the conviction occurred within the preceding five years. However, the preceding five year limitation shall not apply to a conviction for a violent felony, as defined in Section 667.5 of the Penal Code.

(2) The board may suspend or revoke a license pursuant to this subdivision only if the crime is directly and adversely related to the qualifications, functions, or duties of the business or profession for which application is made.

(b) Notwithstanding any other provision of law, a board may exercise any authority to discipline a licensee for conviction of a crime that is independent of the authority granted under subdivision (a) only if the both of the following are met:

(1) The crime is substantially directly and adversely related to the qualifications, functions, or duties of the business or profession for which the licensee’s license was issued.

(2) The licensee was convicted of the crime within the preceding five years or is presently incarcerated for the crime. However, the preceding five year limitation shall not apply to a conviction for a violent felony, as defined in Section 667.5 of the Penal Code.

(c) A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. An action that a board is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under Section 1203.4 of the Penal Code.

(d) The Legislature hereby finds and declares that the application of this section has been made unclear by the holding in Petropoulos v. Department of Real Estate (2006) 142 Cal.App.4th 554, and
that the holding in that case has placed a significant number of statutes and regulations in question, resulting in potential harm to the consumers of California from licensees who have been convicted of crimes. Therefore, the Legislature finds and declares that this section establishes an independent basis for a board to impose discipline upon a licensee, and that the amendments to this section made by Chapter 33 of the Statutes of 2008 do not constitute a change to, but rather are declaratory of, existing law.

(c) Notwithstanding any other provision of this code, a board shall not suspend or revoke a license on the basis of a conviction, or of the acts underlying a conviction, where that conviction has been dismissed pursuant to Section 1203.4, 1203.4a, 1203.41, or 1203.42 of the Penal Code or a comparable dismissal or expungement.

(d) Notwithstanding any other provision of this code, a board shall not suspend or revoke a license on the basis of an arrest that resulted in a disposition other than a conviction, including an arrest that resulted in an infraction, citation, or juvenile adjudication.

(e) The board shall use the following procedures in requesting or acting on a licensee’s criminal history information:

(1) A board shall not require a licensee to disclose any information or documentation regarding the licensee’s criminal history.

(2) If a board chooses to file an accusation against a licensee based solely or in part on the licensee’s conviction history, the board shall notify the licensee in writing of the processes for the licensee to request a copy of the licensee’s complete conviction history and question the accuracy or completeness of his or her criminal record pursuant to Sections 11122 to 11127, inclusive, of the Penal Code.

(f) (1) For a minimum of three years, each board under this code shall retain all documents submitted by a licensee, notices provided to a licensee, all other communications received from or provided to a licensee, and criminal history reports of a licensee.

(2) Each board under this code shall retain all of the following information:

(A) The number of licensees with a criminal record who received notice of potential revocation or suspension of their license or who had their license suspended or revoked.
(B) The number of licensees with a criminal record who provided evidence of mitigation or rehabilitation.

(C) The number of licensees with a criminal record who appealed any suspension or revocation of a license.

(D) The final disposition and demographic information, including, but not limited to, voluntarily provided information on race or gender, of any applicant described in subparagraph (A), (B), or (C).

(3) (A) Each board under this code shall annually make available to the public through the board’s Internet Web site and through a report submitted to the appropriate policy committees of the Legislature deidentified information collected pursuant to this subdivision. Each board shall ensure the confidentiality of the individual licensees.

(B) A report pursuant to subparagraph (A) shall be submitted in compliance with Section 9795 of the Government Code.

(g) (1) This section supersedes any contradictory provision in a licensing act under this code or initiative act referred to in Division 2 (commencing with Section 500) that authorizes action based on a criminal conviction, arrest, or the acts underlying an arrest or conviction.

(2) This section shall not prohibit any agency from taking disciplinary action against a licensee for professional misconduct in the course and scope of the licensee’s profession that is based on evidence that is independent of an arrest.

SEC. 8. Section 490.5 of the Business and Professions Code is repealed.

490.5. A board may suspend a license pursuant to Section 17520 of the Family Code if a licensee is not in compliance with a child support order or judgment.

SEC. 9. Section 492 of the Business and Professions Code is amended to read:

492. (a) Notwithstanding any other provision of law, successful completion of any diversion program under the Penal Code, successful completion by a licensee or applicant of any nonstatutory diversion program, deferred entry of judgment, or successful completion of an alcohol and drug problem assessment program under Article 5 (commencing with Section 23249.50) of Chapter 12 of Division 11 of the Vehicle Code, shall not prohibit any agency established under Division 2 (commencing with Section...
500) of this code, or any initiative act referred to in that division, board from taking disciplinary action against a licensee or from denying a license for professional misconduct, notwithstanding that evidence of that misconduct may be recorded in a record pertaining to an arrest. misconduct.

This section shall not be construed to apply to any drug diversion program operated by any agency established under Division 2 (commencing with Section 500) of this code, or any initiative act referred to in that division.

(b) This section shall not prohibit any agency established under Division 2 (commencing with Section 500) of this code, or any initiative act referred to in that division, from taking disciplinary action against a licensee for professional misconduct in the course and scope of the profession, which is based on evidence that is independent of an arrest.

SEC. 10. Section 493 of the Business and Professions Code is amended to read:

493. (a) Notwithstanding any other provision of law, in a proceeding conducted by a board within the department pursuant to law to deny an application for a license or to suspend or revoke a license or otherwise take disciplinary action against a person who holds a license, upon the ground that the applicant or the licensee has been convicted of a crime substantially directly and adversely related to the qualifications, functions, and duties of the licensee in question, the record of conviction of the crime shall be conclusive evidence of the fact that the conviction occurred, but only of that fact, and the board may inquire into the circumstances surrounding the commission of the crime in order to fix the degree of discipline or to determine if the conviction is substantially related to the qualifications, functions, and duties of the licensee in question.

(b) (1) Criteria for determining whether a crime is directly and adversely related to the qualifications, functions, or duties of the business or profession the board regulates shall include all of the following:

(A) The nature and gravity of the offense.
(B) The number of years elapsed since the date of the offense.
(C) The nature and duties of the profession.
(2) A board shall not categorically bar an applicant based solely on the type of conviction without considering evidence of rehabilitation.

As used in this section, “license” includes “certificate,” “permit,” “authority,” and “registration.”

SEC. 11. Section 1005 of the Business and Professions Code is amended to read:

1005. The provisions of Sections 12.5, 23.9, 29.5, 30, 31, 35, 104, 114, 115, 119, 121, 121.5, 125, 125.6, 136, 137, 140, 141, 143, 163.5, 461, 462, 475, 480, 484, 485, 487, 489, 490, 490.5, 491, 494, 495, 496, 498, 499, 510, 511, 512, 701, 702, 703, 704, 710, 716, 730.5, 731, and 851 are applicable to persons licensed by the State Board of Chiropractic Examiners under the Chiropractic Act.

SEC. 12. Section 11345.2 of the Business and Professions Code is amended to read:

11345.2. (a) An individual shall not act as a controlling person for a registrant if any of the following apply:

(1) The individual has entered a plea of guilty or no contest to, or been convicted of, a felony. If the individual’s felony conviction has been dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the Penal Code, the bureau may allow the individual to act as a controlling person.

(2) The individual has had a license or certificate to act as an appraiser or to engage in activities related to the transfer of real property refused, denied, canceled, or revoked in any other state.

(b) Any individual who acts as a controlling person of an appraisal management company and who enters a plea of guilty or no contest to, or is convicted of, a felony, or who has a license or certificate as an appraiser refused, denied, canceled, or revoked in any other state shall report that fact or cause that fact to be reported to the office, in writing, within 10 days of the date he or she has knowledge of that fact.
Status: 3/1/2018-Refereed to Committee on Business & Professions.
Location: 3/1/2018-Assembly Business & Professions.
Introduced: 2/13/2018

Staff Analysis: AB 2264

Bill Summary: Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law requires the Department of Consumer Affairs and each board in the department to charge a $2 fee for the certification of a record, document, or paper in its custody or for the certification of a document evidencing the content of that record, document, or paper, except as otherwise provided by law. Existing law requires that the delinquency, penalty, or late fee for any licensee within the department be 50% of the renewal fee for that license that is in effect on the date of the renewal of the license, but not less than $25 nor more than $150, except as otherwise provided by law.

This bill would require the boards to charge a fee of not more than $2 for certifications, except as otherwise provided by law. This bill would delete the requirement that the delinquency, penalty, or late fee not be less than $25 and would make other nonsubstantive changes to these provisions.

Staff Comment: The Board currently charges a $2 fee to certify documents as “true and correct copies” or to provide an official Certification of License (which is not to be confused with the wall certificates or pocket identification cards the Board issues to licensees). Additionally, Business and Professions Code section 163.5, which addresses delinquency and other renewal-related fees, does not apply to the Board since each of the three Acts the Board regulates contain specific provisions addressing these fees and Section 163.5 specifies it applies only if there are no other provisions of law that apply. As such, this bill would have no impact on the Board or its operations.

Staff Recommendation: No action needed.

Laws: An act to amend Sections 163 and 163.5 of the Business and Professions Code, relating to professions and vocations.
Introduced by Assembly Member Brough

February 13, 2018

An act to amend Sections 163 and 163.5 of the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL’S DIGEST

AB 2264, as introduced, Brough. Professions and vocations: fees. Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law requires the Department of Consumer Affairs and each board in the department to charge a $2 fee for the certification of a record, document, or paper in its custody or for the certification of a document evidencing the content of that record, document, or paper, except as otherwise provided by law.

This bill would instead authorize the department and boards to charge a fee of not more than $2 for these certifications, except as otherwise provided by law.

Existing law requires that the delinquency, penalty, or late fee for any licensee within the department be 50% of the renewal fee for that license that is in effect on the date of the renewal of the license, but not less than $25 nor more than $150, except as otherwise provided by law.

This bill would delete the requirement that the fee not be less than $25 and would make other nonsubstantive changes to these provisions.

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

SECTION 1. Section 163 of the Business and Professions Code is amended to read:

163. Except as otherwise expressly provided by law, the department and each board in the department may charge a fee of not more than two dollars ($2) for the certification of a copy of any record, document, or paper in its custody or for the certification of any document evidencing the content of any such record, document or paper.

SEC. 2. Section 163.5 of the Business and Professions Code is amended to read:

163.5. (a) Except as otherwise provided by law, the delinquency, penalty, or late fee for any licensee within the Department of Consumer Affairs shall be 50 percent of the renewal fee for such license in effect on the date of the renewal of the license, but not less than twenty-five dollars ($25) nor more than one hundred fifty dollars ($150).

(b) A delinquency, penalty, or late fee shall not be assessed until 30 days have elapsed from the date that the licensing agency mailed a notice of renewal to the licensee at the licensee’s last known address of record. The notice shall specify the date for timely renewal, and that failure to renew in a timely fashion shall result in the assessment of a delinquency, penalty, or late fee.

(c) If a reinstatement or like fee is charged for the reinstatement of a license, the reinstatement fee shall be 150 percent of the renewal fee for such license in effect on the date of the reinstatement of the license, but not more than twenty-five dollars ($25) in excess of the renewal fee, except that in the event that such fee is fixed by statute at less than 150 percent of the renewal fee and less than the renewal fee plus twenty-five dollars ($25), the fee so fixed shall be charged.
Introduced Legislation

AB 2409 (Kiley R) Granite Bay
Professions and vocations: occupational regulations.

Location: 4/17/2018-Assembly Business & Professions
Amended: 4/16/2018

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Updated 4/18/18
Staff Analysis: AB 2409

Bill Summary: Existing law authorizes a board to deny a license if an applicant has been convicted of a crime, done any act involving dishonesty, fraud, or deceit with intent to substantially benefit himself or herself or another or substantially injure another, or does any act that, if done by a licentiate of the business or profession, would be grounds for suspension or revocation.

The bill, as amended April 16, 2018, states Legislative findings and declarations relating to government regulation of occupations and professions and proposes to add a new section to the Business and Professions Code. This new section would indicate that individuals have the right to not have their criminal record or the fact that they are behind on tax or student loan payments used as an automatic or permanent bar to licensure. The bill would allow a person to petition a board to review an occupational regulation for compliance with certain factors, as specified. The bill would authorize a person with a criminal record to petition a board at any time for a determination of whether the person’s criminal record will automatically disqualify the person from obtaining a license from the board and would specify the criteria a board can use in making that determination.

Staff Comment: The intent of and necessity for this bill are unclear. Most of the requirements identified in AB 2409 are required by other provisions of the Business and Professions Code (BPC) and the Government Code. For example, the Board has an appeal process for a person who has been denied a license, BPC §485. The Board cannot use a person’s criminal record as an automatic or mandatory permanent bar to licensure, BPC §482. The Board is required, per BPC §482, to adopt regulations that describe the criteria it will use in evaluating whether to deny issuing a license; those regulations are codified in Title 16, California Code of Regulations §418 and §3061. BPC §482 requires the Board to consider all competent evidence of rehabilitation. BPC §486 requires evidence of rehabilitation be considered upon a reapplication. Furthermore, there are already provisions in the Government Code that allow individuals to request determinations from the Office of Administrative Law relating to the Board’s regulations or to petition the Board to adopt, amend, or repeal regulations. Many of these concerns were raised in the analysis for the hearing in the Assembly Business and Professions Committee, held on April 17, 2018. The bill failed passage at that hearing by a 5-11 vote; however, reconsideration was granted.

Staff Recommendation: Staff recommends the board vote to watch this legislation.

Laws: An act to add Section 37 to the Business and Professions Code, relating to professions and vocations.
An act to add Section 37 to the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL’S DIGEST

AB 2409, as amended, Kiley. Professions and vocations: occupational regulations.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs and provides that those boards are established for the purpose of ensuring that those private businesses and professions deemed to engage in activities that have potential impact upon the public health, safety, and welfare are adequately regulated in order to protect the people of California. Existing law authorizes a board to deny a license if an applicant has been convicted of a crime, done any act involving dishonesty, fraud, or deceit with intent to substantially benefit himself or herself or another or substantially injure another, or does any act that, if done by a licentiate of the business or profession, would be grounds for suspension or revocation.

This bill would establish that a person has a right to engage in a lawful profession or vocation without being subject to an occupational regulation, as defined, that imposes a substantial burden on that right, and would require each occupational regulation to be limited to what
is demonstrably necessary and narrowly tailored to fulfill a legitimate public health, safety, or welfare objective. The bill would include within this the right of a person with a criminal record to obtain a license and not to have a board use the person's criminal record used by a board as an automatic or mandatory permanent bar to engaging in a lawful profession or vocation. The bill would also include the right of a person who is behind on his or her taxes or student loans to petition a board not to use these factors against that person, as prescribed. Loan payments to not have a board use that fact as an automatic or mandatory permanent bar to engaging in a lawful profession or vocation.

The bill would authorize a person who is denied a license to file a petition and appeal to the board. The bill would prescribe procedures and legal standards by which a board may determine that a person's criminal record disqualifies that person. The bill would also permit a person, following the response to an administrative petition, to file an appeal to a court for a declaratory judgment or injunctive or other equitable relief, in accordance with certain legal procedures and criteria.

to petition a board to review an occupational regulation, as defined, within the board's jurisdiction for compliance with the above rights, as specified. The bill would authorize a person with a criminal record to petition a board at any time for a determination of whether the person's criminal record will automatically disqualify the person from obtaining a license from the board and would specify the criteria a board is allowed to use in making that determination. The bill would include related definitions and declare the intent of the Legislature in this regard.


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

1 SECTION 1. This act may be known as the “Occupational Opportunity Act.”
2 SEC. 2. The Legislature finds and declares all of the following:
3 (a) Each individual has the right to pursue a chosen profession and vocation, free from arbitrary or excessive government interference.
4 (b) The freedom to earn an honest living traditionally has provided the surest means for economic mobility.
(c) In recent years, many regulations of entry into professions and vocations have exceeded legitimate public purposes and have had the effect of arbitrarily limiting entry and reducing competition.

(d) The burden of excessive regulation is borne most heavily by individuals outside the economic mainstream, for whom opportunities for economic advancement are curtailed.

(e) It is in the public interest to do all of the following:

1. Ensure the right of all individuals to pursue legitimate entrepreneurial and professional opportunities to the limits of their talent and ambition.
2. Provide the means for the vindication of this right.
3. Ensure that regulations of entry into professions and vocations are demonstrably necessary and narrowly tailored to fulfill legitimate health, safety, and welfare objectives.

SEC. 3. Section 37 is added to the Business and Professions Code, to read:

37. (a) (1) Notwithstanding Section 480 or any other law, a person has a right to engage in a lawful profession or vocation without being subject to an occupational regulation that imposes a substantial burden on that right. To achieve this purpose, each occupational regulation shall be limited to what is demonstrably necessary and shall be narrowly tailored to fulfill a legitimate public health, safety, or welfare objective.

(2) Notwithstanding any other law, the right set forth in paragraph (1) includes the right of a person with a criminal record to obtain a license to engage in a profession or vocation, and the right to not have a board use the person’s criminal record as an automatic or mandatory permanent bar to engaging in a lawful profession or vocation.

(3) Notwithstanding any other law, the right set forth in paragraph (1) also includes the right of a person who is behind on his or her taxes or student loans to obtain a license to engage in a profession or vocation, and the right not to have the board use the person’s status with respect to his or her taxes or student loans as an automatic or mandatory permanent bar to engaging in a lawful profession or vocation.
(b) (1) (A) A person denied a license may file a petition and appeal to the board.

(B) If the person has a criminal record, the person shall include in the petition a copy of his or her criminal record or shall authorize the board to obtain a copy that record. The person may additionally include information about his or her current circumstances, including, but not limited to, the time passed since the offense, completion of the criminal sentence, other evidence of rehabilitation, testimonials, employment history, and employment aspirations.

(C) Notwithstanding any other law, the board may find that the person’s criminal record disqualifies that person from obtaining a license only if the person’s criminal record includes a conviction for a felony or a violent misdemeanor and the board concludes that the state has an important interest in protecting public safety that is superior to the person’s individual right. The board may make this conclusion only if it determines, by clear and convincing evidence at the time of the petition, all of the following:

(i) The specific offense for which the person was convicted is substantially related to the qualifications, functions, or duties of the profession or vocation for which application was denied.

(ii) The person, based on the nature of the specific offense for which he or she was convicted and his or her current circumstances, would be put in a position in which that person is more likely to reoffend by having the license than if the person did not obtain that license.

(iii) A reoffense by the person would cause greater harm than it would if the person did not have a license and was not put in a position in which the person is more likely to reoffend.

(2) Within 90 days of a petition filed pursuant to paragraph (1), the board shall make a determination on the appeal, based on the standards set forth in subdivision (a).

(e) (1) Following the response to an administrative petition pursuant to paragraph (2) of subdivision (b), a person may file an appeal to a court of general jurisdiction for a declaratory judgment or injunctive relief or other equitable relief for a violation of subdivision (a).

(2) In such an action, the board bears the burden of proving by preponderance of the evidence that the challenged occupational
regulation meets the criteria set forth in paragraph (1) of subdivision (a).

(3) If the board fails to meet the burden of proof and the court finds by a preponderance of evidence that the challenged occupational regulation fails to meet the criteria set forth in paragraph (1) of subdivision (a), the court shall enjoin further enforcement of the occupational regulation and shall award reasonable attorney’s fees and costs to the plaintiff.

(4) A court shall liberally construe this section to protect the rights established in paragraph (1) of subdivision (a).

(b) (1) A person may petition a board to review an occupational regulation within the board’s jurisdiction for compliance with subdivision (a). The board shall respond within 90 days after the petition is submitted, and shall, in writing, inform the petitioner of the board’s decision to do one of the following depending on the circumstances:

(A) Subject to the Administrative Procedure Act (Chapter 3.5 commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, repeal the occupational regulation.

(B) Subject to the Administrative Procedure Act (Chapter 3.5 commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, amend the occupational regulation to bring it into compliance with subdivision (a).

(C) Recommend the enactment of legislation by the Legislature.

(D) State the basis on which the board concludes the occupational regulation complies with subdivision (a).

(2) A person may appeal the board’s determination in paragraph (1) by filing an action in a court of general jurisdiction for declaratory judgment, injunctive relief, or other equitable relief.

(A) In such an action, the board bears the burden of proving by a preponderance of the evidence that the challenged occupational regulation is in compliance with subdivision (a).

(B) If the board fails to meet the burden of proof and the court finds by a preponderance of the evidence that the challenged occupational regulation does not comply with subdivision (a), the court shall enjoin further enforcement of the occupational regulation and shall award reasonable attorney’s fees and costs to the petitioner.

(c) (1) Notwithstanding any other law, a person with a criminal record may petition a board at any time for a determination of
whether the person’s criminal record will automatically disqualify the person from obtaining a license from the board.

(2) The person shall include in the petition the person’s criminal record or authorize the board to obtain the person’s criminal record.

(3) Notwithstanding any other statute or rule, the board may find the individual’s criminal record disqualifies the individual from obtaining a license only if both of the following are met:

(A) The person’s criminal record includes a conviction for a felony or violent misdemeanor.

(B) The board concludes the state has an important interest in protecting public safety that is superior to the person’s right in subdivision (a). The board may make this conclusion only if it determines, by clear and convincing evidence at the time of the petition, that all of the following are met:

(i) The specific offense for which the person was convicted is substantially related to the state’s interest in protecting public safety.

(ii) The person, based on the nature of the specific offense for which he or she was convicted and the person’s current circumstances, will be put in a position where the person is more likely to reoffend by having the license than if the individual did not have the license.

(iii) A reoffense will cause greater harm than if the individual did not have a license and was not put in the position where the individual is more likely to reoffend.

(4) The board shall issue its determination within 90 days after the board receives the petition. The determination shall be in writing and include, but not be limited to, the person’s criminal record, findings of fact, and the board’s legal conclusions.

(d) For purposes of this section, the following terms apply:

(1) “Board” has the same meaning as set forth in Section 22.

(2) “License” has the same meaning as set forth in Section 23.7.

(3) “Occupational regulation” means a regulation, rule, policy, condition, test, permit, administrative practice, or other state government-prescribed requirement for a person to engage in a lawful profession or vocation.
Introduced Legislation

SB 984 (Skinner) Oakland
State boards and commissions: representation: women

Location: 4/10/2018-Senate Judiciary
Introduced: 2/5/2018

Updated 4/18/18

Staff Analysis: SB 984

Bill Summary: Existing law establishes various boards and commissions within state government. Under existing law, it is the policy of the State of California that the composition of these state boards and commissions broadly reflect the general public, including ethnic minorities and women. Under existing law, the Governor and other appointing authorities are responsible for nominating to these boards and commissions persons of different backgrounds, abilities, interests, and opinions.

This bill would require the composition of state boards and commissions to be comprised of, at a minimum, 50% women. The bill would also require the Secretary of State to disclose on its Internet Web site the gender composition of each state board and commission.

Staff Comment: Since this bill addresses the composition of boards, staff wanted to make the Board aware of it.

Staff Recommendation: No action needed.

Laws: An act to add Section 11142 to the Government Code, relating to state government.
An act to add Section 11142 to the Government Code, relating to state government.

LEGISLATIVE COUNSEL’S DIGEST

SB 984, as introduced, Skinner. State boards and commissions: representation: women.

Existing law establishes various boards and commissions within state government. Under existing law, it is the policy of the State of California that the composition of these state boards and commissions broadly reflect the general public, including ethnic minorities and women. Under existing law, the Governor and other appointing authorities are responsible for nominating to these boards and commissions persons of different backgrounds, abilities, interests, and opinions.

This bill would require the composition of state boards and commissions to be comprised of, at a minimum, 50% women. The bill would also require the Secretary of State to disclose on its Internet Web site the gender composition of each state board and commission.


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

1 SECTION 1. Section 11142 is added to the Government Code, to read:
2 11142. (a) The composition of state boards and commissions shall be, at a minimum, 50 percent women.
(b) The Secretary of State shall disclose on its Internet Web site the gender composition of each state board and commission.
**Opposed Legislation**

**AB 2483 (Voepel-R) Santee**

Indemnification of public officers and employees: antitrust awards.

**Status:** 4/10/2018-Re-referred to Committee on Appropriations  
**Location:** 4/9/2018-Assembly Appropriations Committee  
**Last Amend:** 4/9/2018

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**Bill Summary:** The Government Claims Act, except as provided, requires a public entity to pay any judgment or any compromise or settlement of a claim or action against an employee or former employee of the public entity if the employee or former employee requests the public entity to defend him or her against any claim or action against him or her for an injury arising out of an act or omission occurring within the scope of his or her employment as an employee of the public entity, the request is made in writing not less than 10 days before the day of trial, and the employee or former employee reasonably cooperates in good faith in the defense of the claim or action. That act prohibits the payment of punitive or exemplary damages by a public entity, except as specified.

This bill would require a public entity to pay a judgment or settlement for treble damage antitrust awards against a member of a regulatory board within the Department of Consumer Affairs for an act or omission occurring within the scope of the member’s official capacity as a member of that regulatory board. The bill would specify that treble damages awarded pursuant to a specified federal law for violation of another federal law are not punitive or exemplary damages within the act.

**Staff Comment:** This bill has been amended since the March 2018 meeting when the Board voted to oppose the bill (which created an Office of Supervision of Occupational Boards within DCA). The amendments remove all of the provisions that the Board opposed. The bill now provides indemnity for members of boards relating to treble damages that could be awarded in antitrust claims. In prior years, the Board supported legislative efforts to provide for this indemnity. As such, staff recommends that the Board change its position and vote to support this bill as amended.

**Staff Recommendation:** Staff recommends the Board vote to **support** this bill, as amended April 9, 2018.

**Laws:** An act to amend Section 825 of the Government Code, relating to liability.
AMENDED IN ASSEMBLY APRIL 9, 2018
CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL No. 2483

Introduced by Assembly Member Voepel

February 14, 2018

An act to add Chapter 10 (commencing with Section 473) to Division 1 of the Business and Professions Code, relating to professions: liability.

LEGISLATIVE COUNSEL’S DIGEST


The Government Claims Act, except as provided, requires a public entity to pay any judgment or any compromise or settlement of a claim or action against an employee or former employee of the public entity if the employee or former employee requests the public entity to defend him or her against any claim or action against him or her for an injury arising out of an act or omission occurring within the scope of his or her employment as an employee of the public entity, the request is made in writing not less than 10 days before the day of trial, and the employee or former employee reasonably cooperates in good faith in the defense of the claim or action. That act prohibits the payment of punitive or exemplary damages by a public entity, except as specified.

This bill would require a public entity to pay a judgment or settlement for treble damage antitrust awards against a member of a regulatory board within the Department of Consumer Affairs for an act or omission occurring within the scope of the member’s official capacity as a member of that regulatory board. The bill would specify that treble
damages awarded pursuant to a specified federal law for violation of another federal law are not punitive or exemplary damages within the act.

Under existing law, the Department of Consumer Affairs is composed of various boards, bureaus, commissions, committees, and similarly constituted agencies that license and regulate the practice of various professions and vocations for the purpose of protecting the people of California. With certain exceptions, decisions of these entities with respect to setting standards, conducting examinations, passing candidates, and revoking licenses, are final and are not subject to review by the Director of Consumer Affairs.

This bill would establish an Office of Supervision of Occupational Boards within the department to exercise active supervision over a “covered board,” defined as specific licensing and regulatory agencies within the department, to ensure compliance with specific policies established in the bill regarding licensing and enforcement (established policies). The bill would require the office, in the exercise of active supervision, to be involved in the development of a covered board’s rules and policies, to disapprove the use of any board rule or policy and terminate any enforcement action that is not consistent with the established policies, and to review and affirmatively approve only rules, policies, and enforcement actions consistent with the established policies. The bill would require the office to review and approve or reject any rule, policy, enforcement action, or other occupational licensure action proposed by each covered board before adoption or implementation. The bill would establish procedures for complaints, investigation, remedial action, and appeal relating to a rule, policy, enforcement action, or other occupational licensure action of a covered board inconsistent with the established policies.


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

SECTION 1. Section 825 of the Government Code is amended to read:

825. (a) Except as otherwise provided in this section, if an employee or former employee of a public entity requests the public entity to defend him or her against any claim or action against him or her for an injury arising out of an act or omission occurring
within the scope of his or her employment as an employee of the
central entity and the request is made in writing not less than 10
days before the day of trial, and the employee or former employee
reasonably cooperates in good faith in the defense of the claim or
action, the public entity shall pay any judgment based thereon or
any compromise or settlement of the claim or action to which the
public entity has agreed.

If the public entity conducts the defense of an employee or
former employee against any claim or action with his or her
reasonable good-faith cooperation, the public entity shall pay any
judgment based thereon or any compromise or settlement of the
claim or action to which the public entity has agreed. However,
where the public entity conducted the defense pursuant to an
agreement with the employee or former employee reserving the
rights of the public entity not to pay the judgment, compromise,
settlement until it is established that the injury arose out of an
act or omission occurring within the scope of his or her
employment as an employee of the public entity, the public entity
is required to pay the judgment, compromise, or settlement only
if it is established that the injury arose out of an act or omission
occurring in the scope of his or her employment as an employee
of the public entity.

Nothing in this section authorizes a public entity to pay that part
of a claim or judgment that is for punitive or exemplary damages.

(b) Notwithstanding subdivision (a) or any other provision of
law, a public entity is authorized to pay that part of a judgment
that is for punitive or exemplary damages if the governing body
of that public entity, acting in its sole discretion except in cases
involving an entity of the state government, finds all of the
following:

(1) The judgment is based on an act or omission of an employee
or former employee acting within the course and scope of his or
her employment as an employee of the public entity.

(2) At the time of the act giving rise to the liability, the employee
or former employee acted, or failed to act, in good faith, without
actual malice and in the apparent best interests of the public entity.

(3) Payment of the claim or judgment would be in the best
interests of the public entity.

As used in this subdivision with respect to an entity of state
government, “a decision of the governing body” means the
approval of the Legislature for payment of that part of a judgment
that is for punitive damages or exemplary damages, upon
recommendation of the appointing power of the employee or
former employee, based upon the finding by the Legislature and
the appointing authority of the existence of the three conditions
for payment of a punitive or exemplary damages claim. The
provisions of subdivision (a) of Section 965.6 shall apply to the
payment of any claim pursuant to this subdivision.

The discovery of the assets of a public entity and the introduction
of evidence of the assets of a public entity shall not be permitted
in an action in which it is alleged that a public employee is liable
for punitive or exemplary damages.

The possibility that a public entity may pay that part of a
judgment that is for punitive damages shall not be disclosed in any
trial in which it is alleged that a public employee is liable for
punitive or exemplary damages, and that disclosure shall be
grounds for a mistrial.

(c) Except as provided in subdivision (d), if the provisions of
this section are in conflict with the provisions of a memorandum
of understanding reached pursuant to Chapter 10 (commencing
with Section 3500) of Division 4 of Title 4, the memorandum
of understanding shall be controlling without further legislative
action, except that if those provisions of a memorandum of
understanding require the expenditure of funds, the provisions
shall not become effective unless approved by the Legislature in
the annual Budget Act.

(d) The subject of payment of punitive damages pursuant to this
section or any other provision of law shall not be a subject of meet
and confer under the provisions of Chapter 10 (commencing with
Section 3500) of Division 4 of Title 4, or pursuant to any other
law or authority.

(e) Nothing in this section shall affect the provisions of Section
818 prohibiting the award of punitive damages against a public
entity. This section shall not be construed as a waiver of a public
entity’s immunity from liability for punitive damages under Section

(f) (1) Except as provided in paragraph (2), a public entity shall
not pay a judgment, compromise, or settlement arising from a
claim or action against an elected official, if the claim or action is
based on conduct by the elected official by way of tortiously
intervening or attempting to intervene in, or by way of tortiously
influencing or attempting to influence the outcome of, any judicial
action or proceeding for the benefit of a particular party by
contacting the trial judge or any commissioner, court-appointed
arbitrator, court-appointed mediator, or court-appointed special
referee assigned to the matter, or the court clerk, bailiff, or marshal
after an action has been filed, unless he or she was counsel of
record acting lawfully within the scope of his or her employment
on behalf of that party. Notwithstanding Section 825.6, if a public
entity conducted the defense of an elected official against such a
claim or action and the elected official is found liable by the trier
of fact, the court shall order the elected official to pay to the public
entity the cost of that defense.

(2) If an elected official is held liable for monetary damages in
the action, the plaintiff shall first seek recovery of the judgment
against the assets of the elected official. If the elected official’s
assets are insufficient to satisfy the total judgment, as determined
by the court, the public entity may pay the deficiency if the public
entity is authorized by law to pay that judgment.

(3) To the extent the public entity pays any portion of the
judgment or is entitled to reimbursement of defense costs pursuant
to paragraph (1), the public entity shall pursue all available
creditor’s remedies against the elected official, including
garnishment, until that party has fully reimbursed the public entity.

(4) This subdivision shall not apply to any criminal or civil
enforcement action brought in the name of the people of the State
of California by an elected district attorney, city attorney, or
attorney general.

(g) Notwithstanding subdivision (a), a public entity shall pay
for a judgment or settlement for treble damage antitrust awards
against a member of a regulatory board within the Department of
Consumer Affairs for an act or omission occurring within the scope
of the member’s official capacity as a member of that regulatory
board.

(h) For purposes of this section, treble damages awarded
pursuant to the federal Clayton Act (Sections 12 to 27, inclusive,
of Title 15 of, and Sections 52 and 53 of Title 29 of, the United
States Code) for a violation of the federal Sherman Act (Sections
1 to 7, inclusive, of Title 15 of the United States Code) are not
punitive or exemplary damages under this division.
SECTION 1. — Chapter 10 (commencing with Section 473) is added to Division 1 of the Business and Professions Code, to read:

CHAPTER 10. — OFFICE OF SUPERVISION OF OCCUPATIONAL BOARDS

473. — The following are policies of the state:
(a) Occupational licensing laws should be construed and applied to increase economic opportunity, promote competition, and encourage innovation.
(b) Regulators should displace competition through occupational licensing only where less restrictive regulation will not suffice to protect consumers from present, significant, and substantiated harms that threaten public health, safety, or welfare.
(c) An occupational licensing restriction should be enforced against an individual only to the extent the individual sells goods and services that are included explicitly in the statute or regulation that defines the occupation’s scope of practice.

473.1. — As used in this chapter:
(a) “Covered board” means any entity listed in Section 101.
(b) “Office” means the Office of Supervision of Occupational Boards established in Section 473.2.

473.2. — (a) There is hereby established an Office of Supervision of Occupational Boards within the department.
(b) (1) Notwithstanding Section 109, the office shall be responsible for exercising active supervision over each covered board to ensure compliance with the policies in Section 473.
(2) In exercising active supervision over covered boards under paragraph (1), the office shall independently do the following:
(A) Play a substantial role in the development of a covered board’s rules and policies to ensure they benefit consumers and do not serve the private interests of providers of goods and services regulated by the covered board.
(B) Disapprove the use of any rule or policy of a covered board and terminate any enforcement action, including any action pending on January 1, 2019, that is not consistent with Section 473.
(C) Exercise control over each covered board by reviewing and affirmatively approving only rules, policies, and enforcement actions that are consistent with Section 473.
(D) Analyze existing and proposed rules and policies and conduct investigations to gain additional information to promote compliance with Section 473, including, but not limited to, less restrictive regulatory approaches:

(3) In exercising active supervision over covered boards under paragraph (1), the office shall be staffed by not fewer than one attorney who does not provide general counsel to any covered board:

(e) (1) Notwithstanding Section 109, the office shall review and approve or reject any rule, policy, enforcement action, or other occupational licensure action proposed by each covered board before the covered board may adopt or implement the rule, policy, enforcement action, or other occupational licensure action.

(2) For purposes of paragraph (1), approval by the office shall be express and silence or failure to act shall not constitute approval:

473.3. (a) Any person may file a complaint to the office about a rule, policy, enforcement action, or other occupational licensure action of a covered board that the person believes is not consistent with Section 473:

(b) Not later than 90 days after the date on which the office receives a complaint filed under paragraph (1), notwithstanding Section 109, the office shall investigate the complaint, identify remedies, and instruct the covered board to take action as the office determines to be appropriate, and respond in writing to the complainant:

(c) (1) There shall be no right to appeal a decision of the office under subdivision (b) unless the challenged rule, policy, enforcement action, or other occupational licensure action would prevent the complainant from engaging in a lawful occupation or employing or contracting others for the performance of a lawful occupation and the complainant has taken material steps in an attempt to engage in a lawful occupation or employ or contract others for the performance of a lawful occupation.

(2) Any appeal authorized under paragraph (1) shall be to the superior court.
**Watched Legislation**

**AB 767 (Quirk-Silva) Buena Park**

**Master Business License Act**

**Status:** 4/5/2018—From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Committee on Business, Professions and Economic Development.

**Location:** 3/15/2018—Senate Business, Professions and Economic Development.

**Last Amend:** 4/5/2018

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**Updated 4/18/18**

**Staff Analysis: AB 767**

**Bill Summary:** Existing law authorizes various state agencies to issue permits and licenses in accordance with specified requirements to conduct business within this state. Existing law establishes the Governor’s Office of Business and Economic Development to serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. Existing law creates within the Governor’s Office of Business and Economic Development the Office of Small Business Advocate to advocate for the causes of small businesses and to provide small businesses with the information they need to survive in the marketplace.

This bill would create within the Governor’s Office of Business and Economic Development, or its successor, a business license center to develop and administer an online master business license system to simplify the process of engaging in business in this state. The bill would set forth the duties and responsibilities of the business license center. The bill would require each state regulatory agency to cooperate and provide reasonable assistance to the office to implement these provisions, except as specified.

**Staff Comment:** Amendments made on 4/5/2018 indicate that a “state regulatory agency may deny or limit the ability of the office to establish an application to obtain multiple licenses from that state regulatory agency through the system.” A representative from the sponsor’s office indicated this newly added provision will make the requirements for regulatory agencies to cooperate and provide reasonable assistance optional.

**Staff Recommendation:** Staff recommends the Board vote to continue to watch this legislation, as amended April 5, 2018.

**Laws:** An act to add Part 12.5 (commencing with Section 15930) to Division 3 of Title 2 of the Government Code, relating to economic development.
An act to add Part 12.5 (commencing with Section 15930) to Division 3 of Title 2 of the Government Code, relating to economic development.

LEGISLATIVE COUNSEL’S DIGEST

AB 767, as amended, Quirk-Silva. Master Business License Act. Existing law authorizes various state agencies to issue permits and licenses in accordance with specified requirements to conduct business within this state. Existing law establishes the Governor’s Office of Business and Economic Development to serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. Existing law creates within the Governor’s Office of Business and Economic Development the Office of Small Business Advocate to advocate for the causes of small businesses and to provide small businesses with the information they need to survive in the marketplace.

This bill would create within the Governor’s Office of Business and Economic Development, or its successor, a business license center to develop and administer an online master business license system to simplify the process of engaging in business in this state. The bill would set forth the duties and responsibilities of the business license center. The bill would require each state regulatory agency to cooperate and
provide reasonable assistance to the office to implement these provisions, except as specified.

This bill would authorize a person that applies for 2 or more business licenses that have been incorporated into the master business license system to submit a master application to the office requesting the issuance of the licenses. The bill would require the office to develop and adopt an Internet-based platform that allows the businesses to electronically submit the master application to the office, as well as the payment of every fee required to obtain each requested license and a master application fee, which would be deposited into the Master License Fund, which would be created by the bill. The bill would authorize the office to borrow up to $140,000 from the General Fund, as specified. The bill would authorize a state agency that the office has determined to have a license and fee that is appropriate for inclusion in the master business license system to borrow money as needed from the General Fund to support the reasonable costs of integrating into the system, as specified. The bill would require these General Fund moneys to be deposited into the Master License Fund. The bill would authorize moneys in the fund, upon appropriation, to be expended only to administer this bill or be transferred to the appropriate licensing agencies. The bill would also require, upon issuance of the license or licenses, the office to transfer the fees, except for the master license fee, to the appropriate accounts under the applicable statutes for those regulatory agencies’ licenses.

The bill would require the office to establish a reasonable fee for each master license application and to collect those fees for deposit into the Master License Fund established by this bill. Funds derived from the master license application fees would be expended to administer the master business license program upon appropriation by the Legislature. The bill would require the license fees of the regulatory agencies deposited into the fund to be transferred to the appropriate accounts of the regulatory agencies, as provided.

The bill would require the office, in consultation with other regulatory agencies, to establish a uniform business identification number for each business that would be recognized by all affected state agencies and used to facilitate the information sharing between state agencies and to improve customer service to businesses.

The bill would also require the office, including the Director of Small Business Advocate, to work with small business owners and all
regulatory agencies to ensure the state’s implementation of a consolidated business license and permit system.


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

SECTION 1. Part 12.5 (commencing with Section 15930) is added to Division 3 of Title 2 of the Government Code, to read:

PART 12.5. MASTER BUSINESS LICENSE ACT

Chapter 1. General Provisions

15930. This part may be known, and may be cited as, the Master Business License Act.

15931. As used in this part, the following words shall have the following meanings:

(a) “Business license center” means the business registration and licensing center established by this part and located in and under the administrative control of the office.

(b) “Director” means the Director of the Governor’s Office of Business and Economic Development.

(c) “License information packet” means a collection of information about licensing requirements and application procedures custom assembled for each request.

(d) “License” means the whole or part of any state agency permit, license, certificate, approval, registration, charter, or any form or permission required by law, including agency regulation, to engage in any activity.

(e) “Master application” means a document incorporating pertinent data from existing applications for licenses covered under this part.

(f) “Master business license system” or “system” means the mechanism by which licenses are issued, license and regulatory information is disseminated, and account data is exchanged by state agencies.

(g) “Office” means the Governor’s Office of Business and Economic Development or its successor.
(h) “Person” means any individual, sole proprietorship, partnership, association, cooperative, corporation, nonprofit organization, state or local government agency, and any other organization required to register with the state to do business in the state and to obtain one or more licenses from the state or any of its agencies.

(i) “Regulatory” means all licensing and other governmental or statutory requirements pertaining to business activities.

(j) “Regulatory agency” means any state agency, board, commission, or division that regulates one or more industries, businesses, or activities.

CHAPTER 2. BUSINESS LICENSE CENTER

15932. (a) There is created within the office a business license center.

(b) The duties of the center shall include, but not be limited to, all of the following:

(1) Developing and administering an online master business license system capable of storing, retrieving, and exchanging license information with due regard to privacy statutes.

(2) Providing a license information service detailing requirements to establish or engage in business in this state.

(3) Identifying types of licenses appropriate for inclusion in the master business license system.

(4) Recommending in reports to the Governor and the Legislature the elimination, consolidation, or other modification of duplicative, ineffective, or inefficient licensing.

(5) Incorporating licenses into the master business license system.

15933. (a) The office shall adopt regulations as may be necessary to effectuate the purposes of this part.

(b) The director shall encourage state regulatory-agencies to participate in the online master business license system.

(c) The office shall adopt and periodically update a schedule for the buildout and upgrading of the master business license system to allow for the integration of additional licenses into the Internet-based platform of the system. The office shall integrate additional licenses to the Internet-based platform after the director
determines that funding for this project is available and the project
is in alignment with required elements of the state planning
practices for the development of state information technology
projects.

15934. Each state regulatory agency shall cooperate and provide
reasonable assistance to the office in the implementation of this
part, except that a state regulatory agency may deny or limit
the ability of the office to establish an application to obtain multiple
licenses from that state regulatory agency through the system.

Chapter 3. Master License

15935. (a) Any person that applies for two or more business
licenses that have been incorporated into the master business
license system may submit a master application to the office
requesting the issuance of the licenses. The office shall develop
and adopt an Internet-based platform that allows the business to
electronically submit the master application to the office, as well
as the payment of every fee required to obtain each requested
license and a master application fee established pursuant to Section
15936.

(b) Irrespective of any authority delegated to the office to
implement this part, the authority for approving the issuance and
renewal of any requested license that requires a prelicensing or
renewal investigation, inspection, testing, or other judgmental
review by the regulatory agency otherwise legally authorized to
issue the license shall remain with that agency.

(c) Upon receipt of the application and proper fee payment for
any license for which issuance is subject to regulatory agency
action under subdivision (a), the office shall immediately notify
the business of receipt of the application and fees.

15936. (a) The office shall establish a fee for each master
application that does not exceed the reasonable costs of
administering this part and collect that fee.

(b) Subject to subdivision (d), the office may borrow up to
one hundred forty thousand dollars ($140,000) from the General
Fund in the State Treasury.

(c) Subject to subdivision (d), a state agency that the office
has determined to have a license and fee that is appropriate for
inclusion in the master business license system may borrow money
from the General Fund in the State Treasury in an amount
necessary to support the reasonable cost of integrating into the
system.

(d) Before the office or a state agency may request a loan
pursuant to this section, the director shall make a determination
that both the project to integrate a license into the system is ready
to be moved forward and that with the addition of the loan funds
there is sufficient funding to implement the project. The loans made
pursuant to subdivisions (b) and (c) shall be repaid with interest,
calculated at the rate earned by the Pooled Money Investment
Account at the time of the transfer from the General Fund, from
the fees collected pursuant to this section.

15937. All fees collected under the master business license
system, including the master license application fee and the fees
of the regulatory agencies, and all moneys borrowed under Section
15936 shall be deposited into the Master License Fund, which is
hereby created in the State Treasury. Moneys in the fund from
master application fees may, upon appropriation by the Legislature,
be expended only to administer this part or be transferred to the
appropriate licensing agencies. Moneys in the fund from other fees
shall be transferred to the appropriate accounts under the applicable
statutes for those regulatory agencies’ licenses.

Chapter 4. Uniform Business Identification Number

15940. (a) The office, in consultation with other regulatory
agencies, shall establish a uniform business identification number
for each business. The uniform business identification number
shall be recognized by all affected state agencies and shall be used
by state agencies to facilitate information sharing between state
agencies and to improve customer service to businesses.

(b) It is the intent of the Legislature that the uniform business
number would permit the office to do both of the following:

(1) Register a business with multiple state agencies electronically
as licenses and permits are processed.

(2) Input and update information regarding a business once,
thereby reducing the number of duplicate or conflicting records
from one state agency to another.
Chapter 5. Oversight

15945. The office, including the Director of Small Business Advocate from the Governor's Office of Business and Economic Development shall work with small business owners and all regulatory agencies to ensure the state's implementation of a consolidated business license and permit system under this part.
Bill Summary: Existing law, the Contractors’ State License Law, provides for licensing and regulation of contractors by the Contractors’ State License board, which is within the Department of Consumer Affairs. Existing law requires an applicant for licensure or a licensee to file or have on file certain bonds, including a contractor’s bond in the sum of $15,000. Existing law authorizes an applicant or licensee to instead post a cash deposit in lieu of a required bond.

This bill would delete the authorization to post a cash deposit in lieu of a bond, would prohibit the board from accepting an alternative in lieu of the bond, and would require each person licensed under that law and subject to any bond requirement to maintain the required bond as executed by an admitted surety insurer in the appropriate amount, except as specified. The bill would prohibit the board from accepting an alternative in lieu of a bond on and after January 1, 2019, and would require all existing alternatives in lieu of a bond currently filed with the board to be replaced for a surety bond by January 1, 2020.

Staff Comment: This bill previously proposed to amend a section of the Professional Engineers Act as a “spot bill.” At its March 2018 meeting, the Board chose to take no position on this bill. It has since been amended to affect only the Contractors’ State License Law. In its current form, it has no impact on this Board.

Staff Recommendation: No action needed.

Laws: An act to amend Sections 7071.17, 7074, and 7091 of, to add Section 7071.4 to, and to repeal Section 7071.12 of, the Business and Professions Code, relating to contractors.
ASSEMBLY BILL No. 3126

Introduced by Assembly Member Brough

February 16, 2018

An act to amend Sections 7071.17, 7074, and 7091 of, to add Section 7071.4 to, and to repeal Section 7071.12 of, the Business and Professions Code, relating to contractors.

LEGISLATIVE COUNSEL’S DIGEST


Existing law, the Contractors’ State License Law, provides for licensing and regulation of contractors by the Contractors’ State License Board, which is within the Department of Consumer Affairs. Existing law requires an applicant for licensure or a licensee to file or have on file certain bonds, including a contractor’s bond in the sum of $15,000. Existing law authorizes an applicant or licensee to instead post a cash deposit in lieu of a required bond.

This bill would delete the authorization to post a cash deposit in lieu of a bond, would prohibit the board from accepting an alternative in lieu of the bond, bond on and after January 1, 2019, and would require each person licensed under that law and subject to any bond requirement to maintain the required bond as executed by an admitted surety insurer in the appropriate amount, except as specified. The bill would prohibit the board from accepting an alternative in lieu of a bond on and after January 1, 2019, and would require all existing alternatives in lieu of a
bond currently filed with the board to be replaced for a surety bond by January 1, 2020.


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

SECTION 1. Section 7071.4 is added to the Business and Professions Code, to read:

7071.4. (a) Notwithstanding Article 7 (commencing with Section 995.710) of Chapter 2 of Title 14 of Part 2 of the Code of Civil Procedure, each person licensed under the provisions of this chapter and subject to any of the bonding provisions of this article shall maintain the requisite bond as executed by an admitted surety insurer in the appropriate amount. Another method of deposit, including, but not limited to, a certificate of deposit or other undertaking, shall not satisfy a bond requirement under this article.

(b) All existing alternatives in lieu of a bond currently filed with the board shall be replaced for a surety bond by January 1, 2020.

(c) Notwithstanding subdivision (a), this section shall not apply to the bond equivalents described in Section 7159.5 of this chapter.

(d) This section shall be operative on and after January 1, 2019, upon which date the board shall thereafter no longer accept alternatives in lieu of a bond.

(e) All alternatives in lieu of a bond filed with the board before January 1, 2019, shall be subject to the following limitations periods:

(1) Any action, other than an action to recover wages or fringe benefits, against a deposit given in lieu of a contractor’s bond or bond of a qualifying individual filed by an active licensee shall be brought within three years after the expiration of the license period during which the act or omission occurred, or within three years of the date the license of the active licensee was inactivated, canceled, or revoked by the board, whichever occurs first.

(2) Any action, other than an action to recover wages or fringe benefits, against a deposit given in lieu of a disciplinary bond filed by an active licensee pursuant to Section 7071.8 shall be brought within three years after the expiration of the license period during which the act or omission occurred, or within three years of the date the license of the active licensee was inactivated, canceled,
or revoked by the board, or within three years after the last date
for which a deposit given in lieu of a disciplinary bond filed
pursuant to Section 7071.8 was required, whichever date is first.

(3) A claim to recover wages or fringe benefits shall be brought
within six months from the date that the wage or fringe benefit
delinquencies were discovered, but in no event shall a civil action
thereon be brought later than two years from the date the wage
or fringe benefit contributions were due.

(f) In any case in which a claim is filed against an alternative
given in lieu of a bond filed with the board before January 1, 2019,
by any employee or by an employee organization on behalf of an
employee, concerning wages or fringe benefits based upon the
employee’s employment, claims for the nonpayment shall be filed
with the Labor Commissioner. The Labor Commissioner shall,
pursuant to the authority vested by Section 96.5 of the Labor Code,
conduct hearings to determine whether or not the wages or fringe
benefits should be paid to the complainant. Upon a finding by the
commissioner that the wages or fringe benefits should be paid to
the complainant, the commissioner shall notify the registrar of the
findings. The registrar shall not make payment from the deposit
on the basis of findings by the commissioner for a period of 10
days following determination of the findings. If, within the period,
the complainant or the contractor files written notice with the
registrar and the commissioner of an intention to seek judicial
review of the findings pursuant to Section 11523 of the Government
Code, the registrar shall not make payment if an action is actually
filed, except as determined by the court. If, thereafter, no action
is filed within 60 days following determination of findings by the
commissioner, the registrar shall make payment from the deposit
to the complainant.

(g) Legal fees may not be charged by the board against any
alternative given in lieu of a bond filed with the board before
January 1, 2019.

SEC. 2. Section 7071.12 of the Business and Professions Code
is repealed.
SEC. 3. Section 7071.17 of the Business and Professions Code
is amended to read:

7071.17. (a) Notwithstanding any other provision of law, the
board shall require, as a condition precedent to accepting an
application for licensure, renewal, reinstatement, or to change
officers or other personnel of record, that an applicant, previously
found to have failed or refused to pay a contractor, subcontractor,
consumer, materials supplier, or employee based on an unsatisfied
final judgment, file or have on file with the board a bond sufficient
to guarantee payment of an amount equal to the unsatisfied final
judgment or judgments. The applicant shall have 90 days from the
date of notification by the board to file the bond or the application
shall become void and the applicant shall reapply for issuance,
reinstatement, or reactivation of a license. The board may not issue,
reinstate, or reactivate a license until the bond is filed with the
board. The bond required by this section is in addition to the
contractor’s bond. The bond shall be on file for a minimum of one
year, after which the bond may be removed by submitting proof
of satisfaction of all debts. The applicant may provide the board
with a notarized copy of any accord, reached with any individual
holding an unsatisfied final judgment, to satisfy a debt in lieu of
filing the bond. The board shall include on the license application
for issuance, reinstatement, or reactivation, a statement, to be made
under penalty of perjury, as to whether there are any unsatisfied
judgments against the applicant on behalf of contractors,
subcontractors, consumers, materials suppliers, or the applicant’s
employees. Notwithstanding any other provision of law, if it is
found that the applicant falsified the statement then the license
will be retroactively suspended to the date of issuance and the
license will stay suspended until the bond, satisfaction of judgment,
or notarized copy of any accord applicable under this section is
filed.

(b) (1) Notwithstanding any other provision of law, all licensees
shall notify the registrar in writing of any unsatisfied final judgment
imposed on the licensee. If the licensee fails to notify the registrar
in writing within 90 days, the license shall be automatically
suspended on the date that the registrar is informed, or is made
aware of the unsatisfied final judgment.

(2) The suspension shall not be removed until proof of
satisfaction of the judgment, or in lieu thereof, a notarized copy
of an accord is submitted to the registrar.

(3) If the licensee notifies the registrar in writing within 90 days
of the imposition of any unsatisfied final judgment, the licensee
shall, as a condition to the continual maintenance of the license,
file or have on file with the board a bond sufficient to guarantee
payment of an amount equal to all unsatisfied judgments applicable
under this section.

(4) The licensee has 90 days from date of notification by the
board to file the bond or at the end of the 90 days the license shall
be automatically suspended. In lieu of filing the bond required by
this section, the licensee may provide the board with a notarized
copy of any accord reached with any individual holding an
unsatisfied final judgment.

(c) By operation of law, failure to maintain the bond or failure
to abide by the accord shall result in the automatic suspension of
any license to which this section applies.

(d) A license that is suspended for failure to comply with the
provisions of this section can only be reinstated when proof of
satisfaction of all debts is made, or when a notarized copy of an
accord has been filed as set forth under this section.

(e) This section applies only with respect to an unsatisfied final
judgment that is substantially related to the construction activities
of a licensee licensed under this chapter, or to the qualifications,
functions, or duties of the license.

(f) Except as otherwise provided, this section shall not apply to
an applicant or licensee when the financial obligation covered by
this section has been discharged in a bankruptcy proceeding.

(g) Except as otherwise provided, the bond shall remain in full
force in the amount posted until the entire debt is satisfied. If, at
the time of renewal, the licensee submits proof of partial
satisfaction of the financial obligations covered by this section,
the board may authorize the bond to be reduced to the amount of
the unsatisfied portion of the outstanding judgment. When the
licensee submits proof of satisfaction of all debts, the bond
requirement may be removed.

(h) The board shall take the actions required by this section
upon notification by any party having knowledge of the outstanding
judgment upon a showing of proof of the judgment.

(i) For the purposes of this section, the term “judgment” also
includes any final arbitration award where the time to file a petition
for a trial de novo or a petition to vacate or correct the arbitration
award has expired, and no petition is pending.

(j) (1) If a judgment is entered against a licensee, then a
qualifying person or personnel of record of the licensee at the time
of the activities on which the judgment is based shall be
automatically prohibited from serving as a qualifying individual
or other personnel of record on another license until the judgment
is satisfied.

(2) The prohibition described in paragraph (1) shall cause the
license of any other existing renewable licensed entity with any
of the same personnel of record as the judgment debtor licensee
to be suspended until the license of the judgment debtor is
reinstated or until those same personnel of record disassociate
themselves from the renewable licensed entity.

(k) Notwithstanding subdivision (f), the failure of a licensee to
notify the registrar of an unsatisfied final judgment in accordance
with this section is cause for disciplinary action.

SEC. 4. Section 7074 of the Business and Professions Code is
amended to read:

7074. (a) Except as otherwise provided by this section, an
application for an original license, for an additional classification,
or for a change of qualifier shall become void when:

(1) The applicant or the examinee for the applicant has failed
to achieve a passing grade in the qualifying examination within
18 months after the application has been deemed acceptable by
the board.

(2) The applicant for an original license, after having been
notified to do so, fails to pay the initial license fee within 90 days
from the date of the notice.

(3) The applicant, after having been notified to do so, fails to
file within 90 days from the date of the notice any bond or other
documents that may be required for issuance or granting pursuant
to this chapter.

(4) After filing, the applicant withdraws the application.

(5) The applicant fails to return the application rejected by the
board for insufficiency or incompleteness within 90 days from the
date of original notice or rejection.

(6) The application is denied after disciplinary proceedings
conducted in accordance with the provisions of this code.

(b) The void date on an application may be extended up to 90
days or one examination may be rescheduled without a fee upon
documented evidence by the applicant that the failure to complete
the application process or to appear for an examination was due
to a medical emergency or other circumstance beyond the control
of the applicant.
(c) An application voided pursuant to this section shall remain in the possession of the registrar for the period as he or she deems necessary and shall not be returned to the applicant. Any reapplication for a license shall be accompanied by the fee fixed by this chapter.

SEC. 5. Section 7091 of the Business and Professions Code is amended to read:

7091. (a) (1) A complaint against a licensee alleging commission of any patent acts or omissions that may be grounds for legal action shall be filed in writing with the registrar within four years after the act or omission alleged as the ground for the disciplinary action.

(2) A disciplinary action against a licensee relevant to this subdivision shall be filed or a referral to the arbitration program outlined in Section 7085 shall be referred within four years after the patent act or omission alleged as the ground for disciplinary action or arbitration or within 18 months from the date of the filing of the complaint with the registrar, whichever is later.

(b) (1) A complaint against a licensee alleging commission of any latent acts or omissions that may be grounds for legal action pursuant to subdivision (a) of Section 7109 regarding structural defects, as defined by regulation, shall be filed in writing with the registrar within 10 years after the act or omission alleged as the ground for the disciplinary action.

(2) A disciplinary action against a licensee relevant to this subdivision shall be filed within 10 years after the latent act or omission alleged as the ground for disciplinary action or within 18 months from the date of the filing of the complaint with the registrar, whichever is later. As used in this subdivision “latent act or omission” means an act or omission that is not apparent by reasonable inspection.

(c) A disciplinary action alleging a violation of Section 7112 shall be filed within two years after the discovery by the registrar or by the board of the alleged facts constituting the fraud or misrepresentation prohibited by the section.

(d) With respect to a licensee who has been convicted of a crime and, as a result of that conviction is subject to discipline under Section 7123, the disciplinary action shall be filed within two years after the discovery of the conviction by the registrar or by the board.
(e) A disciplinary action regarding an alleged breach of an express, written warranty issued by the contractor shall be filed not later than 18 months from the expiration of the warranty.

(f) The proceedings under this article shall be conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the registrar shall have all the powers granted therein.

(g) Nothing in this section shall be construed to affect the liability of a surety or the period of limitations prescribed by law for the commencement of actions against a surety.
Watched Legislation
AB 3134 (Nazarian D) Van Nuys
Professional engineers.

Status: 2/17/2018-From printer. May be heard in committee March 19.
Location: 2/16/2018-Assembly PRINT
Introduced: 2/16/2018

Updated 4/18/18

Bill Summary: The Professional Engineers Act provides for the licensure and regulation of professional engineers by the board for Professional Engineers, Land Surveyors, and Geologists. Existing law defines the term “professional engineer” for purposes of that act. This bill would make nonsubstantive changes to that definitional provision.

Staff Comment: This is a “spot bill.” At its March 2018 meeting, the Board chose to take no position on this bill. The author’s office now indicates this bill will not move forward.

Staff Recommendation: No action needed.

Laws: An act to amend Section 6701 of the Business and Professions Code, relating to professions and vocations.
ASSEMBLY BILL No. 3134

Introduced by Assembly Member Nazarian

February 16, 2018

An act to amend Section 6701 of the Business and Professions Code, relating to engineers.

LEGISLATIVE COUNSEL’S DIGEST

AB 3134, as introduced, Nazarian. Professional engineers.

The Professional Engineers Act provides for the licensure and regulation of professional engineers by the Board for Professional Engineers, Land Surveyors, and Geologists. Existing law defines the term “professional engineer” for purposes of that act.

This bill would make nonsubstantive changes to that definitional provision.


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

SECTION 1. Section 6701 of the Business and Professions Code is amended to read:

6701. “Professional engineer,” within the meaning and intent of this act, refers to for purposes of this chapter, means a person engaged in the professional practice of rendering service or creative work requiring education, training, and experience in engineering sciences and the application of special knowledge of the mathematical, physical, and engineering sciences in such professional or creative work as consultation, investigation,
evaluation, planning, or design of public or private utilities, structures, machines, processes, circuits, buildings, equipment, or projects, and supervision of construction for the purpose of securing compliance with specifications and design for any such work.
Supported Legislation
SB 920 (Cannella R) Merced
Engineering, land surveying, and architecture: limited liability partnerships

Location: 4/9/2018-Senate Judiciary
Last Amend: 4/2/2018

Updated 4/18/18
Staff Analysis: SB 920

Bill Summary: This bill eliminates the sunset on authority for architects, engineers, and land surveyors to form as Limited Liability Partnerships (LLPs).

Staff Comment: This bill is sponsored by American Council of Engineering Companies, California and the American Institute of Architects, California Council. The Author’s office indicates “The ability to form as an LLP is simply one more tool that California businesses can employ that allows them to be nimble in a 21st Century economy. SB 920 extends a permission that has proven successful over the course of several decades.”

In 2015, the Board voted to support SB 284 which extended the authority for engineers and land surveyors to conduct business as a LLP to 2019. SB 920 would remove the sunset dates on provisions that allow licensed engineers, land surveyors, and architects to form Limited Liability Partnerships, thereby extending this authority indefinitely.

The amendments made on 4/2/2018 were nonsubstantive.

Staff Recommendation: Staff recommends the Board vote to continue to support this legislation, as amended April 2, 2018.

Laws: An act to amend Sections 6738 and 8729 of the Business and Professions Code, and to amend Sections 16101, 16956, and 16959 of the Corporations Code, relating to limited liability partnerships.
An act to amend Sections 6738 and 8729 of the Business and Professions Code, and to amend Sections 16101, 16956, and 16959 of the Corporations Code, relating to limited liability partnerships.

LEGISLATIVE COUNSEL’S DIGEST

SB 920, as amended, Cannella. Engineering, land surveying, and architecture: limited liability partnerships.

The Professional Engineers Act and the Professional Land Surveyors’ Act provide for the licensure and regulation of engineers and land surveyors by the Board for Professional Engineers, Land Surveyors, and Geologists. The Architects Practice Act provides for the licensure and regulation of architects by the California Architects Board. The Uniform Partnership Act of 1994 authorizes the formation of registered limited liability partnerships and foreign limited liability partnerships, as specified.

Existing law authorizes persons licensed to engage in the practice of engineering, land surveying, or architecture to form registered limited liability partnerships and foreign limited liability partnerships if specified conditions are met. Existing law requires those partnerships to provide security of no less than $2,000,000 for claims arising out of the partnership’s professional practice. Existing law repeals these provisions on January 1, 2019.
This bill would extend indefinitely the authorization for persons licensed to engage in the practice of engineering, land surveying, or architecture to form limited liability partnerships, as specified.


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

SECTION 1. Section 6738 of the Business and Professions Code, as amended by Section 2 of Chapter 157 of the Statutes of 2015, is amended to read:

(a) This chapter does not prohibit one or more civil, electrical, or mechanical engineers from practicing or offering to practice within the scope of their license civil (including geotechnical and structural), electrical, or mechanical engineering as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if all of the following requirements are met:

1. A civil, electrical, or mechanical engineer currently licensed in this state is an owner, partner, or officer in charge of the engineering practice of the business.
2. All civil, electrical, or mechanical engineering services are performed by, or under the responsible charge of, a professional engineer licensed in the appropriate branch of professional engineering.
3. If the business name of a California engineering business contains the name of any person, then that person shall be licensed as a professional engineer, a licensed land surveyor, a licensed architect, or a geologist registered under the Geologist and Geophysicist Act (Chapter 12.5 (commencing with Section 7800)). Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of an individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivision (a) and shall have an owner, partner, or officer who is in charge of the engineering work in the branch in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular...
basis. However, the name of the business may contain the name of any person not licensed in this state if that person is appropriately registered or licensed in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the names of the individuals in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California engineering business may be a fictitious name. However, if the fictitious name includes the name of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter may also be a partner or an officer of a civil, electrical, or mechanical engineering business if the requirements of subdivision (a) are met. Nothing in this section shall be construed to permit a person who is not licensed under this chapter to be the sole owner of a civil, electrical, or mechanical engineering business, unless otherwise exempt under this chapter.

(e) This chapter does not prevent an individual or business engaged in any line of endeavor other than the practice of civil, electrical, or mechanical engineering from employing or contracting with a licensed civil, electrical, or mechanical engineer to perform the respective engineering services incidental to the conduct of business.

(f) This section shall not prevent the use of the name of any business engaged in rendering civil, electrical, or mechanical engineering services, including the use by any lawful successor or survivor, that lawfully was in existence on December 31, 1987. However, the business is subject to paragraphs (1) and (2) of subdivision (a).

(g) A business engaged in rendering civil, electrical, or mechanical engineering services may use in its name the name of a deceased or retired person provided all of the following conditions are satisfied:

1. The person’s name had been used in the name of the business, or a predecessor in interest of the business, prior to and after the death or retirement of the person.
(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a professional engineer, or a land surveyor, or an architect, or a geologist, (A) by the appropriate licensing board if that person is operating a place of business or practice in this state, or (B) by the applicable state board if no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another professional engineering business in this state during the period of the consent. However, the retired person may use his or her name as the name of a new or purchased business if it is not identical in every respect to that person’s name as used in the former business.

(5) The business shall be subject to the provisions of paragraphs (1) and (2) of subdivision (a).

(h) This section does not affect the provisions of Sections 6731.2 and 8726.1.

(i) A current organization record form shall be filed with the board for all businesses engaged in rendering civil, electrical, or mechanical engineering services.

SEC. 2. Section 8729 of the Business and Professions Code, as amended by Section 4 of Chapter 157 of the Statutes of 2015, is amended to read:

8729. (a) This chapter does not prohibit one or more licensed land surveyors or civil engineers licensed in this state prior to 1982 (hereinafter called civil engineers) from practicing or offering to practice within the scope of their licensure, land surveying as a sole proprietorship, partnership, limited liability partnership, firm, or corporation (hereinafter called business), if the following conditions are satisfied:

(1) A land surveyor or civil engineer currently licensed in the state is an owner, partner, or officer in charge of the land surveying practice of the business.

(2) All land surveying services are performed by or under the responsible charge of a land surveyor or civil engineer.

(3) If the business name of a California land surveying business contains the name of a person, then that person shall be licensed by the board as a land surveyor or licensed by the board in any
year as a civil engineer. Any offer, promotion, or advertisement by the business that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license discipline of each individual named.

(b) An out-of-state business with a branch office in this state shall meet the requirements of subdivision (a) and shall have an owner, partner, or officer who is in charge of the land surveying work in this state, who is licensed in this state, and who is physically present at the branch office in this state on a regular basis. However, the name of the business may contain the name of a person not licensed in this state, if that person is appropriately licensed or registered in another state. Any offer, promotion, or advertisement that contains the name of any individual in the business, other than by use of the name of the individual in the business name, shall clearly and specifically designate the license or registration discipline of each individual named.

(c) The business name of a California land surveying business may be a fictitious name. However, if the fictitious name includes the names of any person, the requirements of paragraph (3) of subdivision (a) shall be met.

(d) A person not licensed under this chapter or licensed as a civil engineer in this state prior to 1982 may also be a partner or an officer of a land surveying business if the conditions of subdivision (a) are satisfied. Nothing in this section shall be construed to permit a person who is not licensed under this chapter or licensed as a civil engineer in this state prior to 1982 to be the sole owner or office of a land surveying business, unless otherwise exempt under this chapter.

(e) This chapter does not prevent an individual or business engaged in any line of endeavor, other than the practice of land surveying, from employing or contracting with a licensed land surveyor or a licensed civil engineer to perform the respective land surveying services incidental to the conduct of business.

(f) This section shall not prevent the use of the name of any business engaged in rendering land surveying services, including the use by any lawful successor or survivor, that lawfully was in existence on June 1, 1941. However, the business is subject to the provisions of paragraphs (1) and (2) of subdivision (a).
(g) A business engaged in rendering land surveying services may use in its name the name of a deceased or retired person if the following conditions are satisfied:

(1) The person’s name had been used in the name of the business, or a predecessor in interest of the business, prior to the death or retirement of the person.

(2) The person shall have been an owner, partner, or officer of the business, or an owner, partner, or officer of the predecessor in interest of the business.

(3) The person shall have been licensed as a land surveyor or a civil engineer by the board, if operating a place of business or practice in this state, or by an applicable state board in the event no place of business existed in this state.

(4) The person, if retired, has consented to the use of the name and does not permit the use of the name in the title of another land surveying business in this state during the period of that consent, except that a retired person may use his or her name as the name of a new or purchased business, if that business is not identical in every respect to that person’s name as used in the former business.

(5) The business shall be subject to paragraphs (1) and (2) of subdivision (a).

(h) This section does not affect Sections 6731.2 and 8726.1.

(i) A current organization record form shall be filed with the board for all businesses engaged in rendering professional land surveying services.

SEC. 3. Section 16101 of the Corporations Code, as amended by Section 6 of Chapter 157 of the Statutes of 2015, is amended to read:

16101. As used in this chapter, the following terms and phrases have the following meanings:

(1) “Business” includes every trade, occupation, and profession.

(2) “Debtor in bankruptcy” means a person who is the subject of either of the following:

(A) An order for relief under Title 11 of the United States Code or a comparable order under a successor statute of general application.

(B) A comparable order under federal, state, or foreign law governing insolvency.
(3) “Distribution” means a transfer of money or other property from a partnership to a partner in the partner’s capacity as a partner or to the partner’s transferee.

(4) “Electronic transmission by the partnership” means a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the partnership, (2) posting on an electronic message board or network that the partnership has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof, or (3) other means of electronic communication, (b) to a recipient who has provided an unrevoked consent to the use of those means of transmission, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form. However, an electronic transmission by a partnership to an individual partner is not authorized unless, in addition to satisfying the requirements of this section, the transmission satisfies the requirements applicable to consumer consent to electronic records as set forth in the Electronic Signatures in Global and National Commerce Act (15 U.S.C. Sec. 7001(c)(1)).

(5) “Electronic transmission to the partnership” means a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, which the partnership has provided from time to time to partners for sending communications to the partnership, (2) posting on an electronic message board or network that the partnership has designated for those communications, and which transmission shall be validly delivered upon the posting, or (3) other means of electronic communication, (b) as to which the partnership has placed in effect reasonable measures to verify that the sender is the partner (in person or by proxy), purporting to send the transmission, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

(6) (A) “Foreign limited liability partnership” means a partnership, other than a limited partnership, formed pursuant to
an agreement governed by the laws of another jurisdiction and
denominated or registered as a limited liability partnership or
registered limited liability partnership under the laws of that
jurisdiction (i) in which each partner is a licensed person or a
person licensed or authorized to provide professional limited
liability partnership services in a jurisdiction or jurisdictions other
than this state, (ii) which is licensed under the laws of the state to
engage in the practice of architecture, the practice of public
accountancy, the practice of engineering, the practice of land
surveying, or the practice of law, or (iii) which (I) is related to a
registered limited liability partnership that practices public
accountancy or, to the extent permitted by the State Bar of
California, practices law or is related to a foreign limited liability
partnership and (II) provides services related or complementary
to the professional limited liability partnership services provided
by, or provides services or facilities to, that registered limited
liability partnership or foreign limited liability partnership.

(B) For the purposes of clause (iii) of subparagraph (A), a
partnership is related to a registered limited liability partnership
or foreign limited liability partnership if (i) at least a majority of
the partners in one partnership are also partners in the other
partnership, or (ii) at least a majority in interest in each partnership
hold interests in or are members of another person, except an
individual, and each partnership renders services pursuant to an
agreement with that other person, or (iii) one partnership, directly
or indirectly through one or more intermediaries, controls, is
controlled by, or is under common control with, the other
partnership.

(7) “Licensed person” means any person who is duly licensed,
authorized, or registered under the provisions of the Business and
Professions Code to provide professional limited liability
partnership services or who is lawfully able to render professional
limited liability partnership services in this state.

(8) (A) “Registered limited liability partnership” means a
partnership, other than a limited partnership, formed pursuant to
an agreement governed by Article 10 (commencing with Section
16951), that is registered under Section 16953 and (i) each of the
partners of which is a licensed person or a person licensed or
authorized to provide professional limited liability partnership
services in a jurisdiction or jurisdictions other than this state, (ii)
is licensed under the laws of the state to engage in the practice of architecture, practice of public accountancy, the practice of engineering, the practice of land surveying, or the practice of law, or (iii)(I) is related to a registered limited liability partnership that practices public accountancy or, to the extent permitted by the State Bar of California, practices law or is related to a foreign limited liability partnership and (II) provides services related or complementary to the professional limited liability partnership services provided by, or provides services or facilities to, that registered limited liability partnership or foreign limited liability partnership.

(B) For the purposes of clause (iii) of subparagraph (A), a partnership is related to a registered limited liability partnership or foreign limited liability partnership if (i) at least a majority of the partners in one partnership are also partners in the other partnership, or (ii) at least a majority in interest in each partnership hold interests in or are members of another person, other than an individual, and each partnership renders services pursuant to an agreement with that other person, or (iii) one partnership, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the other partnership.

(9) “Partnership” means an association of two or more persons to carry on as coowners a business for profit formed under Section 16202, predecessor law, or comparable law of another jurisdiction, and includes, for all purposes of the laws of this state, a registered limited liability partnership, and excludes any partnership formed under Chapter 4.5 (commencing with Section 15900).

(10) “Partnership agreement” means the agreement, whether written, oral, or implied, among the partners concerning the partnership, including amendments to the partnership agreement.

(11) “Partnership at will” means a partnership in which the partners have not agreed to remain partners until the expiration of a definite term or the completion of a particular undertaking.

(12) “Partnership interest” or “partner’s interest in the partnership” means all of a partner’s interests in the partnership, including the partner’s transferable interest and all management and other rights.

(13) “Person” means an individual, corporation, business trust, estate, trust, partnership, limited partnership, limited liability
partnership, limited liability company, association, joint venture, government, governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(14) “Professional limited liability partnership services” means the practice of architecture, the practice of public accountancy, the practice of engineering, the practice of land surveying, or the practice of law.

(15) “Property” means all property, real, personal, or mixed, tangible or intangible, or any interest therein.

(16) “State” means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession subject to the jurisdiction of the United States.

(17) “Statement” means a statement of partnership authority under Section 16303, a statement of denial under Section 16304, a statement of dissociation under Section 16704, a statement of dissolution under Section 16805, a statement of conversion or a certificate of conversion under Section 16906, a statement of merger under Section 16915, or an amendment or cancellation of any of the foregoing.

(18) “Transfer” includes an assignment, conveyance, lease, mortgage, deed, and encumbrance.

SEC. 4. Section 16956 of the Corporations Code, as amended by Section 8 of Chapter 157 of the Statutes of 2015, is amended to read:

16956. (a) At the time of registration pursuant to Section 16953, in the case of a registered limited liability partnership, and Section 16959, in the case of a foreign limited liability partnership, and at all times during which those partnerships shall transact intrastate business, every registered limited liability partnership and foreign limited liability partnership, as the case may be, shall be required to provide security for claims against it as follows:

(1) For claims based upon acts, errors, or omissions arising out of the practice of public accountancy, a registered limited liability partnership or foreign limited liability partnership providing accountancy services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Maintaining a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensed
persons shall not be less than one million dollars ($1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars ($100,000) of insurance shall be obtained for each additional licensee; however, the maximum amount of insurance is not required to exceed five million dollars ($5,000,000) in any one designated period, less amounts paid in defending, settling, or discharging claims as set forth in this subparagraph. The policy or policies may be issued on a claims-made or occurrence basis, and shall cover: (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, “designated period” means a policy year or any other period designated in the policy that is not greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Maintaining in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims; however, the maximum amount of security for partnerships with five or fewer licensed persons shall not be less than one million dollars ($1,000,000), and for partnerships with
more than five licensees rendering professional services on behalf
of the partnership, an additional one hundred thousand dollars
($100,000) of security shall be obtained for each additional
licensee; however, the maximum amount of security is not required
to exceed five million dollars ($5,000,000). The partnership
remains in compliance with this section during a calendar year
notwithstanding amounts paid during that calendar year from the
accounts, funds, Treasury obligations, letters of credit, or bonds
in defending, settling, or discharging claims of the type described
in this paragraph, provided that the amount of those accounts,
funds, Treasury obligations, letters of credit, or bonds was at least
the amount specified in the preceding sentence as of the first
business day of that calendar year. Notwithstanding the pendency
of other claims against the partnership, a registered limited liability
partnership or foreign limited liability partnership shall be deemed
to be in compliance with this subparagraph as to a claim if within
30 days after the time that a claim is initially asserted through
service of a summons, complaint, or comparable pleading in a
judicial or administrative proceeding, the partnership has provided
the required amount of security by designating and segregating
funds in compliance with the requirements of this subparagraph.

(C) Unless the partnership has satisfied subparagraph (D), each
partner of a registered limited liability partnership or foreign
limited liability partnership providing accountancy services, by
virtue of that person’s status as a partner, thereby automatically
guarantees payment of the difference between the maximum
amount of security required for the partnership by this paragraph
and the security otherwise provided in accordance with
subparagraphs (A) and (B), provided that the aggregate amount
paid by all partners under these guarantees shall not exceed the
difference. Neither withdrawal by a partner nor the dissolution and
winding up of the partnership shall affect the rights or obligations
of a partner arising prior to withdrawal or dissolution and winding
up, and the guarantee provided for in this subparagraph shall apply
only to conduct that occurred prior to the withdrawal or dissolution
and winding up. Nothing contained in this subparagraph shall
affect or impair the rights or obligations of the partners among
themselves, or the partnership, including, but not limited to, rights
of contribution, subrogation, or indemnification.
(D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding ten million dollars ($10,000,000).

(2) For claims based upon acts, errors, or omissions arising out of the practice of law, a registered limited liability partnership or foreign limited liability partnership providing legal services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Each registered limited liability partnership or foreign limited liability partnership providing legal services shall maintain a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensed persons shall not be less than one million dollars ($1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars ($100,000) of insurance shall be obtained for each additional licensee; however, the maximum amount of insurance is not required to exceed seven million five hundred thousand dollars ($7,500,000) in any one designated period, less amounts paid in defending, settling, or discharging claims as set forth in this subparagraph. The policy or policies may be issued on a claims-made or occurrence basis, and shall cover (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, “designated period” means a policy year or any other period designated in the policy that is not greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance
maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Each registered limited liability partnership or foreign limited liability partnership providing legal services shall maintain in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims; however, the maximum amount of security for partnerships with five or fewer licensed persons shall not be less than one million dollars ($1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars ($100,000) of security shall be obtained for each additional licensee; however, the maximum amount of security is not required to exceed seven million five hundred thousand dollars ($7,500,000). The partnership remains in compliance with this section during a calendar year notwithstanding amounts paid during that calendar year from the accounts, funds, Treasury obligations, letters of credit, or bonds in defending, settling, or discharging claims of the type described in this paragraph, provided that the amount of those accounts, funds, Treasury obligations, letters of credit, or bonds was at least the amount specified in the preceding sentence as of the first business day of that calendar year. Notwithstanding the pendency of other claims against the partnership, a registered limited liability partnership or foreign limited liability partnership shall be deemed to be in compliance with this subparagraph as to a claim if within 30 days after the time that a claim is initially asserted through service of a summons, complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirement of this subparagraph.
(C) Unless the partnership has satisfied the requirements of subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing legal services, by virtue of that person’s status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with the provisions of subparagraphs (A) and (B), provided that the aggregate amount paid by all partners under these guarantees shall not exceed the difference. Neither withdrawal by a partner nor the dissolution and winding up of the partnership shall affect the rights or obligations of a partner arising prior to withdrawal or dissolution and winding up, and the guarantee provided for in this subparagraph shall apply only to conduct that occurred prior to the withdrawal or dissolution and winding up. Nothing contained in this subparagraph shall affect or impair the rights or obligations of the partners among themselves, or the partnership, including, but not limited to, rights of contribution, subrogation, or indemnification.

(D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding fifteen million dollars ($15,000,000).

(3) For claims based upon acts, errors, or omissions arising out of the practice of architecture, a registered limited liability partnership or foreign limited liability partnership providing architectural services shall comply with one, or pursuant to subdivision (b) some combination, of the following:

(A) Maintaining a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims in an amount for each claim of at least one hundred thousand dollars ($100,000) multiplied by the number of licensed persons rendering professional services on behalf of the partnership; however, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensees rendering professional services on behalf of the partnership shall not be less than five hundred thousand dollars ($500,000), and for all other partnerships is not required to exceed five million dollars ($5,000,000) in any one designated period, less amounts paid in defending, settling, or discharging claims as set forth in this
On and after January 1, 2008, the total aggregate limit of liability under the policy or policies of insurance for partnerships with five or fewer licensees rendering professional services on behalf of the partnership shall not be less than one million dollars ($1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars ($100,000) of liability coverage shall be obtained for each additional licensee; however, the total aggregate limit of liability under the policy or policies of insurance is not required to exceed five million dollars ($5,000,000). The policy or policies may be issued on a claims-made or occurrence basis, and shall cover: (i) in the case of a claims-made policy, claims initially asserted in the designated period, and (ii) in the case of an occurrence policy, occurrences during the designated period. For purposes of this subparagraph, “designated period” means a policy year or any other period designated in the policy that is not greater than 12 months. The impairment or exhaustion of the aggregate limit of liability by amounts paid under the policy in connection with the settlement, discharge, or defense of claims applicable to a designated period shall not require the partnership to acquire additional insurance coverage for that designated period. The policy or policies of insurance may be in a form reasonably available in the commercial insurance market and may be subject to those terms, conditions, exclusions, and endorsements that are typically contained in those policies. A policy or policies of insurance maintained pursuant to this subparagraph may be subject to a deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the partnership shall, with respect to any insurance policy or policies then maintained pursuant to this subparagraph, maintain or obtain an extended reporting period endorsement or equivalent provision in the maximum total aggregate limit of liability required to comply with this subparagraph for a minimum of three years if reasonably available from the insurer.

(B) Maintaining in trust or bank escrow, cash, bank certificates of deposit, United States Treasury obligations, bank letters of credit, or bonds of insurance or surety companies as security for payment of liabilities imposed by law for damages arising out of all claims in an amount of at least one hundred thousand dollars
($100,000) multiplied by the number of licensed persons rendering professional services on behalf of the partnership; however, the maximum amount of security for partnerships with five or fewer licensees rendering professional services on behalf of the partnership shall not be less than five hundred thousand dollars ($500,000), and for all other partnerships is not required to exceed five million dollars ($5,000,000). On and after January 1, 2008, the maximum amount of security for partnerships with five or fewer licensees rendering professional services on behalf of the partnership shall not be less than one million dollars ($1,000,000), and for partnerships with more than five licensees rendering professional services on behalf of the partnership, an additional one hundred thousand dollars ($100,000) of security shall be obtained for each additional licensee; however, the maximum amount of security is not required to exceed five million dollars ($5,000,000). The partnership remains in compliance with this section during a calendar year notwithstanding amounts paid during that calendar year from the accounts, funds, Treasury obligations, letters of credit, or bonds in defending, settling, or discharging claims of the type described in this paragraph, provided that the amount of those accounts, funds, Treasury obligations, letters of credit, or bonds was at least the amount specified in the preceding sentence as of the first business day of that calendar year. Notwithstanding the pendency of other claims against the partnership, a registered limited liability partnership or foreign limited liability partnership shall be deemed to be in compliance with this subparagraph as to a claim if within 30 days after the time that a claim is initially asserted through service of a summons, complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirements of this subparagraph.

(C) Unless the partnership has satisfied subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing architectural services, by virtue of that person’s status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with subparagraphs (A) and (B), provided that the aggregate amount
paid by all partners under these guarantees shall not exceed the
difference. Neither withdrawal by a partner nor the dissolution and
winding up of the partnership shall affect the rights or obligations
of a partner arising prior to withdrawal or dissolution and winding
up, and the guarantee provided for in this subparagraph shall apply
only to conduct that occurred prior to the withdrawal or dissolution
and winding up. Nothing contained in this subparagraph shall
affect or impair the rights or obligations of the partners among
themselves, or the partnership, including, but not limited to, rights
of contribution, subrogation, or indemnification.

(D) Confirming, pursuant to the procedure in subdivision (c),
that, as of the most recently completed fiscal year of the
partnership, it had a net worth equal to or exceeding ten million
dollars ($10,000,000).

(4) For claims based upon acts, errors, or omissions arising out
of the practice of engineering or the practice of land surveying, a
registered limited liability partnership or foreign limited liability
partnership providing engineering or land surveying services shall
comply with one, or pursuant to subdivision (b) some combination,
of the following:

(A) Maintaining a policy or policies of insurance against liability
imposed on or against it by law for damages arising out of claims;
however, the total aggregate limit of liability under the policy or
policies of insurance for partnerships with five or fewer licensees
rendering professional services on behalf of the partnership shall
not be less than two million dollars ($2,000,000), and for
partnerships with more than five licensees rendering professional
services on behalf of the partnership, an additional one hundred
thousand dollars ($100,000) of liability coverage shall be obtained
for each additional licensee; however, the total aggregate limit of
liability under the policy or policies of insurance is not required
to exceed five million dollars ($5,000,000). The policy or policies
may be issued on a claims-made or occurrence basis, and shall
cover: (i) in the case of a claims-made policy, claims initially
asserted in the designated period, and (ii) in the case of an
occurrence policy, occurrences during the designated period. For
purposes of this subparagraph, “designated period” means a policy
year or any other period designated in the policy that is not greater
than 12 months. The impairment or exhaustion of the aggregate
limit of liability by amounts paid under the policy in connection
with the settlement, discharge, or defense of claims applicable to
a designated period shall not require the partnership to acquire
additional insurance coverage for that designated period. The policy
or policies of insurance may be in a form reasonably available in
the commercial insurance market and may be subject to those
terms, conditions, exclusions, and endorsements that are typically
contained in those policies. A policy or policies of insurance
maintained pursuant to this subparagraph may be subject to a
deductible or self-insured retention.

Upon the dissolution and winding up of the partnership, the
partnership shall, with respect to any insurance policy or policies
then maintained pursuant to this subparagraph, maintain or obtain
an extended reporting period endorsement or equivalent provision
in the maximum total aggregate limit of liability required to comply
with this subparagraph for a minimum of three years if reasonably
available from the insurer.

(B) Maintaining in trust or bank escrow, cash, bank certificates
of deposit, United States Treasury obligations, bank letters of
credit, or bonds of insurance or surety companies as security for
payment of liabilities imposed by law for damages arising out of
all claims; however, the maximum amount of security for
partnerships with five or fewer licensees rendering professional
services on behalf of the partnership shall not be less than two
million dollars ($2,000,000), and for partnerships with more than
five licensees rendering professional services on behalf of the
partnership, an additional one hundred thousand dollars ($100,000)
of security shall be obtained for each additional licensee; however,
the maximum amount of security is not required to exceed five
million dollars ($5,000,000). The partnership remains in
compliance with this section during a calendar year,
notwithstanding amounts paid during that calendar year from the
accounts, funds, Treasury obligations, letters of credit, or bonds
in defending, settling, or discharging claims of the type described
in this paragraph, provided that the amount of those accounts,
funds, Treasury obligations, letters of credit, or bonds was at least
the amount specified in the preceding sentence as of the first
business day of that calendar year. Notwithstanding the pendency
of other claims against the partnership, a registered limited liability
partnership or foreign limited liability partnership shall be deemed
to be in compliance with this subparagraph as to a claim if, within
30 days after the time that a claim is initially asserted through service of a summons, complaint, or comparable pleading in a judicial or administrative proceeding, the partnership has provided the required amount of security by designating and segregating funds in compliance with the requirements of this subparagraph. (C) Unless the partnership has satisfied subparagraph (D), each partner of a registered limited liability partnership or foreign limited liability partnership providing engineering services or land surveying services, by virtue of that person’s status as a partner, thereby automatically guarantees payment of the difference between the maximum amount of security required for the partnership by this paragraph and the security otherwise provided in accordance with subparagraphs (A) and (B), provided that the aggregate amount paid by all partners under these guarantees shall not exceed the difference. Neither withdrawal by a partner nor the dissolution and winding up of the partnership shall affect the rights or obligations of a partner arising prior to withdrawal or dissolution and winding up, and the guarantee provided for in this subparagraph shall apply only to conduct that occurred prior to the withdrawal or dissolution and winding up. Nothing contained in this subparagraph shall affect or impair the rights or obligations of the partners among themselves, or the partnership, including, but not limited to, rights of contribution, subrogation, or indemnification. (D) Confirming, pursuant to the procedure in subdivision (c), that, as of the most recently completed fiscal year of the partnership, it had a net worth equal to or exceeding ten million dollars ($10,000,000).

(b) For purposes of satisfying the security requirements of this section, a registered limited liability partnership or foreign limited liability partnership may aggregate the security provided by it pursuant to subparagraphs (A), (B), (C), and (D) of paragraph (1) of subdivision (a), subparagraphs (A), (B), (C), and (D) of paragraph (2) of subdivision (a), subparagraphs (A), (B), (C), and (D) of paragraph (3) of subdivision (a), or subparagraphs (A), (B), (C), and (D) of paragraph (4) of subdivision (a), as the case may be. Any registered limited liability partnership or foreign limited liability partnership intending to comply with the alternative security provisions set forth in subparagraph (D) of paragraph (1) of subdivision (a), subparagraph (D) of paragraph (2) of subdivision
(a), subparagraph (D) of paragraph (3) of subdivision (a), or subparagraph (D) of paragraph (4) of subdivision (a) shall furnish the following information to the Secretary of State’s office, in the manner prescribed in, and accompanied by all information required by, the applicable section:

TRANSMITTAL FORM FOR EVIDENCING COMPLIANCE
WITH SECTION 16956(a)(1)(D), SECTION 16956(a)(2)(D), OR SECTION 16956(a)(3)(D) OF THE CALIFORNIA CORPORATIONS CODE

The undersigned hereby confirms the following:

1. Name of registered or foreign limited liability partnership

2. Jurisdiction where partnership is organized

3. Address of principal office

4. The registered or foreign limited liability partnership chooses to satisfy the requirements of Section 16956 by confirming, pursuant to Section 16956(a)(1)(D), 16956(a)(2)(D), 16956(a)(3)(D), or 16956(a)(4)(D) and pursuant to Section 16956(c), that, as of the most recently completed fiscal year, the partnership had a net worth equal to or exceeding ten million dollars ($10,000,000), in the case of a partnership providing accountancy services, fifteen million dollars ($15,000,000) in the case of a partnership providing legal services, or ten million dollars ($10,000,000), in the case of a partnership providing architectural services.

5. Title of authorized person executing this form

6. Signature of authorized person executing this form

(c) Pursuant to subparagraph (D) of paragraph (1) of subdivision (a), subparagraph (D) of paragraph (2) of subdivision (a), subparagraph (D) of paragraph (3) of subdivision (a), or subparagraph (D) of paragraph (4) of subdivision (a), a registered limited liability partnership or foreign limited liability partnership
may satisfy the requirements of this section by confirming that, as of the
last day of its most recently completed fiscal year, it had a net worth equal to or exceeding the amount required. In order to comply with this alternative method of meeting the requirements established in this section, a registered limited liability partnership or foreign limited liability partnership shall file an annual confirmation with the Secretary of State’s office, signed by an authorized member of the registered limited liability partnership or foreign limited liability partnership, accompanied by a transmittal form as prescribed by subdivision (b). In order to be current in a given year, the partnership form for confirming compliance with the optional security requirement shall be on file within four months of the completion of the fiscal year and, upon being filed, shall constitute full compliance with the financial security requirements for purposes of this section as of the beginning of the fiscal year. A confirmation filed during any particular fiscal year shall continue to be effective for the first four months of the next succeeding fiscal year.

(d) Neither the existence of the requirements of subdivision (a) nor the extent of the registered limited liability partnership’s or foreign limited liability partnership’s compliance with the alternative requirements in this section shall be admissible in court or in any way be made known to a jury or other trier of fact in determining an issue of liability for, or to the extent of, the damages in question.

(e) Notwithstanding any other provision of this section, if a registered limited liability partnership or foreign limited liability partnership is otherwise in compliance with the terms of this section at the time that a bankruptcy or other insolvency proceeding is commenced with respect to the registered limited liability partnership or foreign limited liability partnership, it shall be deemed to be in compliance with this section during the pendency of the proceeding. A registered limited liability partnership that has been the subject of a proceeding and that conducts business after the proceeding ends shall thereafter comply with paragraph (1), (2), (3), or (4) of subdivision (a), in order to obtain the limitations on liability afforded by subdivision (c) of Section 16306.
SEC. 5. Section 16959 of the Corporations Code, as amended by Section 10 of Chapter 157 of the Statutes of 2015, is amended to read:

16959. (a) (1) Before transacting intrastate business in this state, a foreign limited liability partnership shall comply with all statutory and administrative registration or filing requirements of the state board, commission, or agency that prescribes the rules and regulations governing a particular profession in which the partnership proposes to be engaged, pursuant to the applicable provisions of the Business and Professions Code relating to the profession or applicable rules adopted by the governing board. A foreign limited liability partnership that transacts intrastate business in this state shall within 30 days after the effective date of the act enacting this section or the date on which the foreign limited liability partnership first transacts intrastate business in this state, whichever is later, register with the Secretary of State by submitting to the Secretary of State an application for registration as a foreign limited liability partnership, signed by a person with authority to do so under the laws of the jurisdiction of formation of the foreign limited liability partnership, stating the name of the partnership, the street address of its principal office, the mailing address of the principal office if different from the street address, the name and street address of its agent for service of process in this state in accordance with subdivision (a) of Section 16309, a brief statement of the business in which the partnership engages, and any other matters that the partnership determines to include.

(2) Annexed to the application for registration shall be a certificate from an authorized public official of the foreign limited liability partnership’s jurisdiction of organization to the effect that the foreign limited liability partnership is in good standing in that jurisdiction, if the laws of that jurisdiction permit the issuance of those certificates, or, in the alternative, a statement by the foreign limited liability partnership that the laws of its jurisdiction of organization do not permit the issuance of those certificates.

(b) The registration shall be accompanied by a fee as set forth in subdivision (b) of Section 12189 of the Government Code.

(c) If the Secretary of State finds that an application for registration conforms to law and all requisite fees have been paid, the Secretary of State shall issue a certificate of registration to transact intrastate business in this state.
(d) The Secretary of State may cancel the filing of the registration if a check or other remittance accepted in payment of the filing fee is not paid upon presentation. Upon receiving written notification that the item presented for payment has not been honored for payment, the Secretary of State shall give a first written notice of the applicability of this section to the agent for service of process or to the person submitting the instrument. Thereafter, if the amount has not been paid by cashier’s check or equivalent, the Secretary of State shall give a second written notice of cancellation and the cancellation shall thereupon be effective. The second notice shall be given 20 days or more after the first notice and 90 days or less after the original filing.

(e) A partnership becomes registered as a foreign limited liability partnership at the time of the filing of the initial registration with the Secretary of State or at any later date or time specified in the registration and the payment of the fee required by subdivision (b). A partnership continues to be registered as a foreign limited liability partnership until a notice that it is no longer so registered as a foreign limited liability partnership has been filed pursuant to Section 16960 or, if applicable, once it has been dissolved and finally wound up. The status of a partnership registered as a foreign limited liability partnership and the liability of a partner of that foreign limited liability partnership shall not be adversely affected by errors or subsequent changes in the information stated in an application for registration under subdivision (a) or an amended registration or notice under Section 16960.

(f) The fact that a registration or amended registration pursuant to Section 16960 is on file with the Secretary of State is notice that the partnership is a foreign limited liability partnership and of those other facts contained therein that are required to be set forth in the registration or amended registration.

(g) The Secretary of State shall provide a form for a registration under subdivision (a), which shall include the form for confirming compliance with the optional security requirement pursuant to subdivision (c) of Section 16956. The Secretary of State shall include with instructional materials, provided in conjunction with the form for registration under subdivision (a), a notice that filing the registration will obligate the limited liability partnership to pay an annual tax for that taxable year to the Franchise Tax Board pursuant to Section 17948 of the Revenue and Taxation Code.
That notice shall be updated annually to specify the dollar amount of this tax.

(h) A foreign limited liability partnership transacting intrastate business in this state shall not maintain any action, suit, or proceeding in any court of this state until it has registered in this state pursuant to this section.

(i) Any foreign limited liability partnership that transacts intrastate business in this state without registration is subject to a penalty of twenty dollars ($20) for each day that unauthorized intrastate business is transacted, up to a maximum of ten thousand dollars ($10,000).

(j) A partner of a foreign limited liability partnership is not liable for the debts or obligations of the foreign limited liability partnership solely by reason of its having transacted business in this state without registration.

(k) A foreign limited liability partnership, transacting business in this state without registration, appoints the Secretary of State as its agent for service of process with respect to causes of action arising out of the transaction of business in this state.

(l) “Transact intrastate business” as used in this section means to repeatedly and successively provide professional limited liability partnership services in this state, other than in interstate or foreign commerce.

(m) Without excluding other activities that may not be considered to be transacting intrastate business, a foreign limited liability partnership shall not be considered to be transacting intrastate business merely because its subsidiary or affiliate transacts intrastate business, or merely because of its status as any one or more of the following:

(1) A shareholder of a domestic corporation.

(2) A shareholder of a foreign corporation transacting intrastate business.

(3) A limited partner of a foreign limited partnership transacting intrastate business.

(4) A limited partner of a domestic limited partnership.

(5) A member or manager of a foreign limited liability company transacting intrastate business.

(6) A member or manager of a domestic limited liability company.
Without excluding other activities that may not be considered to be transacting intrastate business, a foreign limited liability partnership shall not be considered to be transacting intrastate business within the meaning of this subdivision solely by reason of carrying on in this state any one or more of the following activities:

1. Maintaining or defending any action or suit or any administrative or arbitration proceeding, or effecting the settlement thereof or the settlement of claims or disputes.
2. Holding meetings of its partners or carrying on any other activities concerning its internal affairs.
4. Maintaining offices or agencies for the transfer, exchange, and registration of the foreign limited liability partnership’s securities or maintaining trustees or depositories with respect to those securities.
5. Effecting sales through independent contractors.
6. Soliciting or procuring orders, whether by mail or through employees or agents or otherwise, where those orders require acceptance without this state before becoming binding contracts.
7. Creating or acquiring evidences of debt or mortgages, liens, or security interest in real or personal property.
8. Securing or collecting debts or enforcing mortgages and security interests in property securing the debts.
9. Conducting an isolated transaction that is completed within 180 days and not in the course of a number of repeated transactions of a like nature.

A person shall not be deemed to be transacting intrastate business in this state merely because of its status as a partner of a registered limited liability partnership or a foreign limited liability company whether or not registered to transact intrastate business in this state.

The Attorney General may bring an action to restrain a foreign limited liability partnership from transacting intrastate business in this state in violation of this chapter.

Nothing in this section is intended to, or shall, augment, diminish, or otherwise alter existing provisions of law, statutes, or court rules relating to services by a California architect, California public accountant, California engineer, California land surveyor, or California attorney in another jurisdiction, or services

(r) An agent designated for service of process may deliver to the Secretary of State, on a form prescribed by the Secretary of State for filing, a signed and acknowledged written statement of resignation as an agent for service of process containing the name of the foreign limited liability partnership and Secretary of State’s file number of the foreign limited liability partnership, the name of the resigning agent for service of process, and a statement that the agent is resigning. On filing of the statement of resignation, the authority of the agent to act in that capacity shall cease and the Secretary of State shall mail or otherwise provide written notice of the filing of the statement of resignation to the foreign limited liability partnership at its principal office.

(s) The resignation of an agent may be effective if, on a form prescribed by the Secretary of State containing the name and Secretary of State’s file number for the foreign limited liability partnership and the name of the agent for service of process, the agent disclaims having been properly appointed as the agent.

(t) If an individual who has been designated agent for service of process dies or resigns or no longer resides in the state, or if the corporate agent for that purpose resigns, dissolves, withdraws from the state, forfeits its right to transact intrastate business, has its corporate rights, powers, and privileges suspended, or ceases to exist, the foreign limited liability partnership shall promptly file an amended application for registration as a foreign limited liability partnership designating a new agent.

(u) The Secretary of State may destroy or otherwise dispose of any resignation filed pursuant to this section after a new application for registration as a foreign limited liability partnership is filed pursuant to this section replacing the agent for service of process that has resigned.
Supported Legislation

SB 1098 (Cannella R) Merced
Geologists and geophysicists: fees.

Location: 2/22/2018-Senate Business, Professions and Economic Development.

Bill Summary: This bill would require the Board to fix the application fee for certification as a geologist-in-training at no more than $100. The bill would delete a provision setting the license fee for a geologist or geophysicist and for certification in a specialty required to be paid in addition to the application fee. The bill would delete a provision limiting the examination fee for licensure as a geophysicist or certification as an engineering geologist or hydrogeologist to $100, and would instead require the fee to be fixed at an amount equal to the Board’s costs to administer the examination. The bill would delete a provision fixing the fee for a specialty geologist or specialty geophysicist at no more than $100, and would provide that the renewal fee for a geophysicist, for each branch of professional geologist in which licensure is held, and for each certified specialty license held, is required to be no more than $400. The bill would delete a provision fixing the amount of a duplicate certificate fee and would require the board to set all other document fees by regulation, as provided. This bill contains other related provisions.

Staff Comment: This bill is sponsored by the Board. Currently the fee structure established in the Geologist and Geophysicist Act is not appropriate for the recovery of the actual cost incurred by the Board for its services. This fee structure defined in the Geologist and Geophysicist Act is hindering the Board’s ability to establish a consistent and equitable fee structure for the Board’s applicants and licensees. The amendments made on April 12, 2018, were made at the request of the Board to correct inappropriate language that had been used in the original version of the bill.

Staff Recommendation: Staff recommends the Board vote to continue to support this legislation, as amended April 12, 2018.

Laws: An act to amend Sections 7840, 7847, 7850, 7850.1, 7850.5, 7850.6, and 7887 of the Business and Professions Code, relating to professions and vocations and making an appropriation therefor.

Updated 4/18/18

Staff Analysis: SB 1098
An act to amend Section Sections 7840, 7847, 7850, 7850.1, 7850.5, 7850.6, and 7887 of the Business and Professions Code, relating to professions and vocations, and making an appropriation therefor.

LEGISLATIVE COUNSEL’S DIGEST

SB 1098, as amended, Cannella. Geologists and geophysicists: fees. Existing law, the Geologist and Geophysicist Act, provides for the registration and regulation of geologists and geophysicists by the Board for Professional Engineers, Land Surveyors, and Geologists. Existing law requires the board to fix various license, renewal, and document fees in accordance with a specified schedule. Existing law requires fees and civil penalties received pursuant to the act to be deposited in the Professional Engineer’s, Land Surveyor’s, and Geologist’s Fund and continuously appropriates those funds to the board for purposes of the act.

This bill would require the board to fix the application fee for filing an application for certification as a geologist-in-training at no more than $100. The bill would delete a provision setting the license fee for a geologist or geophysicist and for certification in a specialty required to be paid in addition to the application fee. The bill would delete a provision limiting the examination fee for licensure as a geophysicist or certification as an engineering geologist or hydrogeologist to $100, and would instead require the fee to be fixed at an amount equal to the board’s costs to administer the examination. The bill would delete a provision fixing increase the maximum renewal fee for a specialty
geologist or specialty geophysicist—at no more than $100, and would provide that the renewal fee for a geophysicist, for each branch of professional geologist in which licensure is held, and for each authority level designation held, is required to be no more than $400. The bill would delete a provision fixing the amount of a duplicate certificate fee and would require the board to set all other document fees by regulation, as provided, in an amount not to exceed a reasonable regulatory cost. The bill would make other nonsubstantive, conforming changes.

Because the bill would authorize additional fee money to be deposited into the Professional Engineer’s, Land Surveyor’s, and Geologist’s Fund, a continuously appropriated fund, the bill would make an appropriation.


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

SECTION 1. Section 7840 of the Business and Professions Code is amended to read:

7840. An application for registration as a geologist or for registration as a geophysicist licensure as a geologist, certification in a specialty in geology, certification as a geologist-in-training, licensure as a geophysicist, or certification in a specialty in geophysics shall be made to the board on a form prescribed by it and shall be accompanied by the application fee fixed by this chapter.

SEC. 2. Section 7847 of the Business and Professions Code is amended to read:

7847. The board, upon application therefor, on its prescribed form, and upon the payment of the application and registration fees fee fixed by this chapter, which fees shall be retained by the board, may issue a certificate of registration as a geologist or as a geophysicist to a person holding an equivalent certificate of registration as a geologist or as a geophysicist, issued to him or her by any state or country when the applicant’s qualifications meet the other requirements of this chapter and the rules established by the board.

SEC. 3. Section 7850 of the Business and Professions Code is amended to read:
7850. Any applicant for licensure as a professional geologist who meets all the requirements prescribed in Section 7841 and who has otherwise qualified hereunder as a geologist, upon payment of the registration fee fixed by this chapter, shall have a certificate of registration issued to him or her as a professional geologist.

SEC. 4. Section 7850.1 of the Business and Professions Code is amended to read:

7850.1. Any applicant for licensure as a professional geophysicist who meets all the requirements prescribed in Section 7841.1 and who has otherwise qualified hereunder as a geophysicist, upon payment of the registration fee fixed by this chapter, shall have a certificate of registration issued to him or her as a professional geophysicist.

SEC. 5. Section 7850.5 of the Business and Professions Code is amended to read:

7850.5. An applicant for certification as a certified specialty geologist who meets all the requirements prescribed in Section 7842 and who has otherwise qualified under this chapter in the specialty, upon payment of the fee fixed by this chapter, shall have a certificate issued to him or her as a certified specialty geologist. A certificate of certified specialty geologist shall be signed by the president and executive officer and issued under the seal of the board.

SEC. 6. Section 7850.6 of the Business and Professions Code is amended to read:

7850.6. An applicant who has passed the examination for a certified specialty geophysicist and has otherwise qualified under this chapter in the specialty, upon payment of the fee fixed by this chapter, shall have a certificate issued to him or her as a certified specialty geophysicist. A certificate of certified specialty geophysicist shall be signed by the president and executive officer and issued under the seal of the board.

SECTION 7.

SEC. 7. Section 7887 of the Business and Professions Code is amended to read:

7887. The amount of the fees prescribed by this chapter shall be fixed by the board in accordance with the following schedule:
(a) The fee for filing each application for licensure as a geologist or a geophysicist or certification as a specialty geologist or a specialty geophysicist and for administration of the examination shall be fixed at not more than two hundred fifty dollars ($250). The filing fee for filing an application for certification as a geologist-in-training shall be fixed at not more than one hundred dollars ($100).

(b) The renewal fee for a geophysicist, for each branch of professional geologist in which licensure is held, and for each authority level designation held, geologist or for a geophysicist shall be fixed at not more than four hundred dollars ($400).

(c) The renewal fee for a specialty geologist or for a specialty geophysicist shall be fixed at not more than four hundred dollars ($400).

(d) Notwithstanding Section 163.5, the delinquency fee for a certificate is an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date.

(e) Each applicant for licensure as a geologist shall pay an examination fee fixed at an amount equal to the actual cost to the board to administer the examination described in subdivision (d) of Section 7841, unless an applicant pays the examination fee directly to an organization pursuant to Section 7844.

(f) Each applicant for licensure as a geophysicist or certification as an engineering geologist or certification as a hydrogeologist shall pay an examination fee fixed by the board at an amount equal to the actual cost to the board for the development and maintenance of the written examination.

(g) The fee for a retired license shall be fixed at not more than 50 percent of the fee for filing an application for licensure as a geologist or a geophysicist in effect on the date of application for a retired license.
(h) All other document fees shall be established by the board by regulation and shall be set in an amount not to exceed a reasonable regulatory cost.
VI. Enforcement

A. Enforcement Statistical Reports
   1. Fiscal Year 2017/18 Update
Complaint Investigation Phase

Number of Complaint Investigations Opened & Completed by Month
FY17/18

<table>
<thead>
<tr>
<th>Month</th>
<th>Opened</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>44</td>
<td>24</td>
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<tr>
<td>Aug</td>
<td>36</td>
<td>18</td>
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<tr>
<td>Sept</td>
<td>27</td>
<td>17</td>
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<tr>
<td>Oct</td>
<td>33</td>
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<tr>
<td>Nov</td>
<td>34</td>
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<td>Dec</td>
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<td>29</td>
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<tr>
<td>Jan</td>
<td>29</td>
<td>19</td>
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<tr>
<td>Feb</td>
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<td>Mar</td>
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<td>Apr</td>
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<td>May</td>
<td>5</td>
<td>17</td>
</tr>
<tr>
<td>June</td>
<td>10</td>
<td>15</td>
</tr>
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</table>

NOTE: FY17/18 statistics are through March 31, 2018

Complaint Investigations Opened and Completed

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Opened</th>
<th>Closed</th>
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<td>323</td>
</tr>
<tr>
<td>FY17/18</td>
<td>235</td>
<td>264</td>
</tr>
</tbody>
</table>

NOTE: FY17/18 statistics are through March 31, 2018
Complaint Investigation Phase

Number of Open (Pending) Complaint Investigations
(at end of FY or month for current FY)

Average Days from Opening of Complaint Investigation to Completion of Investigation

NOTE: FY17/18 statistics are through March 31, 2018
### Complaint Investigation Phase
#### Aging of Open (Pending) Complaint Investigation Cases – FY17/18

<table>
<thead>
<tr>
<th>Month</th>
<th>1-30 Days</th>
<th>31-60 Days</th>
<th>61-90 Days</th>
<th>91-120 Days</th>
<th>121-180 Days</th>
<th>181-270 Days</th>
<th>271-365 Days</th>
<th>366-730 Days</th>
<th>731-1095 Days</th>
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</thead>
<tbody>
<tr>
<td>July</td>
<td>23</td>
<td>45</td>
<td>8</td>
<td>7</td>
<td>60</td>
<td>37</td>
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<td>17</td>
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<td>42</td>
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<td>Jan</td>
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<td>Mar</td>
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<tr>
<td>Apr</td>
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</tr>
</tbody>
</table>

**Legend:**
- **1-30 Days**
- **31-60 Days**
- **61-90 Days**
- **91-120 Days**
- **121-180 Days**
- **181-270 Days**
- **271-365 Days**
- **366-730 Days**
- **731-1095 Days**
Complaint Investigation Phase
Outcome of Completed Investigations

NOTE: FY17/18 statistics are through March 31, 2018
Closed = Closed with No Action Taken, includes the categories listed on the next page.
Cite = Referred for Issuance of Citation
FDA = Referred for Formal Disciplinary Action

<table>
<thead>
<tr>
<th>Year</th>
<th>FY14/15 Total: 330</th>
<th>FY15/16 Total: 400</th>
<th>FY16/17 Total: 323</th>
<th>FY17/18 Total: 264</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closed</td>
<td>26%</td>
<td>30%</td>
<td>30%</td>
<td>27%</td>
</tr>
<tr>
<td>Cite</td>
<td>62%</td>
<td>57%</td>
<td>63%</td>
<td>62%</td>
</tr>
<tr>
<td>FDA</td>
<td>12%</td>
<td>7%</td>
<td>7%</td>
<td>11%</td>
</tr>
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</table>

NOTE: FY17/18 statistics are through March 31, 2018
Closed = Closed with No Action Taken, includes the categories listed on the next page.
Cite = Referred for Issuance of Citation
FDA = Referred for Formal Disciplinary Action
Citations (Informal Enforcement Actions)

NOTE: FY17/18 statistics are through March 31, 2018

Number of Complaint Investigations Referred and Number of Citations Issued

<table>
<thead>
<tr>
<th>Year</th>
<th>Referred</th>
<th>Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14/15</td>
<td>85</td>
<td>90</td>
</tr>
<tr>
<td>FY15/16</td>
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<td>93</td>
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<tr>
<td>FY16/17</td>
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<td>83</td>
</tr>
<tr>
<td>FY17/18</td>
<td>71</td>
<td>58</td>
</tr>
</tbody>
</table>

Number of Citations Issued and Final

<table>
<thead>
<tr>
<th>Year</th>
<th>Issued</th>
<th>Final</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14/15</td>
<td>78</td>
<td>90</td>
</tr>
<tr>
<td>FY15/16</td>
<td>78</td>
<td>93</td>
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<tr>
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<td>100</td>
<td>101</td>
</tr>
<tr>
<td>FY17/18</td>
<td>58</td>
<td>65</td>
</tr>
</tbody>
</table>

Average Days Between Date of Issuance of Citation and Date Citation Becomes Final

<table>
<thead>
<tr>
<th>Year</th>
<th>Days</th>
</tr>
</thead>
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<tr>
<td>FY15/16</td>
<td>222</td>
</tr>
<tr>
<td>FY16/17</td>
<td>259</td>
</tr>
<tr>
<td>FY17/18</td>
<td>154</td>
</tr>
</tbody>
</table>

Average Days from Opening of Complaint Investigation to Date Citation Becomes Final

<table>
<thead>
<tr>
<th>Year</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14/15</td>
<td>711</td>
</tr>
<tr>
<td>FY15/16</td>
<td>635</td>
</tr>
<tr>
<td>FY16/17</td>
<td>639</td>
</tr>
<tr>
<td>FY17/18</td>
<td>463</td>
</tr>
</tbody>
</table>
Formal Disciplinary Actions Against Licensees

NOTE: FY17/18 statistics are through March 31, 2018

Number of Licensees Referred for Formal Disciplinary Action and Number of Final Disciplinary Decisions

<table>
<thead>
<tr>
<th>FY14/15</th>
<th>FY15/16</th>
<th>FY16/17</th>
<th>FY17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referred</td>
<td>608</td>
<td>703</td>
<td>636</td>
</tr>
<tr>
<td>Final</td>
<td>623</td>
<td>41</td>
<td>36</td>
</tr>
<tr>
<td>Average Days from Referral for Formal Disciplinary Action to Effective Date of Final Decision</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY14/15</td>
<td>608</td>
<td>623</td>
<td>636</td>
</tr>
<tr>
<td>FY15/16</td>
<td>703</td>
<td>41</td>
<td>36</td>
</tr>
<tr>
<td>FY16/17</td>
<td>636</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>FY17/18</td>
<td>18</td>
<td>14</td>
<td>0</td>
</tr>
</tbody>
</table>

Average Days from Opening of Complaint Investigation to Effective Date of Final Decision

<table>
<thead>
<tr>
<th>FY14/15</th>
<th>FY15/16</th>
<th>FY16/17</th>
<th>FY17/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>1060</td>
<td>1078</td>
<td>1106</td>
<td>911</td>
</tr>
</tbody>
</table>
VII. Exams/Licensing

A. Update on Spring 2018 Examinations
B. Update on Application Numbers
C. Adoption of Test Plan Specifications for the California Professional Land Surveyor Examination (Possible Action)
D. Adoption of Test Plan Specifications for California Geotechnical Engineer Examination (Possible Action)
Item VII. Exams/Licensing

Traditionally, we have included an update on examinations as a way to gauge a relationship to our applicant/licensee population trends and to explain seasonal spikes in workload, expenditures, and anticipated revenue sources. Given that the registration and administration of the national engineering and surveying exams are largely managed by NCEES now and the Board is evolving from being “exam-centric” to more “application and license centric” in our processes, Staff believes we need to provide reports that more directly assess those changes in our workload, processes, and trends. In addition to our normal reports on examination statistics, we’ve decided to begin also reporting on the number of licenses issued and on the number of applications received, both during a given period. We welcome board member feedback and anticipate these becoming quarterly reports as our processes continue to develop and evolve.

B. Update on Application Numbers

Number of licenses issued December 2017 – March 2018:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1381</td>
<td>Total PE</td>
</tr>
<tr>
<td>32</td>
<td>Total PLS</td>
</tr>
<tr>
<td>93</td>
<td>Total PG (and related)</td>
</tr>
<tr>
<td>5</td>
<td>Total PGp</td>
</tr>
<tr>
<td>1511</td>
<td>Total Licenses Issued</td>
</tr>
</tbody>
</table>

![Graph showing number of licenses issued annually - Practice Acts](image)
Prior to 2018, the bulk of initial PE/PLS applications were received during the months of May and November each year.

Currently averaging approximately 200 initial PE/PLS applications on a monthly basis due to change in application/examination processes.

Note: Historical numbers for PG/PGp and related licenses not available prior to Sept 2017 as initial applications and refile applications were not separately tracked prior to that date.
VIII. Executive Officer's Report

A. Rulemaking Status Report
B. SB 2 (2017 Ch. 364) Effect on Filing a Record of Survey
C. Update on Board’s Business Modernization Report
D. Personnel
E. ABET
F. Association of State Boards of Geology (ASBOG)
G. National Council of Examiners for Engineering and Surveying (NCEES)
   1. Report of Western Zone Interim Meeting
   2. Selection of Funded Delegates to Attend Annual Meeting – August 15-18, 2018 (Possible Action)
   3. Recommend Dallas Sweeney as Associate Member to NCEES (Possible Action)
H. Update on Outreach Efforts
Greetings,

Senator Anthony Cannella has requested an opinion from the Attorney General on the following question:

How is recordation of maps and surveys to be treated under SB 2, the Building Homes and Jobs Act?

More specifically, the requestor is concerned that the general nature of the term “maps,” as used in Government Code section 27388.1, subdivision (a)(1), could result in inconsistent implementation as relates to particular documents prepared by licensed land surveyors. The full request is attached for your information.

It is our policy to solicit views from interested parties before issuing an opinion, and we thought this topic might be of interest to you. If you would like to submit comments, a response by April 27, 2018, would be most helpful; materials received after such date will nonetheless be considered. Views submitted will be treated by our office as public records under the Public Records Act. Please address your comments to me at the address indicated below.

Please feel free to share with this with others who might be interested in commenting on this topic. Information regarding the status of this opinion request, copies of the published opinions, and a description of our opinion-writing policies are available on the Opinion Unit’s Internet website: www.ag.ca.gov/opinions.

Thank you,

Anya Binsacca
Deputy Attorney General, Opinion Unit
California Attorney General’s Office
March 6, 2018

Susan Duncan Lee
Senior Assistant Attorney General
Office of the Attorney General
Opinion Unit, Dept. of Justice
455 Golden Gate Ave., Suite 11000
San Francisco, CA 94102

RE: Request for a Legal Opinion by Senator Anthony Cannella

Dear Assistant Attorney General Lee,

I respectfully request for a legal opinion on whether filing of a Record of Survey, as defined in the Professional Land Surveyors’ Act, is subject to the fee imposed under G.C. 27388.1.

Background
The Board for Professional Engineers, Land Surveyors, and Geologists (BPELSG) is tasked with regulating the professions of engineering, land surveying, geology, and geophysics through the Professional Engineers Act (Business and Professions Code section 6700, et seq.), Professional Land Surveyors’ Act (Business and Professions Code section 8700, et seq.), and the Geologist and Geophysicist Act (Business and Professions Code section 7800, et seq.), and their respective regulations.

Maps prepared by licensed land surveyors pertaining to the Subdivision Map Act (Government Code sections 66410-66499.58) are for the purposes of assisting with the orderly subdivision and development of real property and are therefore developed in accordance with the aforementioned state law and local agency ordinances. These maps do directly affect title to real property, appear in a chain of title search, and provide constructive notice as to rights to real property. This is also true for those other documents listed under Government Code §27388.1(a)(1).

A Record of Survey is a document solely mandated by the Professional Land Surveyors’ Act (B&P 8700-8805) for the licensed land surveyor to use for the purposes of reporting a field survey that was recently performed by the licensed land surveyor and contains that licensed land surveyor’s opinion relative to the location for where a boundary of real property is located on the ground. While B&P §8762(a) allows for a licensed land surveyor to file a Record of Survey in any voluntary situation, §8762(b) mandates when the licensed land surveyor is required to file a Record of Survey. Situations that normally arise that trigger the mandatory filing are usually the result of a property line dispute; when the survey discloses field evidence that is not shown on current maps or differs substantially from what is currently shown on current maps; or when the survey is marking the location of a property line on the ground where it has never been marked on the ground previously.
Unlike those maps prepared in accordance with the aforementioned Subdivision Map Act, a Record of Survey does not directly affect title interests, does not normally appear in a chain of title search, and does not provide constructive notice to the public as to rights to real property.

The Professional Land Surveyors’ Act dictates that the licensed land surveyor who performed the survey submit the Record of Survey to the County Surveyor for review and once the County Surveyor has deemed the Record of Survey as compliant with the pertinent provisions of the Professional Land Surveyors’ Act, the County Surveyor must sign and seal the Record of Survey and present it to the County Recorder for filing.

The survey and the resulting Record of Survey does not, and in fact is statutorily prohibited from, subdividing existing parcels of land. In many cases, the Record of Survey only shows one or two property lines and does not show an entire legal parcel or, in some cases, no property lines at all and is only serving to document information for other licensed land surveyors to use as survey control points in their geographic area. In all of these cases, the mandatory requirement to file the Record of Survey is solely the responsibility of the licensed land surveyor and not any member of the public. If a condition is triggered that requires a mandatory filing of a Record of Survey, the licensed land surveyor must comply with the law regardless of whether the client pays for this action.

**Concerns Associated with Implementation of Senate Bill 2 (2017)**

Historically speaking, BPELSG spends a great deal of time and effort, both through outreach and from a disciplinary action effort, related to violations associated with the mandatory filing of a Record of Survey by licensed land surveyors. In fact, these violations are so troublesome that BPELSG tracks these violations as a separate category.

I am concerned that the general nature of the language contained in SB 2 (2017) related to “...maps...” will result in inconsistent implementation/application by the County Recorders and County Surveyors across the state.

Given that a Record of Survey prepared in accordance with the Professional Land Surveyors’ Act does not impart constructive notice or directly affects title interest and differs from the types of maps prepared in accordance with the subdivision development process as mandated by the Subdivision Map Act and those other documents listed under Government Code §27388.1(a)(1), I am requesting clarification to the question above in an effort to understand BPELSG’s role in advising all licensed professionals and public agencies, as well as consumers, in understanding how this new law affects a process that has been in place for many years.

Please contact Baltazar Cornejo in my office at (916) 651-4012 should you have any questions on this request.

Thank you.

Anthony Cannella
Senator, 12th District
EXECUTIVE OFFICER’S REPORT

VIII. B. SB 2 (2017 Ch. 364) Effect on Filing a Record of Survey

The AG’s Office sent out an invitation to comment on a request for opinion related to Senator Cannella’s and the Board’s request. Please see the attached letter. AG is seeking comment by April 27, 2018 though will consider comment after that date.

VIII. C. Update on Board’s Business Modernization Report

- We have completed the technical system requirements to meet California Department of Technology (CDT) mid-level solutions requirement for the PAL process.
- Met with CDT personnel to discuss best strategies and currently scheduling a kickoff meeting for end of May.

VIII. D. Personnel

The Board is currently recruiting for:
- Senior Registrar (Civil Engineer) – exam/eligibility list is being currently being developed by DCA
- Enforcement Analyst – to replace Jackie Lowe, Senior Enforcement Analyst, who has worked at the Board since 1995 and is retiring May 31, 2018.
- Front Desk Receptionist starts May 1
- Applications Evaluator

VIII. G. NCEES

Seeking the Board to formally recommend Dallas Sweeney, Senior Registrar Land Surveyor, as an Associate Member to NCEES. In his role at the Board, Dallas is very involved in the development of the state land surveyor examination and outreach related to licensure. It is hoped that submitting a request to the NCEES Board of Directors to name Dallas as an Associate Member of our Board, he can request committee assignments and serve on exam development efforts for the national surveying examinations which should benefit the Board in maintaining an understanding for how the national surveying exams meet California’s criteria for licensing.
Q1 2018 OUTREACH REPORT

COLLEGE OUTREACH MAILINGS

Engineering - 44 Individual ABET Colleges/Universities
Land Surveying - 13 Individual ABET and Community Colleges
Geology - 38 Individual ASBOG Colleges/Universities

Mailed to ALL Board Programs’ Deans and Department Chairs

Every year we send a mailing to every ABET college/university engineering and land surveying program in California. We have found that by following up with a phone call, we are promoting the Board, and can offer to provide the program with an opportunity for interaction. By attending a college “Career Fair” or an engineering “Senior Project Day,” we introduce ourselves to the staff of the various programs, and offer our presentations supporting the value and the path to professional licensure to their student clubs and their engineering classes.

Results of Mailings:

<table>
<thead>
<tr>
<th>Engineering Presentations</th>
<th>College Year:</th>
<th>2015- ‘16</th>
<th>2016- ‘17</th>
<th>2017- ‘18</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-Class</td>
<td></td>
<td>Cal Poly, SLO</td>
<td>Cal Poly, SLO</td>
<td>Cal Poly, SLO Fresno State Loyola Marymount UC Irvine</td>
</tr>
<tr>
<td>Career Fair</td>
<td></td>
<td>CSU Sacramento UCLA UC Irvine Cal State LA UC San Diego</td>
<td>CSU Sacramento UCLA UC Irvine UC San Diego</td>
<td></td>
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<tr>
<td>Senior Project Day</td>
<td></td>
<td>CSU Northridge UC Davis</td>
<td>CSU Northridge UC Davis</td>
<td>CSU Northridge UC Davis</td>
</tr>
<tr>
<td>Student Club Presentation</td>
<td></td>
<td>USC</td>
<td></td>
<td>CSU Sacramento UCLA</td>
</tr>
</tbody>
</table>
Summary of Results of Mailings:

By increasing our interactions with ABET programs, we have also increased our number of invitations to “College Career Fairs” and “Senior Project Days” by our Outreach Coordinator, Brooke Phayer. As shown in the display, these have led to engineering “Student Club Presentations” to student groups, and finally to make “In-Class” presentations by Brooke Phayer and Staff Senior Registrar Mike Donelson, PE. These Power Point presentations have ranged from 20 minutes to over one hour in length, depending on the diversity of engineering disciplines addressed. Of note is the fact that, once participation is initiated, it has increased to the point of the “In-Class” presentation, and, in every case, the Board has been invited back again the next year.

OUTREACH EVENTS January – March 2018

Sacramento CLSA, January 2
Staff Senior Registrar Dallas Sweeney, PLS attended the LS review course and did a presentation about the application process and exam specifications.

San Diego CLSA, January 4
Executive Officer Ric Moore, PLS and Staff Senior Registrar Dallas Sweeney, PLS attended the LS review course and did a presentation about the application process and exam specifications.

UC San Diego Engineering Career Fair, January 17 - 18
Outreach Coordinator Brooke Phayer participated in the UC San Diego Engineering Career Fair to give broader awareness of the possibilities of professional licensure.

UCLA Engineering Tech Career Fair, January 23 - 24
Outreach Coordinator Brooke Phayer participated in the UCLA Engineering Tech Career Fair to give broader awareness of the possibilities of professional licensure.

League of California Surveying Organizations, Martinez, CA, January 24
Staff Senior Registrar Dallas Sweeney, PLS made a presentation at the monthly meeting to answer questions on compliance with the PLS Act.
UC Davis Student Chapter AIPG, January 25
Staff Senior Registrar Laurie Racca, PG made a presentation on the GIT Certificate and the path to the Professional Geologist (PG) License.

Laurie Racca PG, with UCD Student Chapter President Minda Moe

UC Irvine Engineering Career Fair, January 25
Outreach Coordinator Brooke Phayer, attended the “Career Fair” and distributed Board promotional pieces on the “Path to Professional Licensure.”

Cal State University, Fresno, January 26 - 27
Executive Officer Ric Moore, PLS, and Outreach Coordinator Brooke Phayer participated in the 57th Annual Cal State Fresno Geomatics Conference to give broader awareness of the possibilities of professional licensure.
South Coast Geological Society, Orange County, Feb 12
Senior Registrar Laurie Racca PG provided information to the South Coast Geological Society on common problems seen in applications submitted to the Board and provided guidance to future applicants on what is needed for the Board’s review of a candidate’s qualifications. 40 to 50 people attended.

East Bay CLSA, February 13
Executive Officer Ric Moore, PLS and Staff Senior Registrar Dallas Sweeney, PLS made a presentation at the monthly meeting to answer questions on compliance with the PLS Act and licensing statistics.

San Francisco Bay Area Association of Environmental & Engineering Geologists, February 13
Senior Registrar Laurie Racca, PG, attended a meeting of the SF Bay Area Association of Environmental and Engineering Geologists (AEG) to update their membership on the Board’s activities and answer questions from AEG members. 45-50 people attended the event.

San Diego State University Engineering Career Fair, February 14 - 15
Outreach Coordinator Brooke Phayer participated in the San Diego State Engineering Career Fair to give broader awareness of the possibilities of professional licensure.

Cal State University, Sacramento Engineering Career Fair, February 16
Staff Senior Engineering Registrar Mike Donelson, PE, participated in the Cal State University, Sacramento Engineering Career Fair to give broader awareness of the possibilities of professional licensure. In addition, he gave a presentation to interested students on the “Path to Professional Licensure” to students of the various engineering clubs on campus.

Loyola Marymount University, Los Angeles, February 20
Staff Senior Engineering Registrar Mike Donelson, PE, and Outreach Coordinator Brooke Phayer, gave a presentation to 35+ senior civil engineering students on the “Path to Professional Licensure.”
Inland Geologic Society, March 6
Staff Senior Registrar Laurie Racca, PG, made a presentation on the GIT Certificate and the path to the Professional Geologist (PG) License.

Rancho Santiago Community College, Santa Ana, March 12
Rancho Santiago Community College District (RSCCD) Board of Trustees Meeting
At the Rancho Santiago Community College District (RSCCD) Board of Trustees Meeting
Winners of 2017 NCEES Surveying Education Award were announced. This annual award recognizes surveying programs that best reflect the organization’s mission to advance licensure for surveyors in order to safeguard the health, safety, and welfare of the public. Santiago Canyon College Business and Career Technical Education Division Surveying/Mapping Sciences program was awarded a $10,000 prize.

See photo on the following page.
In the photo from left to right are the following:
Von Lawson, Dean of Business & Career Technical Education, Santiago Canyon College
John Hernandez, President of Santiago Canyon College
Donald Mertens, PLS, Program Facilitator for Surveying/Mapping Sciences, Santiago Canyon College
Robert Stockton, PE, Civil Engineer Member of the BPELSG (on behalf of the NCEES)
Nelida Mendoza, President of the RSCCD Board of Trustees

San Diego State University, March 14
Staff Senior Registrar Laurie Racca, PG made a presentation on the GIT Certificate and the path to the Professional Geologist (PG) License.

Cal State Bakersfield, March 16
Staff Senior Registrar Laurie Racca, PG made a presentation on the GIT Certificate and the path to the Professional Geologist (PG) License.

CA Department of Conservation, State Mining and Geology Board, Santa Ana, March 20
Staff Senior Registrar Laurie Racca, PG and Staff Senior Registrar Dallas Sweeney, PLS made a presentation at The Surface Mining and Reclamation Act (SMARA) workshop on professional licensing requirements and a discussion of key concepts (types of licenses, which license applies etc.).

Marin CLSA, March 21
Executive Officer Ric Moore, PLS and Staff Senior Registrar Dallas Sweeney, PLS made a presentation at the monthly meeting to answer questions on compliance with the PLS Act and licensing statistics. While in Marin we were given a tour of the Anne T. Kent California Room Digital Archive which includes 150 years of surveying maps and field notes.

Fresno State University, March 22
Staff Senior Registrar Laurie Racca, PG made a presentation on the GIT Certificate and the path to the Professional Geologist (PG) License.
San Joaquin Valley Association of Engineering and Environmental Sciences, March 22
Staff Senior Registrar Laurie Racca, PG made a presentation on the 50 year anniversary of the passing of the Geologic Act.

Marin County Surveyor and Staff, March 29
Executive Officer Ric Moore, PLS and Staff Senior Registrar Dallas Sweeney, met with the County Surveyor, staff and contract map checkers to discuss their process and compliance with the PLS Act.

SOCIAL MEDIA January - March 2018

Top 5 Twitter “Tweets” of Past Quarter

<table>
<thead>
<tr>
<th>Posts</th>
<th>Date Posted</th>
<th>Views</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Geotechnical Occupational Analysis</td>
<td>Jan 24</td>
<td>522</td>
</tr>
<tr>
<td>2. Senior Registrar Recruitment - Civil</td>
<td>Feb 27</td>
<td>476</td>
</tr>
<tr>
<td>3. Electronic Version of Professional Acts Published</td>
<td>Jan 5</td>
<td>318</td>
</tr>
<tr>
<td>4. Meeting Materials Published – April Mtg.</td>
<td>Mar 2</td>
<td>283</td>
</tr>
<tr>
<td>5. Fresno Geomatics Conference</td>
<td>Jan 26</td>
<td>261</td>
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</table>

Top 5 Facebook Posts of Past Quarter

<table>
<thead>
<tr>
<th>Posts</th>
<th>Date Posted</th>
<th>Views</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Recruiting for Senior Registrar</td>
<td>Feb 2</td>
<td>1,049</td>
</tr>
<tr>
<td>2. Land Surveyors – Occupational Analysis</td>
<td>Jan 19</td>
<td>983</td>
</tr>
<tr>
<td>3. Electronic Version of Professional Acts Published</td>
<td>Jan 5</td>
<td>661</td>
</tr>
<tr>
<td>5. Meeting Materials Published – April Mtg.</td>
<td>Jan 24</td>
<td>542</td>
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Top 5 Webpage Views of Past Quarter

<table>
<thead>
<tr>
<th>Page Title</th>
<th>Views</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. License Lookup</td>
<td>75,769</td>
</tr>
<tr>
<td>2. Home Page</td>
<td>52,517</td>
</tr>
<tr>
<td>3. Instructions on How to Apply for a CA Engineer License</td>
<td>44,903</td>
</tr>
<tr>
<td>4. Professional Engineer Application</td>
<td>30,527</td>
</tr>
<tr>
<td>5. EIT/LSIT Certificate Info</td>
<td>21,084</td>
</tr>
</tbody>
</table>

PRINTED MATERIALS January – March 2018

Spring 2018 Bulletin:

Our Spring 2018 Bulletin
Every spring, the Board for Professional Engineers, Land Surveyors, and Geologists publishes the results of its exams to provide year-to-year comparisons. This issue of the Bulletin features statistical results for the past five years for all California specific exams.

Message from the Executive Officer
RICHARD R. MOORE, PLS
Have you visited the board’s website lately? If so, I hope you are benefiting from recent revisions. If not, please take a few moments to review our website and see all the changes made to improve communication and accessibility. I am most excited about our website now being more “mobile-friendly.” Board staff is working to confirm all information transmitted appropriately. If you see anything awkward or wish to provide feedback, please email the board’s website at BPESLG.Webmaster@ca.gov and we’ll look into it.

As a follow-up to the executive officer message from the board’s last Bulletin newsletter, we are excited that the new administration of the two California civil engineer exams is upon us, and so the publishing of this message, will have begun. It appears that for the most part, communication on the changes with applicants has progressed as well as can be expected. There are many approved candidates already scheduled for the first administration between April 1 and June 30 of this year, and we are regularly receiving a couple hundred new professional engineer applications monthly. We look forward to hearing the ability to process applications and license qualified candidates throughout the year.

Please provide the board with any feedback as these changes are implemented over the next six to 12 months, so we can continue to evaluate how we can improve our services.

Military Publication:

MILITARY SERVICE PERSONNEL AND SPOUSES APPLYING FOR LICENSURE OR CERTIFICATION

Military Service Personnel as qualified individuals are entitled to the same rank and status among the State Licensure Board, and while not greater, your service is entitled to an active duty member of the Armed Forces of the United States and the Nation.

If you would like to be reviewed in this special review process, please apply and include your application and a copy of your military identification card with the discharge from the Armed Forces of the United States. Write “MILITARY” on the application and “DISCHARGE” on the Discharge certificate. The board will then review the board of your application.

MEET A HIGHER STANDARD. COMPETE AT A HIGHER LEVEL.
IX. Technical Advisory Committees (TACs)
   A. Assignment of Items to TACs (Possible Action)
   B. Appointment of TAC Members (Possible Action)
   C. Reports from the TACs (Possible Action)
X. President’s Report/Board Member Activities
XI. Approval of Meeting Minutes (Possible Action)

A. Approval of the Minutes of the March 8, 2018, Board Meeting
Thursday, March 8, 2018, beginning at 9:00 a.m., and continuing on Friday, March 9, 2018, beginning at 9:00 a.m., if necessary

<table>
<thead>
<tr>
<th>Board Members Present:</th>
<th>Eric Johnson, President; Betsy Mathieson, Vice-President; Fel Amistad; Kathy Jones Irish; Coby King; Asha Lang; Mohammad Qureshi; Robert Stockton; and Steve Wilson</th>
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<tbody>
<tr>
<td>Board Members Absent:</td>
<td>Natalie Alavi; Karen Roberts; and Jerry Silva</td>
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<tr>
<td>Board Staff Present:</td>
<td>Ric Moore (Executive Officer); Nancy Eissler (Assistant Executive Officer); Tiffany Criswell (Enforcement Manager); Celina Calderone (Board Liaison); Brooke Phayer (Outreach Coordinator); Michael Donelson; and Michael Santiago (Legal Counsel)</td>
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I. Roll Call to Establish a Quorum
President Johnson called the meeting to order at 9:13 a.m., and a quorum was established.

II. Public Comment for Items Not on the Agenda
During public comment, Brooke Phayer, Outreach Coordinator for the Board introduced and thanked Dr. Riadh Munjy, Department Chair for the Civil and Geomatics Program with Fresno State. Mr. Phayer discussed the Board’s outreach efforts that took place the night before. Dr. Munjy welcomed the Board to California State University of Fresno and reported that the University takes licensing seriously and noted it is a requirement for tenure and promotion with the University.

Christopher Pluhar, Professor with the Earth and Environmental Science Department with Fresno State, provided a PowerPoint presentation, “Preparing the Next Generation of Professionals.”

III. Administration
A. Fiscal Year 2017/18 Budget Review
Mr. Moore reported that DCA has provided the first month’s Fi$Cal tracking report and that Fiscal Months 2 and 3 should be released by late April. He met with DCA Budgets and reviewed the upcoming Governor’s budget and Fiscal Year 2017/18 year-end projections. The Board is projecting $10.7 million in expenditures, $8.4 million in revenue, with a deficit of $2.3 million. The Board’s
fund balance will be sufficient for this Fiscal Year’s projected deficit. Given the fund balance and months in reserve, the Department is satisfied with the projections.

Revenue from applications is down and revenue from renewal applications is up. Total revenue compared to last year is close to a $400,000 increase over this time last year. Mr. Moore noted that the Board is looking at a higher fund balance of 8.4 months in reserve.

Ms. Irish arrived at 9:31 a.m.

II. Legislation
A. Legislative Calendar
Ms. Eissler noted important dates on the Legislative Calendar.

B. Discussion of Legislation for 2018:
AB 767: Master Business License Act

| MOTION: | Mr. Stockton and Ms. Irish moved to watch this legislation as amended May 3, 2017. |
| VOTE: | 9-0, Motion Carried |

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<tr>
<th>Member Name</th>
<th>Yes</th>
<th>No</th>
<th>Abstain</th>
<th>Absent</th>
<th>Recusal</th>
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<td>Eric Johnson</td>
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<td>Coby King</td>
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<td>Asha Lang</td>
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<td>Mohammad Qureshi</td>
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<td>Robert Stockton</td>
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<td>Steve Wilson</td>
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AB 2483: Department of Consumer Affairs: Office of Supervision of Occupational Boards

| MOTION: | Mr. Wilson and Mr. Stockton moved to oppose this legislation. |
| VOTE:   | 9-0, Motion Carried |

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<tr>
<th>Member Name</th>
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Ms. Eissler indicated that staff will monitor this bill and provide updates as appropriate. A vote was not necessary.

AB 3134: Professional Engineers

Ms. Eissler reported that currently it does not appear that this bill would have an impact on the operations of the Board. Staff will monitor this bill and provide updates as appropriate. A vote was not necessary.

SB 920: Engineering, land surveying, and architecture: limited liability partnerships

**MOTION:** Mr. Wilson and Dr. Amistad moved to support this legislation.

**VOTE:** 9-0, Motion Carried

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<th>Member Name</th>
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SB 1098: Geologists and geophysicists: fees
MOTION: Mr. Wilson and Dr. Amistad moved to support this legislation.

VOTE: 9-0, Motion Carried

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<tr>
<th>Member Name</th>
<th>Yes</th>
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III. Enforcement
A. Enforcement Statistical Reports
1. Fiscal Year 2017/18 Update
   Ms. Criswell presented the enforcement statistics. The Board was pleased with the efficiency of the Enforcement staff. Ms. Criswell is confident that staff is capable of managing an increase in cases if it arises.

IV. Exams/Licensing
A. Update on Spring 2018 Examinations
   Mr. Moore reported that there is a 10% increase in number of candidates scheduled for NCEES national exams in California compared to last October 2017 and 16% higher than last April 2017, not counting structural engineering exam candidates.

   Mr. Moore reviewed the Spring 2018 examination dates and noted that as of February 23, 2018, there are 1,190 Seismic candidates and 1,098 for Engineering Surveying. The Spring 2017 examinations saw 1,969 Seismic candidates and 1,911 for Engineering Surveying. Staff continues to fine tune changes with DCA’s Office of Information Services staff and the legacy system.

B. Update on Licenses Issued
   Mr. Moore indicated that an update on issued licenses will be provided on a quarterly basis. Traditionally, there were many licenses issued in the December/January timeframe due to the October exams and then the May/June timeframe due to the April exams. He is hoping to illustrate the trends in licenses issued on a monthly basis. There were 1,437 licenses issued from December 2017 – February 2018.

C. Update on Application Numbers
Cashiering staff has been monitoring applications and, through their observations, have been able to track trends since the change in the application process. Mr. Moore reported that currently the Board is averaging approximately 200 initial Professional Engineer and Professional Land Surveyor applications on a monthly basis. He noted that Geology statistics were not available prior to September 2017, as initial applications and refile examinations were not separately tracked.

V. Executive Officer’s Report
A. Rulemaking Status Report
Ms. Eissler reported that there are two regulations that are referred to as Section 100 regulations. There is a provision in the regulations process that allows an easier method without public notices if the changes are nonsubstantive such as correcting typographical errors or statutory reference changes.

The regulation that defines the Geology Education requirements is still going through the preliminary process. It is currently at the executive level to be signed by the Deputy Director of the Legal Office, the Legislative and Regulatory Review Unit, and Budgets. DCA is anticipating that it will go to Agency by the end of March. Agency indicated that they need approximately 30 days to review. Once it has gone through this preliminary review process, the Board will then be able to notice it for public comment.

B. SB 2 (2017 Ch. 364) Effect on Filing a Record of Survey
Mr. Moore reported that when SB 2 became law, it included a new recording fee of $75. In the Board’s opinion, it was vague as to how it would affect the licensees in relating to filing a Record of Survey. In discussing it with legislators, a legislator understood the concerns and offered to seek an official Attorney General Opinion.

C. Update on Board’s Business Modernization Report.
Mr. Moore reported that a contract was initiated with Business Advantage Consulting, and the consultant, Craig Osborn, has been working directly with staff. The services include developing use cases, assisting in identifying and design system requirements for the next stage, helping with the submittal of requirements for Stage 2 Project Approval Lifecycle (PAL) process and market research to help determine what is needed based on the system requirements.

D. Personnel
Angelica Munoz, the Board’s receptionist, accepted a promotion with the State Treasurer’s Office.

E. ABET
No report given.

F. Association of State Boards of Geology (ASBOG)
No report given.
G. National Council of Examiners for Engineering and Surveying (NCEES)
1. Western Zone Interim Meeting – Nominations for Zone Vice-President
Mr. Moore presented two candidates who have expressed interest for NCEES Western Zone Vice-President: Karen Purcell, PE, Member of the Nevada Board, and Brian G. Robertson, PE, Member of the Colorado Board. Dr. Qureshi added that Scott Bishop, Land Surveyor and member of the Utah Board, is running unopposed for the Assistant Vice-President position.

NCEES will be discontinuing the Software Engineering PE examination after the April 2018 administration. There have been approximately 81 candidates in the 3-4 years it has been in effect. Mr. Moore reported that policy dictates that once an examination has less than 50 candidates for two consecutive administrations, it is subject to be discontinued.

H. Update on Outreach Efforts
Mr. Phayer provided the Board members and staff with the materials that are disseminated during the Board’s outreach presentations and provided an overview of the topics discussed. Ms. Irish requested that he send out email alerts with information on dates and locations so that Board members could attend in their geographic area. She also suggested more cultural diversity be represented on the handouts.

VI. Technical Advisory Committees (TACs)
A. Assignment of Items to TACs
No report given.

B. Appointment of TAC Members
No report given.

C. Reports from the TACs
1. Report from the Traffic Engineering TAC: Recommendation to Amend Title 16, California Code of Regulations section 404(qq) [Definition of Traffic Engineering]

The Traffic TAC met and based on their discussion recommend the Board modify the definition of traffic engineering as it is in regulation.

| MOTION: | Dr. Qureshi and Mr. Stockton moved to begin the rulemaking process to amend Title 16, California Code of Regulations section 404(qq) - definition of traffic engineering. |
| VOTE: | 9-0, Motion Carried |

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D. Approval of Work Plans
1. Civil Engineering TAC
2. Geology and Geophysics TAC
3. Land Surveying TAC
4. Structural Engineering TAC

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MOTION: Dr. Qureshi and Dr. Amistad moved to approve all work plans.

VOTE: 9-0, Motion Carried

VII. President’s Report/Board Member Activities
President Johnson reported that he attended the quarterly meeting with DCA. One of the topics of discussion was the Executive Officer salary. He would like to add the discussion to a future agenda. Mr. Moore recommended that President Johnson work with the Board’s legal counsel.

Another topic of discussion was armed personnel at board meetings. Ms. Eissler explained that DCA is currently renewing the contract with CHP and they would be available on an on-call basis. If at any time the Board felt security was needed, the contract would be in place.
Dr. Qureshi announced that he is now the Director of Public Works for the County of Glenn.

Mr. Wilson was a judge for the Future City competition with NCEES, which consisted of 6th, 7th, and 8th graders.

Mr. Stockton attended the NCEES Finance Committee meeting. There was a significant increase in exam retakes and new applications. He is also visiting Santiago Canyon College in Southern California representing NCEES and the California Board in presenting the NCEES 2017 Surveying Education award.

VIII. Approval of Meeting Minutes
A. Approval of the Minutes of the January 8, 2018, Board Meeting

| MOTION: Mr. King and Mr. Stockton moved to approve minutes as amended. |
| VOTE: 8-0-1, Motion Carried |

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IX. Discussion Regarding Proposed Agenda Items for Next Board Meeting
A. May 3-4, 2018, Board Meeting will be held in Sacramento at DCA’s HQ2 Hearing Room.

Mr. Moore suggested that at the May meeting, President Johnson should consider appointing two Board Members to present nominations for Board President and Vice President for the next year.

II. Public Comment (Cont.)
Mike Hartley, representing Bedrock Engineering, noted that there is no enforcement of Qualifications Based Selection (QBS). One of the items discussed within the QBS Committee in ACEC is to introduce a provision within the acts or Board rules that makes it a violation for licensees to respond with a price to any solicitations based on price. He is requesting to possibly look at data of the type of
enforcement issues that arise and whether they are based on low-bid projects or QBS.

X. Other Items Not Requiring Board Action
No report given.

XI. Closed Session – The Board will meet in Closed Session to discuss, as needed:
A. Personnel Matters [Pursuant to Government Code sections 11126(a) and (b)]
B. Examination Procedures and Results [Pursuant to Government Code section 11126(c)(1)]
C. Administrative Adjudication [Pursuant to Government Code section 11126(c)(3)]
D. Pending Litigation [Pursuant to Government Code section 11126(e)]
   1. Thomas Lutge v. Richard B. Moore, in his capacity as the Executive Officer of the Board for Professional Engineers, Land Surveyors, and Geologists, Department of Consumer Affairs, U.S. District Court, Eastern District, Case No. 2:17-CV-02290-KJM-EB (Sacramento Superior Court Case No. 34-2012-80001329-CU-WM-GDS)
   2. Lawrence Allen Stevens v. Board for Professional Engineers, Land Surveyors, and Geologists, Department of Consumer Affairs, Sacramento Superior Court Case No. 34-2016-80002334

XII. Open Session to Announce the Results of Closed Session
During Closed Session, the Board took action on three stipulations and one default decision and discussed litigation as noticed.

XIII. Adjourn
The meeting adjourned at 3:53 p.m.

PUBLIC PRESENT
Rob McMillan, CLSA
Emily Morrow
Bob DeWitt, ACEC
Mike Hartley, ACEC
Christopher Pluhar, Earth and Environmental Science Department, Fresno State
XII. Discussion Regarding Proposed Agenda Items for Next Board Meeting

A. June 28-29, 2018, Board Meeting will be held in San Diego at CalTrans District 11, 4050 Taylor Street, Wallace Room #134 San Diego, CA 92110-2737
XIII. Other Items Not Requiring Board Action
XIV. Closed Session – The Board will meet in Closed Session to discuss, as needed:

A. Personnel Matters [Pursuant to Government Code sections 11126(a) and (b)]
B. Examination Procedures and Results [Pursuant to Government Code section 11126(c)(1)]
C. Administrative Adjudication [Pursuant to Government Code section 11126(c)(3)]
XV. Open Session to Announce the Results of Closed Session
XVI. Adjourn