



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

Board for Professional Engineers,
Land Surveyors, and Geologists

Thursday, October 15, 2020 beginning at 9:00 a.m.
and continuing on Friday, October 16, 2020
beginning at 9:00 a.m., if necessary



Teleconference Public Board Meeting

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BOARD MEETING

October 15-16, 2020

TELECONFERENCE

BOARD MEMBERS

President Alireza Asgari; Vice-President Natalie Alavi; Fel Amistad; Rossana D'Antonio; Duane Friel; Michael Hartley, Kathy Jones Irish; Eric Johnson; Coby King; Asha Lang; Betsy Mathieson; Mohammad Qureshi; Frank Ruffino, and Wilfredo Sanchez

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I. Roll Call to Establish a Quorum

II. Pledge of Allegiance

III. 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.

IV. Administration

- A. Fiscal Year 2019/20 Summary Report
- B. Fiscal Year 2020/21 Budget Report

0770 - Professional Engineers, Land Surveyors and Geologists
Financial Statement

Prepared 9/29/2020

	FY 19-20 FM 12 7/21 Activity Log	FY 19-20 FM 1 Projections	% Change	\$ Difference
Revenue				
1 Applications/Licensing Fees	1,434,000	1,646,000	-13%	212,000
2 Renewal fees	6,832,841	6,891,000	-1%	58,159
3 Delinquent fees	70,202	88,000	-20%	17,798
Other & Reimbursements	87,000	140,000	-38%	53,000
4 Interest	104,952	163,000	-36%	58,048
Total Revenue:	8,528,995	8,928,000	-4%	399,005
Expense				
Personnel Services:				
5 Salary & Wages (Staff)	2,940,639	2,924,425	1%	(16,214)
Temp Help	133,390	123,785	8%	(9,605)
Statutory Exempt (EO)	133,998	135,526	-1%	1,528
Board Member Per Diem	10,100	10,000	1%	(100)
Overtime/Flex Elect/Lump Sum	725	0	0%	(725)
Staff Benefits	1,791,194	1,713,980	5%	(77,214)
Total Personnel Services	5,010,046	4,907,716	2%	(102,330)
Operating Expense and Equipment:				
General Expense	79,266	67,000	18%	(12,266)
6 Printing	34,084	8,000	326%	(26,084)
Communication	23,227	44,000	-47%	20,773
Postage	40,535	50,000	-19%	9,465
Insurance	103	16,000	-99%	15,897
Travel In State	81,915	60,000	37%	(21,915)
Travel, Out-of-State	664	800	-17%	136
Training	230	150	53%	(80)
Facilities Operations	358,580	416,004	-14%	57,424
7 C & P Services - Interdept.	592,763	457,090	30%	(135,673)
8 C & P Services - External	1,935,730	1,243,885	56%	(691,845)
9 DCA Pro Rata	0	1,579,000	-100%	1,579,000
DOI - Investigations	0	0	0%	0
10 Interagency Services	1,510,879	27,000	5496%	(1,483,879)
Consolidated Data Center	20,839	22,000	-5%	1,161
Information Technology	30,528	1,143,000	-97%	1,112,472
Equipment	139,877	0	0%	(139,877)
11 Other Items of Expense (ARF Deposit)	200,000	0	0%	(200,000)
Total OE&E	5,049,220	5,133,929	-2%	84,709
Total Expense:	10,059,266	10,041,645	0%	(17,621)
Total Revenue:	8,528,995	8,928,000		
Total Expense:	10,059,266	10,041,645		
Difference:	(1,530,271)	(1,113,645)		

	FY 20-21 FM 2 9/28 Activity Log	FY 20-21 FM 1 Projections	FY 20-21 Updated Projections	% Change	\$ Difference
Revenue					
1 Applications/Licensing Fees	125,012	1,508,000	1,508,000	0%	0
2 Renewal fees	701,992	8,628,000	8,628,000	0%	0
3 Delinquent fees	11,055	108,000	108,000	0%	0
Other & Reimbursements	66,495	127,000	127,000	0%	0
4 Interest	0	160,000	160,000	0%	0
Total Revenue:	904,554	10,531,000	10,531,000	0%	0
Expense					
Personnel Services:					
5 Salary & Wages (Staff)	453,570	2,698,000	2,698,000	0%	0
Temp Help	15,377	124,444	116,382	-6%	8,062
Statutory Exempt (EO)	20,671	122,463	125,580	3%	(3,117)
Board Member Per Diem	0	10,000	10,000	0%	0
Overtime/Flex Elect/Lump Sum	0	700	400	-43%	300
Staff Benefits	277,331	1,079,200	1,079,200	0%	0
Total Personnel Services	766,949	4,034,807	4,029,562	0%	5,245
Operating Expense and Equipment:					
General Expense	13,205	80,000	80,000	0%	0
6 Printing	1,078	27,000	27,000	0%	0
Communication	72	25,000	24,907	0%	93
Postage	0	50,000	50,000	0%	0
Insurance	0	150	100	-33%	50
Travel In State	0	60,000	30,000	-50%	30,000
Travel, Out-of-State	0	800	400	-50%	400
Training	0	250	250	0%	0
Facilities Operations	69,361	360,000	360,000	0%	0
7 C & P Services - Interdept.	160,538	670,000	594,000	-11%	76,000
8 C & P Services - External	1,511,105	1,930,000	1,930,000	0%	0
9 DCA Pro Rata	0	1,748,000	1,748,000	0%	0
DOI - Investigations	0	0	0	0%	0
10 Interagency Services	426,250	25,000	25,000	0%	0
Consolidated Data Center	21	22,000	22,000	0%	0
Information Technology	3,999	32,000	32,000	0%	0
Equipment	5,095	143,000	140,000	-2%	3,000
11 Other Items of Expense (ARF Deposit)	300,000	300,000	300,000	0%	0
Total OE&E	2,490,724	5,473,200	5,363,657	-2%	109,543
Total Expense:	3,257,673	9,508,007	9,393,219	-1%	114,788
Total Revenue:	904,554	10,531,000	10,531,000		
Total Expense:	3,257,673	9,508,007	9,393,219		
Difference:	(2,353,119)	1,022,993	1,137,781		

Financial Statement Notes

- 1 Applications/Licensing Fees** - The total amount collected for Application and Licensing Fees is \$130,825 on September 29, 2020.
- 2 Renewal fees** - Renewal fees are not collected equally throughout the year. On average, the Board collects 75% of its renewal fees revenue in the first half of the fiscal year.
- 3 Delinquent fees** - Approximately 90% of delinquent fee revenue is collected in the second half of the fiscal year.
- 4 Interest** - Includes income from surplus money investments earned on money in the Board's fund. The state treasury manages this money and the Board earns income based on the current interest rate.
- 5 Salary & Wages (Staff)** - The projected expenditures for salaries and wages is due to the Board almost being fully staffed, additional merit salary adjustments, and new bargaining unit agreements. The Board has the following vacancies: 1.0 SSM I, 1.0 SSA/AGPA, 1.0 OT, and 1.0 OA.
- 6 Printing** - \$25,000 in contract encumbrances in FISCAL reports (EDD mailers such as Pamphlets, Leaflets, and Brochures). Board staff is working with DCA Budgets to identify contracts.
- 7 C&P Services Interdepartmental** - Includes all contract services with other state agencies for examination services (Dept. of Conservation and Water Resources). This line item also now includes enforcement expenses for the Attorney General and the Office of Administrative Hearings.
- 8 C&P Services External** - Includes all external contracts (examination development, exam site rental, expert consultant agreements, and credit card processing). This line also includes our executed agreements for our business modernization project (system developer, project management, oversight, and software license subscription services).
- 9 DCA Pro Rata** - Includes distributed costs of programmatic and administrative services from DCA.
- 10 Interagency Services** - DCA Pro Rata shows up in this line because of accountings inability to charge accruals for department distributed pro rata until the previous fiscal year closes.
- 11 Other Items of Expense (ARF Deposit)** - The Board has created an architectural revolving fund (ARF) to support tenant improvements throughout the office and the majority of costs will be new modular furniture procurement.

GUIDE TO READING THE FINANCIAL STATEMENT

Prepared 7/03/20

Object Description
Provides the name of the line item where our revenue and expenditures occur

FM1 Projections
Identifies the amount that BPELSG projected in July 2019 for FY 19-20

Percentage Change
Provides a percentage reference on the difference between FM1 Projections and Updated Projections

Difference
Provides a \$ difference between FM1 Projections and Updated Projections

	FY 19-20 4/12 Activity Log	FY 19-20 FM 1 Projections	FY 19-20 Updated Projections	% Change	\$ Difference
Revenue					
Applications/Licensing Fees	1,196,248	1,646,000	1,646,000	0%	0
Renewal fees	6,116,355	6,891,000	6,891,000	0%	0
Delinquent fees	48,633	88,000	88,000	0%	0
Other & Reimbursements	68,720	140,000	140,000	0%	0
Interest	74,492	163,000	163,000	0%	0
Total Revenue:	7,504,448	8,928,000	8,928,000	0%	0
Expense					
Personnel Services:					
Salary & Wages (Staff)	1,956,776	2,924,425	2,924,425	0%	0
Temp Help	88,479	123,785	123,700	0%	85
Statutory Exempt (EO)	89,056	135,526	135,000	0%	526
Board Member Per Diem	6,100	10,000	10,000	0%	0
Overtime/Flex Elect/Lump Sum	725	0	900	0%	-900
Staff Benefits	1,172,709	1,713,980	1,760,538	3%	-46,558
Total Personnel Services	3,313,845	4,907,716	4,954,563	1%	-46,847
Operating Expense and Equipment:					
General Expense	51,411	67,000	80,000	19%	-13,000
Printing	25,056	8,000	30,000	275%	-22,000
Communication	15,592	44,000	25,000	-43%	19,000
Postage	0	50,000	25,000	-50%	25,000
Insurance	103	16,000	17,000	6%	-1,000
Travel In State	35,346	60,000	50,000	-17%	10,000

Revenue and Expenditures
This column is provided for reference and reflects the amount BPELSG spent in each area for FY 19-20 as of April 12, 2020 from the Fi\$cal report

Updated Projections
Identifies amounts for revenue and expenditure projected at the time the Financial Statement was prepared

0770 - Professional Engineer's, Land Surveyor's and Geologist's Fund

Analysis of Fund Condition

Prepared 10/2/2020

(Dollars in Thousands)

Governor's Budget 2020-21	Governor's Budget			
	PY 2019-20	CY 2020-21	BY+1 2021-22	BY+2 2022-23
BEGINNING BALANCE	\$ 6,907	\$ 5,505	\$ 5,921	\$ 5,940
Prior Year Adjustment	\$ -	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 6,907	\$ 5,505	\$ 5,921	\$ 5,940
REVENUES AND TRANSFERS				
Revenues:				
4121200 Delinquent fees	\$ 70	\$ 108	\$ 109	\$ 110
4127400 Renewal fees	\$ 6,832	\$ 8,628	\$ 8,714	\$ 8,714
4129200 Other regulatory fees	\$ 87	\$ 127	\$ 128	\$ 128
4129400 Other regulatory licenses and permits	\$ 1,434	\$ 1,508	\$ 1,523	\$ 1,523
4150500 Interest Income from interfund loans	\$ -	\$ -	\$ -	\$ -
4163000 Income from surplus money investments	\$ 104	\$ 259	\$ 40	\$ 84
4171400 Escheat of unclaimed checks and warrants	\$ 22	\$ 22	\$ 22	\$ 22
4172500 Miscellaneous revenues	\$ 1	\$ 1	\$ 1	\$ 1
Totals, Revenues	\$ 8,550	\$ 10,653	\$ 10,538	\$ 10,583
Transfers from Other Funds				
Revenue Transfer from Geology/General Fund	\$ -			
FO0001 Proposed GF Loan Repayment per item 1110-011-0770, Budget Act of 2011	\$ -	\$ -	\$ -	\$ -
Totals, Revenues and Transfers	\$ 8,550	\$ 10,653	\$ 10,538	\$ 10,583
Totals, Resources	\$ 15,457	\$ 16,158	\$ 16,459	\$ 16,523
EXPENDITURES				
Disbursements:				
1110 Program Expenditures (State Operations)	\$ -	\$ -	\$ -	\$ -
1111 Department of Consumer Affairs (State Operations)	\$ 10,059	\$ 9,393	\$ 9,675	\$ 9,965
8880 Financial Information System for CA (State Operations)	\$ -1	\$ -	\$ -	\$ -
9892 Supplemental Pension Payments (State Operations)	\$ 209	\$ 209	\$ 209	\$ 209
9900 Statewide Admin. (State Operations)	\$ 819	\$ 635	\$ 635	\$ 635
Less funding provided by General Fund (State Operations)	\$ -1,134	\$ -	\$ -	\$ -
Total Disbursements	\$ 9,952	\$ 10,237	\$ 10,519	\$ 10,809
FUND BALANCE				
Reserve for economic uncertainties	\$ 5,505	\$ 5,921	\$ 5,940	\$ 5,714
Months in Reserve	6.5	6.8	6.6	4.7

V. Legislation

A. 2020 Legislative Calendar

B. Discussion of Legislation for 2020 (Possible Action)

AB 1616 Department of Consumer Affairs: boards: expunged convictions.

AB 2028 State agencies: meetings.

AB 2113 Refugees, asylees, and immigrants: professional licensing.

SB 865 Excavations: subsurface installations.

SB 878 Department of Consumer Affairs Licensing: applications: wait times.

SB 1474 Business and Professions

DEADLINES

JANUARY						
S	M	T	W	TH	F	S
			<u>1</u>	2	3	4
5	<u>6</u>	7	8	9	<u>10</u>	11
12	13	14	15	16	<u>17</u>	18
19	<u>20</u>	21	22	23	<u>24</u>	25
26	27	28	29	30	<u>31</u>	

FEBRUARY						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	<u>17</u>	18	19	20	<u>21</u>	22
23	24	25	26	27	28	29

MARCH						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	<u>16</u>	17	18	19	20	21
22	23	24	25	26	<u>27</u>	28
29	30	31				

APRIL						
S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	<u>11</u>	12	13	14	15	16
17	18	19	20	21	22	23
24	<u>25</u>	26	27	28	<u>29</u>	30
31						

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

Jan. 6 Legislature Reconvenes (J.R. 51(a)(4)).

Jan. 10 Budget must be submitted by Governor (Art. IV, Sec. 12(a)).

Jan. 17 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. 20 Martin Luther King, Jr. Day.

Jan. 24 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 (Art. IV, Sec. 10(c)), (J.R. 61(b)(3)).

Feb. 17 Presidents' Day.

Feb. 21 Last day for bills to be **introduced** (J.R. 61(b)(4)), (J.R. 54(a)).

Mar. 16 Legislature in recess, ACR 189, Resolution Chapter 15, Statutes of 2020

Mar. 27 Cesar Chavez Day observed

May 11 Senate Reconvenes

May 25 Memorial Day

May 29 Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house (J.R. 61(b)(5)).

*Holiday schedule subject to Senate Rules committee approval.

JUNE						
S	M	T	W	TH	F	S
	1	2	3	4	<u>5</u>	6
7	8	9	10	11	12	13
14	<u>15</u>	16	17	18	<u>19</u>	20
21	<u>22</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	27
28	29	30				

June 5 Last day for **policy committees** to hear and report to the floor non-fiscal bills introduced in their house (J.R. 61(b)(6)). Last day for policy committees to meet prior to June 8 (J.R. 61(b)(7)).

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

June 19 Last day for **fiscal committees** to hear and report to the floor bills introduced in their house (J.R. 61(b)(8)). Last day for **fiscal committees** to meet prior to June 29 (J.R.61(b)(9)).

June 22-26 **Floor Session Only**. No committees, other than conference or Rules committees, may meet for any purpose (J.R. 61(b)(10)).

June 25 Last day for a legislative measure to qualify for the November 3 General Election ballot (Election code Sec. 9040).

June 26 Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).

JULY						
S	M	T	W	TH	F	S
			1	<u>2</u>	<u>3</u>	4
5	6	7	8	9	10	11
12	<u>13</u>	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	<u>31</u>	

July 2 **Summer Recess** begins upon adjournment provided Budget Bill has been passed (J.R. 51(b)(2)).

July 3 Independence Day observed.

July 13 Legislature reconvenes from **Summer Recess** (J.R. 51(b)(2)).

July 31 Last day for **policy committees** to hear and report **fiscal bills** to fiscal committees (J.R. 61(b)(13)).

AUGUST						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	<u>7</u>	8
9	10	11	12	13	<u>14</u>	15
16	<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>	<u>21</u>	22
23	<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>	<u>28</u>	29
30	<u>31</u>					

August 7 Last day for **policy committees** to meet and report bills (J.R. 61(b)(14)).

Aug. 14 Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(15)).

Aug. 17 – 31 **Floor Session only**. No committees, other than conference and Rules committees, may meet for any purpose (J.R. 61(b)(16)).

Aug. 21 Last day to **amend bills** 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 FINAL RECESS

2020

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. 3

General Election

Nov. 30

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

Dec. 7

12 m. convening of 2021-22 Regular Session (Art. IV, Sec. 3(a)).

2021

Jan. 1

Statutes take effect (Art. IV, Sec. 8(c)).

Jan. 4

Legislature reconvenes (JR 51(a)(1)).

Summary of Legislation

AB 1616 Department of Consumer Affairs: boards: expunged convictions. (Low)

3/12/2020 – Watch, as amended 1/6/2020

8/20/2020 – Watch, as amended 7/7/2020

9/1/2020 – Did not make it out of policy committee in second house

AB 2028 State agencies: meetings. (Aguiar-Curry)

3/12/2020 – Watch (there should be some exceptions for matters that are urgent or have changed within the 10-day notice period)

5/7/2020 – Oppose Unless Amended to include exceptions for budgetary, legislative, and regulatory matters

6/25/2020 – Watch, as amended 6/4/2020

8/20/2020 – Watch, as amended 7/28/2020

9/1/2020 – Ordered to inactive file by unanimous consent

AB 2113 Refugees, asylees, and immigrants: professional licensing. (Low)

3/12/2020 – Watch

8/20/2020 – Watch, as amended 8/4/2020

Signed by the Governor – Chapter 186, Statutes of 2020

SB 865 Excavations: subsurface installations. (Hill)

3/12/2020 – Watch (directed staff to work with the author, sponsors, and Dig Safe Board staff to determine the actual intent of this amendment and to assist them with developing language that would more appropriately reflect that used with GIS systems and would address any issues relating to compliance with the Professional Land Surveyors' Act)

6/25/2020 – Oppose unless Amended, as amended 6/2/2020

8/20/2020 – Watch, as amended 7/27/2020

Signed by the Governor – Chapter 307, Statutes of 2020

SB 878 Department of Consumer Affairs Licensing: applications: wait times. (Jones)

3/12/2020 – Watch

6/25/2020 – Support, as amended 6/18/2020

Signed by the Governor – Chapter 131, Statutes of 2020

SB 1474 Business and Professions. (Senate Committee on Business, Professions & Economic Development)

8/20/2020 – Support, as amended 8/10/2020

Signed by the Governor – Chapter 312, Statutes of 2020

**AB 1616 (Introduced by Low, D-Cupertino;
Coauthor: Eduardo Garcia, D-Coachella)
Department of Consumer Affairs: boards: expunged convictions.**

Status: 7/7/2020 – Amended and re-referred to Senate Committee on Business, Professions & Economic Development (BP & ED).

Location: 8/12/2020 – Senate BP & ED Committee

Last Amended: 7/7/2020

Board Position: Watch, as amended 7/7/2020 (as of 8/20/2020)

Board Staff Analysis: 10/6/2020

Bill Summary: Assembly Bill (AB) 1616 would have added Section 493.5 to the Business and Professions Code. This new section would have required a board within the Department of Consumer Affairs (DCA) that has posted on its website that a person's license was revoked because the person was convicted of a crime to, within a specified period of time of receiving the expungement order for the underlying offense from the person, post notification of the expungement order on the website or remove the initial posting regarding the revocation under certain specified circumstances. The bill also provided that the person would have had to pay the board a fee in an amount that does not exceed the reasonable cost of administering this section.

This bill was not heard in the policy committee of the second house. Therefore, it is considered dead.

Staff Recommendation: No action needed.

Laws: An act to add Section 493.5 to the Business and Professions Code, relating to professions and vocations.

AMENDED IN SENATE JULY 7, 2020
AMENDED IN ASSEMBLY JANUARY 6, 2020
AMENDED IN ASSEMBLY APRIL 1, 2019
CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 1616

**Introduced by Assembly Member Low
(Coauthor: Assembly Member Eduardo Garcia)**

February 22, 2019

An act to add Section 493.5 to the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

AB 1616, as amended, Low. Department of Consumer Affairs: boards: expunged convictions.

Existing law establishes the Department of Consumer Affairs, which is composed of various boards, and authorizes a board to suspend or revoke a license on the ground that the licensee has been convicted of a crime substantially related to the qualifications, functions, or duties of the business or profession for which the license was issued. Existing law, the Medical Practice Act, provides for the licensure and regulation of the practice of medicine by the Medical Board of California and requires the board to post certain historical information on current and former licensees, including felony and certain misdemeanor convictions. Existing law also requires the Medical Board of California, upon receipt of a certified copy of an expungement order from a current or former licensee, to post notification of the expungement order and the date thereof on its internet website.

This bill would require a board within the department that has posted on its internet website that a person’s license was revoked because the person was convicted of a ~~crime to~~, *crime*, within ~~6 months~~ *90 days* of receiving ~~the~~ *an* expungement order for the underlying offense from the person, *if the person reapplies for licensure or is relicensed*, to post notification of the expungement order and the date thereof on the board’s internet ~~website if the person applies for licensure or is relicensed, or remove the initial posting on its internet website that the person’s license was revoked~~ *website*. *The bill would require the board, on receiving an expungement order, if the person is not currently licensed and does not reapply for licensure, as specified: to remove within the same period the initial posting on its internet website that the person’s license was revoked and information previously posted regarding arrests, charges, and convictions.* The bill would require a person *in either case* to pay a ~~fee, to be \$50 fee to the board, unless another amount is determined by the department, to the board for~~ *board to be necessary to cover the cost of administering the bill’s provisions.*

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

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

- 1 SECTION 1. Section 493.5 is added to the Business and
- 2 Professions Code, to read:
- 3 493.5. (a) A board within the department that has posted on
- 4 its internet website that a person’s license was revoked because
- 5 the person was convicted of a crime, upon receiving from the
- 6 person a certified copy of an expungement order granted pursuant
- 7 to Section 1203.4 of the Penal Code for the underlying offense,
- 8 shall, ~~within six months~~ *90 days* of receiving the expungement
- 9 order, unless it is otherwise prohibited by law, or by other terms
- 10 or conditions, do either of the following:
- 11 (1) If the person reapplies for licensure or has been relicensed,
- 12 post notification of the expungement order and the date thereof on
- 13 its internet website.
- 14 (2) If the person is not currently licensed and does not reapply
- 15 for licensure, ~~remove the initial posting on its internet website that~~
- 16 ~~the person’s license was revoked.~~ *revoked and information*
- 17 *previously posted regarding arrests, charges, and convictions.*

1 (b) A person described in subdivision (a) shall pay to the board
2 a fee in ~~an~~ *the amount to be of fifty dollars (\$50), unless another*
3 *amount is determined by the ~~department~~ board to be necessary to*
4 *cover the administrative cost, ensuring that the amount does not*
5 *exceed the reasonable cost of administering this section. The fee*
6 *shall be deposited by the board into the appropriate fund and shall*
7 *be available only upon appropriation by the Legislature.*

8 (c) For purposes of this section “board” means an entity listed
9 in Section 101.

10 (d) If any provision in this section conflicts with Section 2027,
11 Section 2027 shall prevail.

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AB 2028 (Aguiar-Curry, D-Napa)
State agencies: meetings.

Status: 9/1/2020 – Ordered to inactive file by unanimous consent

Location: 9/1/2020 – Inactive File

Introduced: 1/30/2020

Last Amended: 8/20/2020

Board Position: Watch, as amended 7/28/2020 (as of 8/20/2020)

Board Staff Analysis: 10/6/2020

Bill Summary: Existing law, the Bagley-Keene Open Meeting Act, requires that all meetings of a state body, as defined, be open and public and that all person be permitted attend any meeting of a state body, except as otherwise provided in the act. Existing law also requires the state body to provide notice of the meeting, including specified information and a specific agenda of the meeting, as provided, to any person who requests that notice in writing and to make that notice available on the internet at least 10 days in advance of the meeting. Additionally, existing law requires a state body to provide an opportunity for members of the public to directly address the state body on each agenda item; however, existing laws provides an exemption from this requirement for, among other things, an agenda item that has already been considered by a committee composed exclusively of members of the state body at a public meeting where members of the public were afforded an opportunity to address the committee on the item.

This bill would have made changes to when and how all writings or materials provided for the meeting to a member of the state body by the staff of a state agency, board, or commission or by another member of the state body that are in connection with a matter subject to discussion or consideration at the meeting would have to be made available to the public.

On September 1, 2020, AB 2028 was ordered to the inactive file by unanimous consent.

Staff Recommendation: No action needed.

Laws: An act to amend Sections 11125 and 11125.7 of the Government Code, relating to public meetings.

AMENDED IN SENATE AUGUST 20, 2020

AMENDED IN SENATE JULY 28, 2020

AMENDED IN SENATE JULY 8, 2020

AMENDED IN ASSEMBLY JUNE 4, 2020

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 2028

**Introduced by Assembly Member Aguiar-Curry
(Coauthor: Assembly Member Gonzalez)**

January 30, 2020

An act to amend ~~Sections 11125 and~~ *Section* 11125.7 of the Government Code, relating to public meetings.

LEGISLATIVE COUNSEL'S DIGEST

AB 2028, as amended, Aguiar-Curry. State agencies: meetings.

Existing law, the Bagley-Keene Open Meeting Act, requires that all meetings of a state body, as defined, be open and public, and that all persons be permitted to attend any meeting of a state body, except as otherwise provided in that act. Existing law requires the state body to provide notice of its meeting, including specified information and a specific agenda of the meeting, as provided, to any person who requests that notice in writing and to make that notice available on the internet at least 10 days in advance of the meeting.

This bill would, except for closed sessions, require that this notice include all writings or materials provided for the noticed meeting to a member of the state body by staff of a state agency, board, or commission, or another member of the state body, that are in connection with a matter subject to discussion or consideration at the meeting. The

~~bill would prescribe requirements to be satisfied in order for these writings or materials to be distributed or discussed. The bill would generally require that these writings and materials be made available on the body’s internet website no later than the first business day after they are provided to members of the state body or at least 48 hours in advance of the meeting, whichever is earlier, and to be provided immediately upon written request. If the writings or materials are provided to the members of the state body by another state body after this 48-hour deadline, the bill would require that they be posted on the body’s internet website no later than the first business day, but prior to the meeting of the state body, following the dissemination of the writings and materials to the members of the state body, and made available immediately upon written request. The bill would except writings or materials relating to matters to be discussed in a closed session and state financial materials, as defined, that put the Treasurer, or specified entities for which the Treasurer serves as chairperson, at a competitive disadvantage in financial transactions from its requirements. The bill would authorize a state body to post and provide additional time-sensitive materials related to certain active legislation, as specified, and changing financial market conditions as they become available, as specified. Upon receipt of a written request, the bill would require that these writings or materials be provided immediately.~~

Existing law *law, the Bagley-Keene Open Meeting Act*, requires that a state body provide an opportunity for members of the public to directly address the body on each agenda item. Existing law exempts from this requirement, among other things, an agenda item that has already been considered by a committee composed exclusively of members of the state body at a public meeting where members of the public were afforded an opportunity to address the committee on the item.

This bill would delete this exception, thereby making the requirement to provide an opportunity to address the state body applicable to an agenda item for which the public had an opportunity to address it at a public meeting of a committee of the state body.

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

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

1 SECTION 1. The Legislature finds and declares the following:

1 (a) The Bagley-Keene Open Meeting Act (Article 9
2 (commencing with Section 11120) of Chapter 1 of Part 1 of
3 Division 3 of Title 2 of the Government Code) (hereafter
4 “Bagley-Keene”) was intended to implement Section 3 of Article
5 I of the California Constitution, which states in part, “The people
6 have the right of access to information concerning the conduct of
7 the people’s business, and, therefore, the meetings of public bodies
8 and the writings of public officials and agencies shall be open to
9 public scrutiny.”

10 (b) Bagley-Keene was written to protect public meetings and
11 public notice and to ensure the transparency of actions taken by
12 state agencies, boards, and commissions.

13 (c) Californians have the right to participate in state body
14 deliberations. This includes the public’s ability to comment on all
15 agenda items discussed at a meeting of the state body, regardless
16 of whether an item has been discussed previously in a committee
17 of the state body.

18 (d) The purpose of public notice is so that state bodies give the
19 public adequate time for review of the substance of a state body
20 meeting and for comment.

21 (e) Public notice must also include any writings or materials
22 provided by a state body’s staff or by a member of the state body
23 to other members of the state body for a noticed meeting of the
24 body.

25 (f) Bagley-Keene affirms these rights by stating in Section 11120
26 of the Government Code, “The people of this state do not yield
27 their sovereignty to the agencies which serve them. The people,
28 in delegating authority, do not give their public servants the right
29 to decide what is good for the people to know and what is not good
30 for them to know. The people insist on remaining informed so that
31 they may retain control over the instruments they have created.”

32 ~~SEC. 2. Section 11125 of the Government Code is amended~~
33 ~~to read:~~

34 ~~11125. (a) The state body shall provide notice of its meeting~~
35 ~~to any person who requests that notice in writing. Notice shall be~~
36 ~~given and also made available on the internet website at least 10~~
37 ~~days in advance of the meeting, and shall include the name,~~
38 ~~address, and telephone number of any person who can provide~~
39 ~~further information prior to the meeting, but need not include a~~
40 ~~list of witnesses expected to appear at the meeting. The written~~

1 notice shall additionally include the address of the internet website
2 where notices required by this article are made available.

3 ~~(b) The notice of a meeting of a body that is a state body shall~~
4 ~~include a specific agenda for the meeting, containing a brief~~
5 ~~description of the items of business to be transacted or discussed~~
6 ~~in either open or closed session. A brief general description of an~~
7 ~~item generally need not exceed 20 words. A description of an item~~
8 ~~to be transacted or discussed in closed session shall include a~~
9 ~~citation of the specific statutory authority under which a closed~~
10 ~~session is being held. No item shall be added to the agenda~~
11 ~~subsequent to the provision of this notice, unless otherwise~~
12 ~~permitted by this article.~~

13 ~~(e) (1) Any notice provided pursuant to subdivision (a) shall~~
14 ~~include all writings or materials provided for the noticed meeting~~
15 ~~to a member of the state body by the staff of that state agency,~~
16 ~~board, or commission, or another member of the state body, that~~
17 ~~are in connection with a matter subject to discussion or~~
18 ~~consideration at the meeting. A state body may distribute or discuss~~
19 ~~writings or materials only to the extent that it has complied with~~
20 ~~the applicable requirements of this subdivision.~~

21 ~~(2) (A) The writings or materials to be considered at a noticed~~
22 ~~meeting and provided to members of the state body in advance of~~
23 ~~the meeting shall be made available on the body's internet website~~
24 ~~no later than the first business day following the dissemination of~~
25 ~~the writings and materials to members of the state body or at least~~
26 ~~48 hours in advance of the meeting, whichever is earlier. Upon~~
27 ~~receipt of a written request for writings or materials provided to~~
28 ~~members of the state body in advance of the meeting, a state body~~
29 ~~shall provide them immediately.~~

30 ~~(B) Any writings or materials provided to the members of the~~
31 ~~state body by another state body after the time periods described~~
32 ~~in subparagraph (A) have passed shall be posted on the body's~~
33 ~~internet website no later than the first business day, but prior to~~
34 ~~the meeting of the state body, following the dissemination of the~~
35 ~~writings and materials to the members of the state body. Upon~~
36 ~~receipt of a written request, these writings or materials shall be~~
37 ~~provided immediately. A state body that satisfies the requirements~~
38 ~~of this subparagraph may discuss these writings and materials at~~
39 ~~an otherwise properly noticed meeting.~~

1 ~~(3) (A) This subdivision does not apply to writings or materials~~
2 ~~prepared for a matter to be discussed in a closed session of the~~
3 ~~state body or to state financial materials that put the Treasurer, or~~
4 ~~any of the boards, authorities, commissions, committees, and~~
5 ~~councils for which the Treasurer serves as chairperson, at a~~
6 ~~competitive disadvantage in financial transactions.~~

7 ~~(B) For purposes of this paragraph, “financial materials” mean~~
8 ~~documents related to bonds, loans, and grants.~~

9 ~~(4) If the writings or materials described in paragraph (1) on an~~
10 ~~agenda for discussion at a meeting of the state body are related to~~
11 ~~legislation that is before the Legislature in a current legislative~~
12 ~~session or are related to changing financial market conditions, a~~
13 ~~state body shall satisfy the requirements of this subdivision by~~
14 ~~posting on its internet website the writings and materials related~~
15 ~~to the legislation or the changing market conditions as they become~~
16 ~~available after the time periods described in paragraph (2). Upon~~
17 ~~receipt of a written request, these writings or materials shall be~~
18 ~~provided immediately. The state body shall make clear what date~~
19 ~~the new or changed writings or materials are posted and, when~~
20 ~~applicable, what changes have been made in the writings or~~
21 ~~materials.~~

22 ~~(d) Notice of a meeting of a state body that complies with this~~
23 ~~section shall also constitute notice of a meeting of an advisory~~
24 ~~body of that state body, provided that the business to be discussed~~
25 ~~by the advisory body is covered by the notice of the meeting of~~
26 ~~the state body, provided that the specific time and place of the~~
27 ~~advisory body’s meeting is announced during the open and public~~
28 ~~state body’s meeting, and provided that the advisory body’s~~
29 ~~meeting is conducted within a reasonable time of, and nearby, the~~
30 ~~meeting of the state body.~~

31 ~~(e) A person may request, and shall be provided, notice pursuant~~
32 ~~to subdivision (a) for all meetings of a state body or for a specific~~
33 ~~meeting or meetings. In addition, at the state body’s discretion, a~~
34 ~~person may request, and may be provided, notice of only those~~
35 ~~meetings of a state body at which a particular subject or subjects~~
36 ~~specified in the request will be discussed.~~

37 ~~(f) A request for notice of more than one meeting of a state body~~
38 ~~shall be subject to the provisions of Section 14911.~~

39 ~~(g) The notice shall be made available in appropriate alternative~~
40 ~~formats, as required by Section 202 of the Americans with~~

1 ~~Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal~~
 2 ~~rules and regulations adopted in implementation thereof, upon~~
 3 ~~request by any person with a disability. The notice shall include~~
 4 ~~information regarding how, to whom, and by when a request for~~
 5 ~~any disability-related modification or accommodation, including~~
 6 ~~auxiliary aids or services may be made by a person with a disability~~
 7 ~~who requires these aids or services in order to participate in the~~
 8 ~~public meeting.~~

9 ~~SEC. 3.~~

10 *SEC. 2.* Section 11125.7 of the Government Code is amended
11 to read:

12 11125.7. (a) Except as otherwise provided in this section, the
 13 state body shall provide an opportunity for members of the public
 14 to directly address the state body on each agenda item before or
 15 during the state body’s discussion or consideration of the item.
 16 Every notice for a special meeting at which action is proposed to
 17 be taken on an item shall provide an opportunity for members of
 18 the public to directly address the state body concerning that item
 19 prior to action on the item. In addition, the notice requirement of
 20 Section 11125 shall not preclude the acceptance of testimony at
 21 meetings, other than emergency meetings, from members of the
 22 public if no action is taken by the state body at the same meeting
 23 on matters brought before the body by members of the public.

24 (b) The state body may adopt reasonable regulations to ensure
 25 that the intent of subdivision (a) is carried out, including, but not
 26 limited to, regulations limiting the total amount of time allocated
 27 for public comment on particular issues and for each individual
 28 speaker.

29 (c) (1) Notwithstanding subdivision (b), when a state body
 30 limits time for public comment the state body shall provide at least
 31 twice the allotted time to a member of the public who utilizes a
 32 translator to ensure that non-English speakers receive the same
 33 opportunity to directly address the state body.

34 (2) Paragraph (1) shall not apply if the state body utilizes
 35 simultaneous translation equipment in a manner that allows the
 36 state body to hear the translated public testimony simultaneously.

37 (d) The state body shall not prohibit public criticism of the
 38 policies, programs, or services of the state body, or of the acts or
 39 omissions of the state body. Nothing in this subdivision shall confer

1 any privilege or protection for expression beyond that otherwise
2 provided by law.

3 (e) This section is not applicable to any of the following:

4 (1) Closed sessions held pursuant to Section 11126.

5 (2) Decisions regarding proceedings held pursuant to Chapter
6 5 (commencing with Section 11500), relating to administrative
7 adjudication, or to the conduct of those proceedings.

8 (3) Hearings conducted by the California Victim Compensation
9 Board pursuant to Sections 13963 and 13963.1.

10 (4) Agenda items that involve decisions of the Public Utilities
11 Commission regarding adjudicatory hearings held pursuant to
12 Chapter 9 (commencing with Section 1701) of Part 1 of Division
13 1 of the Public Utilities Code. For all other agenda items, the
14 commission shall provide members of the public, other than those
15 who have already participated in the proceedings underlying the
16 agenda item, an opportunity to directly address the commission
17 before or during the commission's consideration of the item.

O

**AB 2113 (Introduced by Assembly Member Low, D-Cupertino;
Coauthors: Assembly Members Carrillo, D-Los Angeles; Chiu, D-San Francisco;
Medina, D-Riverside; Blanca Rubio, D-West Covina; and Gonzalez, D-San Diego)
Refugees, asylees, and immigrants: professional licensing.**

Status: 9/27/2020 – Signed by the Governor; Chapter 186, Statutes of 2020

Introduced: 2/6/2020

Last Amended: 8/4/2020

Board Position: Watch (as of 5/7/2020)

Board Staff Analysis: 10/6/2020

Bill Summary: This bill would add Section 135.4 to the Business and Professions Code. This new section would require that a board within the Department of Consumer Affairs “shall expedite, and may assist, the initial licensure process” for applicants who supply satisfactory evidence that they have been admitted to the United States as a refugee or granted asylum under specified provisions of the United States Code or who have a special immigrant visa (SIV) that has been granted a status under specified provisions of the Public Law.

This bill was signed by the Governor on September 27, 2020.

Staff Recommendation: No action needed.

Laws: An act to add Section 134.5 to the Business and Professions Code, relating to professions and vocations.

Assembly Bill No. 2113

CHAPTER 186

An act to add Section 135.4 to the Business and Professions Code, relating to professions and vocations.

[Approved by Governor September 27, 2020. Filed with Secretary of State September 27, 2020.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2113, Low. Refugees, asylees, and special immigrant visa holders: professional licensing: initial licensure process.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law prohibits a board within the department from denying licensure to an applicant based upon their citizenship or immigration status.

This bill, notwithstanding any other law, would require a board within the department to expedite, and authorize it to assist, the initial licensure process for an applicant who supplies satisfactory evidence to the board that they are a refugee, have been granted asylum, or have a special immigrant visa, as specified. The bill would authorize a board to adopt regulations necessary to administer these provisions.

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

SECTION 1. Section 135.4 is added to the Business and Professions Code, to read:

135.4. (a) Notwithstanding any other law, a board within the department shall expedite, and may assist, the initial licensure process for an applicant who supplies satisfactory evidence to the board that they have been admitted to the United States as a refugee under Section 1157 of Title 8 of the United States Code, have been granted asylum by the Secretary of Homeland Security or the Attorney General of the United States pursuant to Section 1158 of Title 8 of the United States Code, or they have a special immigrant visa (SIV) that has been granted a status under Section 1244 of Public Law 110-181, under Public Law 109-163, or under Section 602(b) of Title VI of Division F of Public Law 111-8.

(b) Nothing in this section shall be construed as changing existing licensure requirements. A person applying for expedited licensure under subdivision (a) shall meet all applicable statutory and regulatory licensure requirements.

(c) A board may adopt regulations necessary to administer this section.

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SB 865 (Hill, D-San Mateo)
Excavations: subsurface installations.

Status: 9/29/2020 – Signed by the Governor; Chapter 307, Statutes of 2020

Introduced: 1/17/2020

Last Amended: 7/27/2020

Board Position: Watch, as amended 7/27/2020 (as of 8/20/2020)

Board Staff Analysis: 10/6/2020

Bill Summary: Existing law, the Dig Safe Act of 2016, created the California Underground Facilities Safe Excavation Board within the Office of the State Fire Marshall. This bill would provide that the board is also known as the “Dig Safe Board.” The act requires the Dig Safe Board to perform various duties relating to the protection of subsurface installations and generally requires an operator of a subsurface installation to become a member of, participate in, and share in the costs of, a regional notification center. The act also requires certain records of notifications to a center and certain other records on subsurface installations to be maintained in specified manners for specified periods of time. This bill would require that, commencing January 1, 2023, all new subsurface installations be mapped using a geographic information system and maintained as permanent records of the operator. [The bill makes other changes that do not impact this Board.]

This bill was signed by the Governor on September 29, 2020.

Staff Recommendation: No action needed.

Laws: An act to amend Sections 4216, 4216.1, 4216.2, 4216.3, 4216.4, 4216.6, 4216.12, and 4216.17 of the Government Code, relating to excavations.

Senate Bill No. 865

CHAPTER 307

An act to amend Sections 4216, 4216.1, 4216.2, 4216.3, 4216.4, 4216.6, 4216.12, and 4216.17 of the Government Code, relating to excavations.

[Approved by Governor September 29, 2020. Filed with
Secretary of State September 29, 2020.]

LEGISLATIVE COUNSEL'S DIGEST

SB 865, Hill. Excavations: subsurface installations.

Existing law, the Dig Safe Act of 2016, creates the California Underground Facilities Safe Excavation Board within the Office of the State Fire Marshal. The act subjects the board to review by the appropriate policy committees of the Legislature.

This bill would provide that the board is also known as the "Dig Safe Board" and would make conforming changes to references in the act. The bill would require the board, on and after January 1, 2022, to be within the Office of Energy Infrastructure Safety within the Natural Resources Agency, as established pursuant to the California Energy Infrastructure Safety Act. The bill would require policy committee review at least once every 3 years.

The act requires the board to perform various duties relating to the protection of subsurface installations. The act generally requires an operator of a subsurface installation to become a member of, participate in, and share in the costs of, a regional notification center. The act requires a record of all notifications by an excavator or operator to the regional notification center to be maintained for a period of not less than 3 years and available for inspection as specified. The act requires an operator to maintain certain records on subsurface installations. The act establishes prescribed notification procedures for an excavator who discovers or damages a subsurface installation.

This bill would require a regional notification center to provide notification records to the board quarterly and provide notifications of damage to the board within 5 business days of receipt at the regional notification center. The bill would require that, commencing January 1, 2023, all new subsurface installations, except for specified oil and gas flowlines 3 inches or less in diameter that are located within the administrative boundaries of an oil field, be mapped using a geographic information system and maintained as permanent records of the operator. The bill would require the excavator to notify the regional notification center within 48 hours of discovering or causing damage.

The act subjects any operator or excavator who violates the act to a civil penalty. The act authorizes enforcement by certain entities, including specified agencies following a recommendation of the board against

contractors, telephone corporations, gas corporations, electrical corporations, water corporations, operators of hazardous liquid pipeline facilities, and local agencies, as specified. The act authorizes the board to enforce its provisions on prescribed persons not subject to enforcement by the specified agencies, commencing on July 1, 2020.

This bill would also authorize enforcement of the act by the specified agencies through their own investigations. The bill would authorize the board to collect penalties imposed on persons subject to its jurisdiction.

The act requires the board, upon appropriation by the Legislature, to grant the use of the moneys in the Safe Energy Infrastructure and Excavation Fund to fund prescribed public education and outreach programs designed to promote excavation safety around subsurface installations.

This bill would delete those education and outreach program provisions and, instead, require the board, for violations that are neither egregious nor persistent, to offer violators the option of completing an educational course in lieu of paying a fine. The bill would make moneys in the fund available to the board to fund the educational course, subject to appropriation by the Legislature.

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

SECTION 1. Section 4216 of the Government Code is amended to read: 4216. As used in this article, the following definitions apply:

(a) "Active subsurface installation" means a subsurface installation currently in use or currently carrying service.

(b) "Board" means the California Underground Facilities Safe Excavation Board, also known as the "Dig Safe Board."

(c) "Area of continual excavation" means a location where excavation is part of the normal business activities of agricultural operations and flood control facilities.

(d) "Delineate" means to mark in white the location or path of the proposed excavation using the guidelines in Appendix B of the "Guidelines for Excavation Delineation" published in the most recent version of the Best Practices guide of the Common Ground Alliance. If there is a conflict between the marking practices in those guidelines and other provisions of this article, this article shall control. "Delineation" also includes physical identification of the area to be excavated using alternative marking methods, including, but not limited to, flags, stakes, whiskers, or a combination of these methods, if an excavator makes a determination that standard delineation may be misleading to those persons using affected streets and highways, or be misinterpreted as a traffic or pedestrian control, and the excavator has contacted the regional notification center to advise the operators that the excavator will physically identify the area to be excavated using alternative marking methods.

(e) “Electronic positive response” means an electronic response from an operator to the regional notification center providing the status of an operator’s statutorily required response to a ticket.

(f) (1) “Emergency” means a sudden, unexpected occurrence, involving a clear and imminent danger, demanding immediate action to prevent or mitigate loss of, or damage to, life, health, property, or essential public services.

(2) “Unexpected occurrence” includes, but is not limited to, a fire, flood, earthquake or other soil or geologic movement, riot, accident, damage to a subsurface installation requiring immediate repair, or sabotage.

(g) “Excavation” means any operation in which earth, rock, or other material in the ground is moved, removed, or otherwise displaced by means of tools, equipment, or explosives in any of the following ways: grading, trenching, digging, ditching, drilling, augering, tunneling, scraping, cable or pipe plowing and driving, or any other way.

(h) Except as provided in Section 4216.8, “excavator” means any person, firm, contractor or subcontractor, owner, operator, utility, association, corporation, partnership, business trust, public agency, or other entity that, with their own employees or equipment, performs any excavation.

(i) “Hand tool” means a piece of equipment used for excavating that uses human power and is not powered by any motor, engine, hydraulic, or pneumatic device.

(j) “High priority subsurface installation” means high-pressure natural gas pipelines with normal operating pressures greater than 415kPA gauge (60psig), petroleum pipelines, pressurized sewage pipelines, high-voltage electric supply lines, conductors, or cables that have a potential to ground of greater than or equal to 60kv, or hazardous materials pipelines that are potentially hazardous to workers or the public if damaged.

(k) “Inactive subsurface installation” means either of the following:

(1) The portion of an underground subsurface installation that is not active but is still connected to the subsurface installation, or to any other subsurface installation, that is active or still carries service.

(2) A new underground subsurface installation that has not been connected to any portion of an existing subsurface installation.

(l) “Legal excavation start date and time” means two working days, not including the date of notification, unless the excavator specifies a later date and time, which shall not be more than 14 calendar days from the date of notification. For excavation in an area of continual excavation, “legal excavation start date and time” means two working days, not including the date of notification, unless the excavator specifies a later date and time, which shall not be more than six months from the date of notification.

(m) “Local agency” means a city, county, city and county, school district, or special district.

(n) (1) “Locate and field mark” means to indicate the existence of any owned or maintained subsurface installations by using the guidelines in Appendix B of the “Guidelines for Operator Facility Field Delineation” published in the most recent version of the Best Practices guide of the

Common Ground Alliance and in conformance with the uniform color code of the American Public Works Association. If there is a conflict between the marking practices in the guidelines and this article, this article shall control.

(2) "Locate and field mark" does not require an indication of the depth.

(o) "Operator" means any person, corporation, partnership, business trust, public agency, or other entity that owns, operates, or maintains a subsurface installation. For purposes of Section 4216.1, an "operator" does not include an owner of real property where subsurface installations are exclusively located if they are used exclusively to furnish services on that property and the subsurface facilities are under the operation and control of that owner.

(p) "Qualified person" means a person who completes a training program in accordance with the requirements of Section 1509 of Title 8 of the California Code of Regulations Injury and Illness Prevention Program, that meets the minimum locators training guidelines and practices published in the most recent version of the Best Practices guide of the Common Ground Alliance.

(q) "Regional notification center" means a nonprofit association or other organization of operators of subsurface installations that provides advance warning of excavations or other work close to existing subsurface installations, for the purpose of protecting those installations from damage, removal, relocation, or repair.

(r) "State agency" means every state agency, department, division, bureau, board, or commission.

(s) "Subsurface installation" means any underground pipeline, conduit, duct, wire, or other structure, except nonpressurized sewerlines, nonpressurized storm drains, or other nonpressurized drain lines.

(t) "Ticket" means an excavation location request issued a number by the regional notification center.

(u) "Tolerance zone" means 24 inches on each side of the field marking placed by the operator in one of the following ways:

(1) Twenty-four inches from each side of a single marking, assumed to be the centerline of the subsurface installation.

(2) Twenty-four inches plus one-half the specified size on each side of a single marking with the size of installation specified.

(3) Twenty-four inches from each outside marking that graphically shows the width of the outside surface of the subsurface installation on a horizontal plane.

(v) "Working day" for the purposes of determining excavation start date and time means a weekday Monday through Friday, from 7:00 a.m. to 5:00 p.m., except for federal holidays and state holidays, as defined in Section 19853, or as otherwise posted on the internet website of the regional notification center.

SEC. 2. Section 4216.1 of the Government Code is amended to read:

4216.1. Every operator of a subsurface installation, except the Department of Transportation, shall become a member of, participate in,

and share in the costs of, a regional notification center. Operators of subsurface installations who are members of, participate in, and share in, the costs of a regional notification center, including, but not limited to, the Underground Service Alert—Northern California or the Underground Service Alert—Southern California are in compliance with this section and Section 4216.9. A regional notification center shall not charge a fee to a person for notifying the regional notification center to obtain a ticket or to renew a ticket.

SEC. 3. Section 4216.2 of the Government Code is amended to read:

4216.2. (a) Before notifying the appropriate regional notification center, an excavator planning to conduct an excavation shall delineate the area to be excavated. If the area is not delineated, an operator may, at the operator's discretion, choose not to locate and field mark until the area to be excavated has been delineated.

(b) Except in an emergency, an excavator planning to conduct an excavation shall notify the appropriate regional notification center of the excavator's intent to excavate at least two working days, and not more than 14 calendar days, before beginning that excavation. The date of the notification shall not count as part of the two-working-day notice. If an excavator gives less notice than the legal excavation start date and time and the excavation is not an emergency, the regional notification center will take the information and provide a ticket, but an operator has until the legal excavation start date and time to respond. However, an excavator and an operator may mutually agree to a different notice and start date. The contact information for operators notified shall be available to the excavator.

(c) When the excavation is proposed within 10 feet of a high priority subsurface installation, the operator of the high priority subsurface installation shall notify the excavator of the existence of the high priority subsurface installation to set up an onsite meeting prior to the legal excavation start date and time or at a mutually agreed upon time to determine actions or activities required to verify the location and prevent damage to the high priority subsurface installation. As part of the meeting, the excavator shall discuss with the operator the method and tools that will be used during the excavation and the information the operator will provide to assist in verifying the location of the subsurface installation. The excavator shall not begin excavating until after the completion of the onsite meeting.

(d) Except in an emergency, every excavator covered by Section 4216.8 planning to conduct an excavation on private property that does not require an excavation permit may contact the appropriate regional notification center if the private property is known, or reasonably should be known, to contain a subsurface installation other than the underground facility owned or operated by the excavator. Before notifying the appropriate regional notification center, an excavator shall delineate the area to be excavated. Any temporary marking placed at the planned excavation location shall be clearly seen, functional, and considerate to surface aesthetics and the local community. An excavator shall check if any local ordinances apply to the placement of temporary markings.

(e) The regional notification center shall provide a ticket to the person who contacts the center pursuant to this section and shall notify any member, if known, who has a subsurface installation in the area of the proposed excavation. A ticket shall be valid for 28 days from the date of issuance. If work continues beyond 28 days, the excavator shall renew the ticket either by accessing the center's internet website or by calling "811" by the end of the 28th day.

(f) A record of all notifications by an excavator or operator to the regional notification center shall be maintained for a period of not less than three years. The record shall be available for inspection by the excavator and any member, or their representative, during normal working hours and according to guidelines for inspection as may be established by the regional notification centers. A regional notification center shall provide notification records to the board quarterly and shall provide notifications of damage to the board within five business days of receipt at the regional notification center.

(g) Unless an emergency exists, an excavator shall not begin excavation until the excavator receives a response from all known operators of subsurface installations within the delineated boundaries of the proposed area of excavation pursuant to subdivision (a) of Section 4216.3 and until the completion of any onsite meeting, if required by subdivision (c).

(h) If a site requires special access, an excavator shall request an operator to contact the excavator regarding that special access or give special instructions on the location request.

(i) If a ticket obtained by an excavator expires but work is ongoing, the excavator shall contact the regional notification center and get a new ticket and wait a minimum of two working days, not including the date of the contact, before restarting excavation. All excavation shall cease during the waiting period.

SEC. 4. Section 4216.3 of the Government Code is amended to read:

4216.3. (a) (1) (A) Unless the excavator and operator mutually agree to a later start date and time, or otherwise agree to the sequence and timeframe in which the operator will locate and field mark, an operator shall do one of the following before the legal excavation start date and time:

(i) Locate and field mark within the area delineated for excavation and, where multiple subsurface installations of the same type are known to exist together, mark the number of subsurface installations.

(ii) To the extent and degree of accuracy that the information is available, provide information to an excavator where the operator's active or inactive subsurface installations are located.

(iii) Advise the excavator it operates no subsurface installations in the area delineated for excavation.

(B) An operator shall mark newly installed subsurface installations in areas with continuing excavation activity.

(C) An operator shall indicate with an "A" inside a circle the presence of any abandoned subsurface installations, if known, within the delineated area. The markings are to make an excavator aware that there are abandoned subsurface installations within that delineated work area.

(2) Only a qualified person shall perform subsurface installation locating activities.

(3) A qualified person performing subsurface installation locating activities on behalf of an operator shall use a minimum of a single-frequency utility locating device and shall have access to alternative sources for verification, if necessary.

(4) An operator shall amend, update, maintain, and preserve all plans and records for its subsurface installations as that information becomes known. If there is a change in ownership of a subsurface installation, the records shall be turned over to the new operator. Commencing January 1, 2017, records on abandoned subsurface installations, to the extent that those records exist, shall be retained.

(5) Commencing January 1, 2023, all new subsurface installations shall be mapped using a geographic information system and maintained as permanent records of the operator. This paragraph shall not apply to oil and gas flowlines three inches or less in diameter that are located within the administrative boundaries of an oil field as designated by the Geologic Energy Management Division. For purposes of this paragraph, the following terms have the following meanings:

(A) "Flowline" means any pipeline that connects an oil, gas, or natural gas liquids well with a gathering line or header.

(B) "Gathering line" means a pipeline that transports liquid hydrocarbons between any of the following: multiple wells, a testing facility, a treating and production facility, a storage facility, or a custody transfer facility.

(C) "Header" means a chamber from which liquid or gas is distributed to or from smaller pipelines.

(6) Nothing in this section shall be interpreted to preempt the Professional Land Surveyors' Act, as described in Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code.

(b) If the field marks are no longer reasonably visible, an excavator shall renotify the regional notification center with a request for remarks that can be for all or a portion of the excavation. Excavation shall cease in the area to be remarked. If the delineation markings are no longer reasonably visible, the excavator shall redelineate the area to be remarked. If remarks are requested, the operator shall have two working days, not including the date of request, to remark the subsurface installation. If the area to be remarked is not the full extent of the original excavation, the excavator shall delineate the portion to be remarked and provide a description of the area requested to be remarked on the ticket. The excavator shall provide a description for the area to be remarked that falls within the area of the original location request.

(c) (1) (A) On and after January 1, 2021, every operator shall supply an electronic positive response through the regional notification center before the legal excavation start date and time. Upon a showing of good cause by an operator, the board may extend the time by which the operator is required to comply with this requirement. The board shall not grant an

extension beyond December 31, 2021. The board shall determine which facts or circumstances constitute good cause.

(B) The regional notification center shall make the responses required by subparagraph (A) available to the excavator.

(2) The regional notification centers shall annually report to the board regarding their continual technological development in their roles of facilitating communication between excavators and operators in a manner that enhances safety, accountability, and efficiency.

(d) (1) On or before January 1, 2021, the board shall adopt regulations to implement subparagraph (A) of paragraph (1) of subdivision (c). The initial adoption, amendment, or repeal of a regulation authorized by this section is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6, and the board is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1. After the initial adoption, amendment, or repeal of an emergency regulation pursuant to this section, the board shall not request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1.

(2) It is the intent of the Legislature, in authorizing the deviations in this section from the requirements and procedures of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2, to authorize the board to expedite the exercise of its power to implement regulations as its unique operational circumstances require.

(e) The excavator shall notify the appropriate regional notification center of the failure of an operator to identify subsurface installations pursuant to subparagraph (A) or (B) of paragraph (1) of subdivision (a), or subdivision (b). The notification shall include the ticket issued by the regional notification center. The regional notification center shall maintain a record of all notifications received pursuant to this subdivision for a period of not less than three years. The record shall be available for inspection pursuant to subdivision (f) of Section 4216.2.

(f) If an operator or local agency knows that it has a subsurface installation embedded or partially embedded in the pavement that is not visible from the surface, the operator or local agency shall contact the excavator before pavement removal to communicate and determine a plan of action to protect that subsurface installation and excavator.

SEC. 5. Section 4216.4 of the Government Code is amended to read:

4216.4. (a) (1) Except as provided in paragraph (2), if an excavation is within the tolerance zone of a subsurface installation, the excavator shall determine the exact location of the subsurface installations in conflict with the excavation using hand tools before using any power-driven excavation or boring equipment within the tolerance zone of the subsurface installations. In all cases the excavator shall use reasonable care to prevent damaging subsurface installations.

(2) (A) An excavator may use a vacuum excavation device to expose subsurface installations within the tolerance zone if the operator has marked the subsurface installation, the excavator has contacted any operator whose

subsurface installations may be in conflict with the excavation, and the operator has agreed to the use of a vacuum excavation device. An excavator shall inform the regional notification center of their intent to use a vacuum excavation device when obtaining a ticket.

(B) An excavator may use power-operated or boring equipment for the removal of any existing pavement only if there is no known subsurface installation contained in the pavement.

(C) Beginning July 1, 2020, an excavator may use power-operated or boring equipment, as determined by the board, prior to determining the exact location of subsurface installations. The board shall adopt regulations to implement this paragraph on or before July 1, 2020.

(3) An excavator shall presume all subsurface installations to be active, and shall use the same care around subsurface installations that may be inactive as the excavator would use around active subsurface installations.

(b) If the exact location of the subsurface installation cannot be determined by hand excavating in accordance with subdivision (a), the excavator shall request the operator to provide additional information to the excavator, to the extent that information is available to the operator, to enable the excavator to determine the exact location of the installation. If the excavator has questions about the markings that an operator has placed, the excavator may contact the notification center to send a request to have the operator contact the excavator directly. The regional notification center shall provide the excavator with the contact telephone number of the subsurface installation operator.

(c) (1) An excavator discovering or causing damage to a subsurface installation, including all breaks, leaks, nicks, dents, gouges, grooves, or other damage to subsurface installation lines, conduits, coatings, or cathodic protection, shall immediately notify the subsurface installation operator. The excavator may contact the regional notification center to obtain the contact information of the subsurface installation operator. If the operator is unknown and the damage or discovery of damage occurs outside the working hours of the regional notification center, the excavator may follow the instructions provided by the regional notification center through its internet website or the telephone line recorded message.

(2) An excavator shall call 911 emergency services upon discovering or causing damage to either of the following:

(A) A gas or hazardous liquid pipeline subsurface installation in which the damage results in the escape of any flammable, toxic, or corrosive gas or liquid.

(B) A high priority subsurface installation of any kind.

(3) An excavator discovering or causing damage shall notify the regional notification center within 48 hours of discovering or causing the damage.

(4) Nothing in this section preempts or impedes the board's authority to impose more restrictive notification windows.

(d) Each excavator, operator, or locator shall communicate with each other and respect the appropriate safety requirements and ongoing activities of the other parties, if known, at an excavation site.

SEC. 6. Section 4216.6 of the Government Code is amended to read:

4216.6. (a) (1) Any operator or excavator who negligently violates this article is subject to a civil penalty in an amount not to exceed ten thousand dollars (\$10,000).

(2) Any operator or excavator who knowingly and willfully violates any of the provisions of this article is subject to a civil penalty in an amount not to exceed fifty thousand dollars (\$50,000).

(3) Except as otherwise specifically provided in this article, this section is not intended to affect any civil remedies otherwise provided by law for personal injury or for property damage, including any damage to subsurface installations, nor is this section intended to create any new civil remedies for those injuries or that damage.

(4) This article shall not be construed to limit any other provision of law granting governmental immunity to state or local agencies or to impose any liability or duty of care not otherwise imposed by law upon any state or local agency.

(b) An action may be brought by the Attorney General, the district attorney, or the local or state agency that issued the permit to excavate, for the enforcement of the civil penalty pursuant to this section in a civil action brought in the name of the people of the State of California. If penalties are collected as a result of a civil suit brought by a state or local agency for collection of those civil penalties, the penalties imposed shall be paid to the general fund of the agency. If more than one agency is involved in enforcement, the penalties imposed shall be apportioned among them by the court in a manner that will fairly offset the relative costs incurred by the state or local agencies, or both, in collecting these fees.

(c) This article may also be enforced by the following agencies, either following a recommendation of the Dig Safe Board that the agency shall act to accept, amend, or reject, or through the agency's own investigations, as follows:

(1) The Registrar of Contractors of the Contractors' State License Board shall enforce this article on contractors, as defined in Article 2 (commencing with Section 7025) of Chapter 9 of Division 3 of the Business and Professions Code, and telephone corporations, as defined in Section 234 of the Public Utilities Code, when acting as a contractor, as defined in Article 2 (commencing with Section 7025) of Chapter 9 of Division 3 of the Business and Professions Code. Nothing in this section affects the Public Utilities Commission's existing authority over a public utility.

(2) The Public Utilities Commission shall enforce this article on gas corporations, as defined in Section 222 of the Public Utilities Code, and electrical corporations, as defined in Section 218 of the Public Utilities Code, and water corporations, as defined in Section 241 of the Public Utilities Code.

(3) The Office of the State Fire Marshal shall enforce this article on operators of hazardous liquid pipeline facilities, as defined in Section 60101 of Chapter 601 of Subtitle VIII of Title 49 of the United States Code.

(d) A local governing board may enforce this article on local agencies under the governing board's jurisdiction.

(e) Commencing July 1, 2020, the Dig Safe Board shall enforce this article on persons other than those listed in subdivisions (c) and (d). The board shall not initiate an enforcement action pursuant to this subdivision for a violation that occurred prior to July 1, 2020. As the enforcing body for persons other than those listed in subdivisions (c) and (d), the board may collect any monetary penalties imposed upon those persons.

(f) Moneys collected as a result of penalties imposed pursuant to subdivisions (c) and (e) shall be deposited into the Safe Energy Infrastructure and Excavation Fund.

(g) Statewide information provided by operators and excavators regarding incident events shall be compiled and made available in an annual report by regional notification centers and posted on the internet websites of the regional notification centers and shall be made available to the board upon request.

(h) For purposes of subdivision (g), the following terms have the following meanings:

(1) "Incident event" means the occurrence of excavator downtime, damages, near misses, and violations.

(2) "Statewide information" means information submitted by operators and excavators using the California Regional Common Ground Alliance's Virtual Private Damage Information Reporting Tool. Supplied data shall comply with the Damage Information Reporting Tool's minimum essential information as listed in the most recent version of the Best Practices guide of the Common Ground Alliance.

SEC. 7. Section 4216.12 of the Government Code is amended to read:

4216.12. (a) The Dig Safe Board is hereby created under, and shall be assisted by the staff of, the Office of the State Fire Marshal until January 1, 2022. On and after January 1, 2022, the board shall be within the Office of Energy Infrastructure Safety within the Natural Resources Agency pursuant to Part 7.3 (commencing with Section 15470) of Division 3 of Title 2.

(b) The board shall perform the following tasks:

(1) Coordinate education and outreach activities that encourage safe excavation practices, as described in Section 4216.17.

(2) Develop standards, as described in Section 4216.18.

(3) Investigate possible violations of this article, as described in Section 4216.19.

(4) Enforce this article to the extent authorized by subdivision (e) of Section 4216.6.

(c) Notwithstanding any other law, on and after January 1, 2020, the board shall be subject to review by the appropriate policy committees of the Legislature at least once every three years.

SEC. 8. Section 4216.17 of the Government Code is amended to read:

4216.17. (a) The board shall annually convene a meeting for the following purposes:

(1) To understand the existing needs for education and outreach, including to those groups with the highest awareness and education needs, including, but not limited to, homeowners.

(2) To facilitate discussion on how to coordinate existing education and outreach efforts with state and local government agencies, California operators, regional notification centers, and trade associations that fund outreach and education programs that encourage safe excavation practices.

(b) In addition to state and local government agencies, California operators, regional notification centers, and trade associations that fund outreach and education programs that encourage safe excavation practices, the meeting pursuant to subdivision (a) shall include representatives of groups that may be the target of those outreach and education efforts.

(c) For violations that are neither egregious nor persistent, the board shall offer violators the option of completing an educational course in lieu of paying a fine. To develop the programming for the educational option, the board may contract with a third party or create the curriculum itself.

(d) Upon appropriation by the Legislature, moneys in the Safe Energy Infrastructure and Excavation Fund shall be available to the board to fund the educational course developed pursuant to subdivision (c).

SB 878 (Jones, R-El Cajon)
Department of Consumer Affairs Licensing: applications: wait times.

Status: 9/28/2020 – Signed by the Governor; Chapter 131, Statutes of 2020

Introduced: 1/22/2020

Last Amended: 6/18/2020

Board Position: Support, as amended 6/18/2020 (as of 6/25/2020)

Board Staff Analysis: 10/6/2020

Bill Summary: This bill would add Section 139.5 to the Business and Professions Code. This new section would require boards within the Department of Consumer Affairs to post information on their websites regarding the average timeframes for processing initial and renewal license applications.

This bill was signed by the Governor on September 24, 2020.

Staff Recommendation: No action needed at this time.

Laws: An act to add Section 139.5 to the Business and Professions Code, relating to professions and vocations.

Senate Bill No. 878

CHAPTER 131

An act to add Section 139.5 to the Business and Professions Code, relating to professions and vocations.

[Approved by Governor September 24, 2020. Filed with Secretary of State September 24, 2020.]

LEGISLATIVE COUNSEL'S DIGEST

SB 878, Jones. Department of Consumer Affairs: license: application: processing timeframes.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs.

This bill, beginning July 1, 2021, would require each board within the department that issues licenses to prominently display on its internet website, on at least a quarterly basis, either the current average timeframes for processing initial and renewal license applications or the combined current average timeframe for processing both initial and renewal license applications. The bill would also require each board to prominently display on its internet website, on at least a quarterly basis, either the current average timeframes for processing each license type that the board administers or the combined current average timeframe for processing all license types that the board administers.

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

SECTION 1. Section 139.5 is added to the Business and Professions Code, to read:

139.5. Beginning July 1, 2021, each board, as defined in Section 22, within the department that issues a license shall do both of the following on at least a quarterly basis:

(a) Prominently display on its internet website one of the following:

(1) The current average timeframes for processing initial and renewal license applications.

(2) The combined current average timeframe for processing both initial and renewal license applications.

(b) Prominently display on its internet website one of the following:

(1) The current average timeframes for processing each license type that the board administers.

(2) The combined current average timeframe for processing all license types that the board administers.

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**SB 1474 (Introduced by Committee on Business, Professions
and Economic Development (Senators Glazer (Chair), Archuleta,
Chang, Dodd, Galgiani, Hill, Leyva, Pan, and Wilk)
(Principal coauthor: Assembly Member Low)
(Coauthor: Senator Morrell)
Business and Professions.**

Status: 9/29/2020 – Signed by the Governor; Chapter 312, Statutes of 2020

Last Amended: 8/10/2020

Board Position: Support as of 8/20/2020

Board Staff Analysis: 10/6/2020

Bill Summary: This bill extends the sunset dates for various boards, bureaus, departments, and councils by an additional year; and makes numerous noncontroversial, minor, nonsubstantive, or technical changes to various provisions pertaining to the regulatory entities under the Department of Consumer Affairs (DCA). It also adds Section 1670.8.5 to the Civil Code that would prohibit a contract for the provision of a consumer service by a licensee regulated by a board from including a provision limiting the consumer's ability to file a complaint with that board or to participate in a board investigation into the licensee.

This bill was signed by the Governor on September 29, 2020.

Staff Recommendation: No action needed.

Laws: An act to amend Sections 27, 101, 125.9, 130, 144, 200.1, 205, 494.5, 1000, 1913, 1917, 1917.1, 1922, 2065, 2113, 2135.5, 2460, 2531, 2531.75, 2570.19, 2602, 2607.5, 2841, 2847.1, 2847.3, 2920, 2933, 3504, 3512, 3686, 3710, 3716, 4001, 4003, 4501, 4503, 4604, 4621, 4800, 4804.5, 4990, 4990.04, 5600.4, 5810, 7000, 7000.5, 7000.6, 7011.4, 7011.5, 7011.8, 7015, 7017.3, 7028.7, 7030, 7031, 7058.7, 7071.4, 7080.5, 7085.5, 7099.2, 7123.5, 7135, 7136, 7137, 7137.5, 7138, 7139.1, 7139.2, 7141.5, 7145.5, 7159, 7170, 7303, 7512.3, 7512.14, 7512.15, 7520.3, 7525.1, 7529, 7533.5, 7538, 7538.5, 7539, 8516, 10050, 11301, 16100, and 19164 of, to amend, repeal, and add Section 1632 of, to add Section 7099.9 to, and to add and repeal Section 1632.56 of, the Business and Professions Code, to add Section 1670.8.5 to the Civil Code, and to amend Section 94950 of the Education Code, relating to business and professions, and making an appropriation therefor.

Senate Bill No. 1474

CHAPTER 312

An act to amend Sections 27, 101, 125.9, 130, 144, 200.1, 205, 494.5, 1000, 1913, 1917, 1917.1, 1922, 2065, 2113, 2135.5, 2460, 2531, 2531.75, 2570.19, 2602, 2607.5, 2841, 2847.1, 2847.3, 2920, 2933, 3504, 3512, 3686, 3710, 3716, 4001, 4003, 4501, 4503, 4604, 4621, 4800, 4804.5, 4990, 4990.04, 5600.4, 5810, 7000, 7000.5, 7000.6, 7011.4, 7011.5, 7011.8, 7015, 7017.3, 7028.7, 7030, 7031, 7058.7, 7071.4, 7080.5, 7085.5, 7099.2, 7123.5, 7135, 7136, 7137, 7137.5, 7138, 7139.1, 7139.2, 7141.5, 7145.5, 7159, 7170, 7303, 7512.3, 7512.14, 7512.15, 7520.3, 7525.1, 7529, 7533.5, 7538, 7538.5, 7539, 8516, 10050, 11301, 16100, and 19164 of, and to add Section 7099.9 to, the Business and Professions Code, to add Section 1670.8.5 to the Civil Code, and to amend Section 94950 of the Education Code, relating to business and professions, and making an appropriation therefor.

[Approved by Governor September 29, 2020. Filed with
Secretary of State September 29, 2020.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1474, Committee on Business, Professions and Economic Development. Business and professions.

(1) Existing law, the Contractors' State License Law, provides for the licensure and regulation of contractors by the Contractors' State License Board in the Department of Consumer Affairs. Existing law requires fees and penalties received pursuant to the law to be deposited in the Contractors' License Fund, a continuously appropriated fund, except that certain service fees for the deposit of money in lieu of paying a bond are required to be deposited in the Contractors' Deposit Fund.

This bill would rename the Contractors' State license Law as the Contractors State License Law, would rename the Contractors' State License Board as the Contractors State License Board, and would rename the Contractors' License Fund as the Contractors License Fund. The bill would delete the provision establishing the Contractors' Deposit Fund, and would therefore require those service fees to be deposited in the Contractors License Fund. By authorizing a new source of revenue to be deposited into a continuously appropriated fund, the bill would make an appropriation.

Existing law authorizes a licensee who is subject to a bonding provision under the law, in lieu of giving a bond, to deposit money or a cashier's check with the registrar of contractors.

This bill would prohibit the deposit from being released if the board is notified of a civil action against the deposit and, if the amount of the deposit is insufficient to pay all claims, would require the deposit to be distributed to claimants in proportion to the amount of the claims.

Existing law authorizes the registrar of contractors to grant the retroactive renewal of a license if, within 90 days from the due date, the licensee requests the retroactive renewal in a petition to the registrar, shows that the failure to renew was due to circumstances beyond their control, files an application for renewal on a form prescribed by the registrar, and pays the appropriate renewal and delinquency fees.

This bill, instead, would require the registrar to grant the retroactive renewal of a license if, within 90 days of the expiration of the license, the otherwise eligible licensee submits a completed application for renewal and pays the renewal and delinquency fees. The bill would delete the requirement that the licensee demonstrate that the delay was due to circumstances beyond the licensee's control, and would deem an application for renewal submitted for purposes of these provisions if it is delivered to the board's headquarters or postmarked within 90 days of the expiration of the license.

(2) Existing law establishes the Landscape Architects Technical Committee to assist the California Architects Board in examining candidates for a landscape architect's license. Existing law, on and after January 1, 2021, requires an applicant to furnish to the committee a full set of fingerprints for purposes of conducting criminal history record checks.

This bill would revise the date on which this requirement becomes effective to January 1, 2022.

(3) Existing law, the Chiropractic Act, enacted by an initiative measure, provides for the licensure and regulation of chiropractors in this state by the State Board of Chiropractic Examiners. Existing law requires that the powers and duties of the board, as provided, be subject to review by the appropriate policy committees of the Legislature as if that act were scheduled to be repealed on January 1, 2022.

This bill would require that the powers and duties of the board, as provided, be subject to review by the appropriate policy committees of the Legislature as if that act were scheduled to be repealed on January 1, 2023.

(4) Existing law authorizes the State Board of Chiropractic Examiners and the Osteopathic Medical Board of California and any board within the Department of Consumer Affairs to issue a citation that may contain an order of abatement or an order to pay an administrative fine, and provides that a failure to pay a fine within 30 days of the date of assessment may result in disciplinary action.

This bill would also make a failure to comply with the order of abatement within 30 days of the date of the order subject to disciplinary action.

(5) Existing law provides for the licensure and regulation of registered dental hygienists by the Dental Hygiene Board of California. Existing law authorizes a registered dental hygienist to perform a procedure or provide a service within the scope of their practice under the appropriate level of supervision, as specified.

This bill would also require a registered dental hygienist to have completed the appropriate education and training required to perform the procedure or provide the service.

Existing law requires a person to have satisfactorily completed a specified examination within the preceding 2 years as a condition of licensure as a registered dental hygienist.

This bill would instead require completion of the dental hygiene examination within the preceding 3 years.

Existing law requires a person, as a condition for licensure as a registered dental hygienist in alternative practice, to successfully complete a bachelor's degree or its equivalent from an accredited college or institution of higher education, among other requirements.

This bill would specify that the equivalent of a bachelor's degree is recognized as a minimum of 120 semester credit hours or 180 quarter credit hours in postsecondary education.

(6) Existing law, the Medical Practice Act, provides for the licensure and regulation of physicians and surgeons by the Medical Board of California, and requires an applicant for a physician's and surgeon's license who has completed 36 months of approved postgraduate training in another state or Canada and who is accepted into an approved postgraduate training in another state or Canada and who is accepted into an approved postgraduate training program in California to obtain their physician's and surgeon's license within 90 days after beginning the postgraduate training program.

This bill would delete the requirement that the person be accepted into an approved postgraduate training in another state or Canada.

Existing law authorizes the Medical Board of California, in its discretion, to waive certain examination and certification requirements for licensure for a graduate of a foreign medical school who holds a certificate of registration issued by the board to practice medicine as a full-time faculty member at a medical school.

This bill would also authorize the board to accept clinical practice in an appointment as qualifying time to meet specified postgraduate training requirements for licensure for those registrants.

Existing law authorizes the Medical Board of California, upon and review and recommendation, to determine that an applicant for a physician and surgeon's certificate has satisfied the medical education and examination requirements for an applicant who holds an unlimited and unrestricted license as a physician and surgeon in another state and has held the license continuously for a minimum of 4 years, subject to satisfaction of specified requirements.

This bill would also require the applicant to meet specified postgraduate training requirements.

(7) Existing law, the Architects Practice Act, provides for the licensure and regulation of architects by the California Architects Board. Existing law requires the board to issue a retired license to an architect who meets specified requirements, and also provides for the restoration of a retired license to active status upon satisfaction of specified requirements applicable to licenses that are not renewed within 5 years of its expiration.

This bill would also authorize the restoration of a retired license to active status upon satisfaction of specified requirements applicable to licenses that are renewed within 5 years of its expiration.

(8) Existing law provides for the January 1, 2021, repeal of provisions creating the Podiatric Medical Board of California, the Board of Vocational Nursing and Psychiatric Technicians of the State of California, the Board of Psychology, the Physician Assistant Board, the California State Board of Pharmacy, the Veterinary Medical Board, the Board of Behavioral Sciences, and the State Board of Barbering and Cosmetology.

This bill would extend the operation of those provisions to January 1, 2022, and make conforming changes relating to the appointment of an executive officer, as applicable.

(9) Existing law provides for the January 1, 2022, repeal of provisions regulating naturopathic medicine and interior design and provisions creating the California Board of Occupational Therapy, the Physical Therapy Board of California, the Respiratory Care Board of California, and the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board.

This bill would extend the operation of those provisions to January 1, 2023, and make conforming changes relating to the appointment of an executive officer, as applicable.

(10) Existing law, the Massage Therapy Act, until January 1, 2021, provides for the certification and regulation of massage therapists by the California Massage Therapy Council.

This bill would extend the operation of the Massage Therapy Act to January 1, 2022, and make conforming changes relating to massage therapist certification requirements.

(11) Existing law, the Private Investigator Act, provides for the licensure and regulation of private investigators by the Bureau of Security and Investigative Services. Existing law, until January 1, 2021, authorizes the bureau to issue a private investigator license to a limited liability company. A violation of the act is a crime.

This bill would extend that date to January 1, 2024. By extending the operation of these provisions, the bill would impose a state-mandated local program.

(12) Existing law, the Real Estate Law, provides for the licensure and regulation of real estate brokers by the Real Estate Commissioner, the chief officer of the Department of Real Estate within the Business, Consumer Services, and Housing Agency. The Real Estate Law subjects the powers and duties of the department, under specified provisions of law, to review by the appropriate policy committees of the Legislature, performed as if those provisions were scheduled to be repealed as of January 1, 2021.

This bill would extend that date to January 1, 2022.

(13) Existing law, the Real Estate Appraisers' Licensing and Certification Law, creates a Bureau of Real Estate Appraisers within the Department of Consumer Affairs to administer and enforce that law. The Real Estate Appraisers' Licensing and Certification Law subjects the powers and duties

of the bureau to review by the appropriate policy committees of the Legislature, performed as if that law were scheduled to be repealed as of January 1, 2021.

This bill would extend that date to January 1, 2022.

(14) Existing law regulates the formation and enforcement of contracts, including what constitutes an unlawful contract. Under existing law, a contract is unlawful if it is contrary to an express provision of law, contrary to the policy of express law, though not expressly prohibited, or otherwise contrary to good morals.

Existing law regulates licensees who are subject to the jurisdiction of a state licensing entity, including the State Bar of California, the Department of Real Estate, the Department of Consumer Affairs, or any other state agency that issues a license, certificate, or registration authorizing a person to engage in a business or profession.

This bill would prohibit a contract or proposed contract for the provision of a consumer service by a licensee regulated by a licensing board from including a provision limiting the consumer's ability to file a complaint with that board or to participate in the board's investigation into the licensee. The bill would specify that a waiver of these provisions is contrary to public policy and is void and unenforceable. The bill would provide that a violation of these provisions by a licensee constitutes unprofessional conduct subject to discipline by the licensee's regulatory board.

(15) Existing law, the California Private Postsecondary Education Act of 2009, until January 1, 2021, provides, among other things, for student protections and regulatory oversight of private postsecondary institutions in the state, enforced by the Bureau for Private Postsecondary Education within the Department of Consumer Affairs.

This bill would extend the operation of the California Private Postsecondary Education Act of 2009 to January 1, 2022.

(16) This bill would make other conforming, technical, and nonsubstantive changes.

(17) This bill would incorporate additional changes to Section 205 of the Business and Professions Code proposed by AB 896 to be operative only if this bill and AB 896 are enacted and this bill is enacted last.

(18) This bill would incorporate additional changes to Section 2113 of the Business and Professions Code proposed by AB 2273 to be operative only if this bill and AB 2273 are enacted and this bill is enacted last.

(19) This bill would incorporate additional changes to Section 7159 of the Business and Professions Code proposed by AB 2471 to be operative only if this bill and AB 2471 are enacted and this bill is enacted last.

(20) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Appropriation: yes.

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

SECTION 1. Section 27 of the Business and Professions Code is amended to read:

27. (a) Each entity specified in subdivisions (c), (d), and (e) shall provide on the internet information regarding the status of every license issued by that entity in accordance with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The public information to be provided on the internet shall include information on suspensions and revocations of licenses issued by the entity and other related enforcement action, including accusations filed pursuant 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) taken by the entity relative to persons, businesses, or facilities subject to licensure or regulation by the entity. The information may not include personal information, including home telephone number, date of birth, or social security number. Each entity shall disclose a licensee's address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of the licensee's home address, as the address of record. This section shall not preclude an entity from also requiring a licensee, who has provided a post office box number or other alternative mailing address as the licensee's address of record, to provide a physical business address or residence address only for the entity's internal administrative use and not for disclosure as the licensee's address of record or disclosure on the internet.

(b) In providing information on the internet, each entity specified in subdivisions (c) and (d) shall comply with the Department of Consumer Affairs' guidelines for access to public records.

(c) Each of the following entities within the Department of Consumer Affairs shall comply with the requirements of this section:

(1) The Board for Professional Engineers, Land Surveyors, and Geologists shall disclose information on its registrants and licensees.

(2) The Bureau of Automotive Repair shall disclose information on its licensees, including auto repair dealers, smog stations, lamp and brake stations, smog check technicians, and smog inspection certification stations.

(3) The Bureau of Household Goods and Services shall disclose information on its licensees and registrants, including major appliance repair dealers, combination dealers (electronic and appliance), electronic repair dealers, service contract sellers, service contract administrators, and household movers.

(4) The Cemetery and Funeral Bureau shall disclose information on its licensees, including cemetery brokers, cemetery salespersons, cemetery managers, crematory managers, cemetery authorities, crematories, cremated remains disposers, embalmers, funeral establishments, and funeral directors.

(5) The Professional Fiduciaries Bureau shall disclose information on its licensees.

(6) The Contractors State License Board shall disclose information on its licensees and registrants in accordance with Chapter 9 (commencing with Section 7000) of Division 3. In addition to information related to licenses as specified in subdivision (a), the board shall also disclose information provided to the board by the Labor Commissioner pursuant to Section 98.9 of the Labor Code.

(7) The Bureau for Private Postsecondary Education shall disclose information on private postsecondary institutions under its jurisdiction, including disclosure of notices to comply issued pursuant to Section 94935 of the Education Code.

(8) The California Board of Accountancy shall disclose information on its licensees and registrants.

(9) The California Architects Board shall disclose information on its licensees, including architects and landscape architects.

(10) The State Athletic Commission shall disclose information on its licensees and registrants.

(11) The State Board of Barbering and Cosmetology shall disclose information on its licensees.

(12) The Acupuncture Board shall disclose information on its licensees.

(13) The Board of Behavioral Sciences shall disclose information on its licensees and registrants.

(14) The Dental Board of California shall disclose information on its licensees.

(15) The State Board of Optometry shall disclose information on its licensees and registrants.

(16) The Board of Psychology shall disclose information on its licensees, including psychologists, psychological assistants, and registered psychologists.

(17) The Veterinary Medical Board shall disclose information on its licensees, registrants, and permit holders.

(d) The State Board of Chiropractic Examiners shall disclose information on its licensees.

(e) The Structural Pest Control Board shall disclose information on its licensees, including applicators, field representatives, and operators in the areas of fumigation, general pest and wood destroying pests and organisms, and wood roof cleaning and treatment.

(f) The Bureau of Cannabis Control shall disclose information on its licensees.

(g) "Internet" for the purposes of this section has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538.

SEC. 2. Section 101 of the Business and Professions Code is amended to read:

101. The department is comprised of the following:

(a) The Dental Board of California.

(b) The Medical Board of California.

- (c) The State Board of Optometry.
- (d) The California State Board of Pharmacy.
- (e) The Veterinary Medical Board.
- (f) The California Board of Accountancy.
- (g) The California Architects Board.
- (h) The State Board of Barbering and Cosmetology.
- (i) The Board for Professional Engineers, Land Surveyors, and Geologists.
- (j) The Contractors State License Board.
- (k) The Bureau for Private Postsecondary Education.
- (l) The Bureau of Household Goods and Services.
- (m) The Board of Registered Nursing.
- (n) The Board of Behavioral Sciences.
- (o) The State Athletic Commission.
- (p) The Cemetery and Funeral Bureau.
- (q) The Bureau of Security and Investigative Services.
- (r) The Court Reporters Board of California.
- (s) The Board of Vocational Nursing and Psychiatric Technicians.
- (t) The Landscape Architects Technical Committee.
- (u) The Division of Investigation.
- (v) The Bureau of Automotive Repair.
- (w) The Respiratory Care Board of California.
- (x) The Acupuncture Board.
- (y) The Board of Psychology.
- (z) The Podiatric Medical Board of California.
- (aa) The Physical Therapy Board of California.
- (ab) The Arbitration Review Program.
- (ac) The Physician Assistant Board.
- (ad) The Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board.
- (ae) The California Board of Occupational Therapy.
- (af) The Osteopathic Medical Board of California.
- (ag) The Naturopathic Medicine Committee.
- (ah) The Dental Hygiene Board of California.
- (ai) The Professional Fiduciaries Bureau.
- (aj) The State Board of Chiropractic Examiners.
- (ak) The Bureau of Real Estate Appraisers.
- (al) The Structural Pest Control Board.
- (am) The Bureau of Cannabis Control.
- (an) Any other boards, offices, or officers subject to its jurisdiction by law.

(ao) This section shall become operative on July 1, 2018.

SEC. 3. Section 125.9 of the Business and Professions Code is amended to read:

125.9. (a) Except with respect to persons regulated under Chapter 11 (commencing with Section 7500), any board, bureau, or commission within the department, the State Board of Chiropractic Examiners, and the Osteopathic Medical Board of California, may establish, by regulation, a

system for the issuance to a licensee of a citation which may contain an order of abatement or an order to pay an administrative fine assessed by the board, bureau, or commission where the licensee is in violation of the applicable licensing act or any regulation adopted pursuant thereto.

(b) The system shall contain the following provisions:

(1) Citations shall be in writing and shall describe with particularity the nature of the violation, including specific reference to the provision of law determined to have been violated.

(2) Whenever appropriate, the citation shall contain an order of abatement fixing a reasonable time for abatement of the violation.

(3) In no event shall the administrative fine assessed by the board, bureau, or commission exceed five thousand dollars (\$5,000) for each inspection or each investigation made with respect to the violation, or five thousand dollars (\$5,000) for each violation or count if the violation involves fraudulent billing submitted to an insurance company, the Medi-Cal program, or Medicare. In assessing a fine, the board, bureau, or commission shall give due consideration to the appropriateness of the amount of the fine with respect to factors such as the gravity of the violation, the good faith of the licensee, and the history of previous violations.

(4) A citation or fine assessment issued pursuant to a citation shall inform the licensee that if the licensee desires a hearing to contest the finding of a violation, that hearing shall be requested by written notice to the board, bureau, or commission within 30 days of the date of issuance of the citation or assessment. If a hearing is not requested pursuant to this section, payment of any fine shall not constitute an admission of the violation charged. Hearings shall be held pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(5) Failure of a licensee to pay a fine or comply with an order of abatement, or both, within 30 days of the date of assessment or order, unless the citation is being appealed, may result in disciplinary action being taken by the board, bureau, or commission. Where a citation is not contested and a fine is not paid, the full amount of the assessed fine shall be added to the fee for renewal of the license. A license shall not be renewed without payment of the renewal fee and fine.

(c) The system may contain the following provisions:

(1) A citation may be issued without the assessment of an administrative fine.

(2) Assessment of administrative fines may be limited to only particular violations of the applicable licensing act.

(d) Notwithstanding any other provision of law, if a fine is paid to satisfy an assessment based on the finding of a violation, payment of the fine and compliance with the order of abatement, if applicable, shall be represented as satisfactory resolution of the matter for purposes of public disclosure.

(e) Administrative fines collected pursuant to this section shall be deposited in the special fund of the particular board, bureau, or commission.

SEC. 4. Section 130 of the Business and Professions Code is amended to read:

130. (a) Notwithstanding any other law, the term of office of any member of an agency designated in subdivision (b) shall be for a term of four years expiring on June 1.

(b) Subdivision (a) applies to the following boards or committees:

- (1) The Medical Board of California.
- (2) The Podiatric Medical Board of California.
- (3) The Physical Therapy Board of California.
- (4) The Board of Registered Nursing, except as provided in subdivision (c) of Section 2703.
- (5) The Board of Vocational Nursing and Psychiatric Technicians.
- (6) The State Board of Optometry.
- (7) The California State Board of Pharmacy.
- (8) The Veterinary Medical Board.
- (9) The California Architects Board.
- (10) The Landscape Architect Technical Committee.
- (11) The Board for Professional Engineers and Land Surveyors.
- (12) The Contractors State License Board.
- (13) The Board of Behavioral Sciences.
- (14) The Court Reporters Board of California.
- (15) The State Athletic Commission.
- (16) The Osteopathic Medical Board of California.
- (17) The Respiratory Care Board of California.
- (18) The Acupuncture Board.
- (19) The Board of Psychology.
- (20) The Structural Pest Control Board.

SEC. 5. Section 144 of the Business and Professions Code is amended to read:

144. (a) Notwithstanding any other law, an agency designated in subdivision (b) shall require an applicant to furnish to the agency a full set of fingerprints for purposes of conducting criminal history record checks. Any agency designated in subdivision (b) may obtain and receive, at its discretion, criminal history information from the Department of Justice and the United States Federal Bureau of Investigation.

(b) Subdivision (a) applies to the following:

- (1) California Board of Accountancy.
- (2) State Athletic Commission.
- (3) Board of Behavioral Sciences.
- (4) Court Reporters Board of California.
- (5) Dental Board of California.
- (6) California State Board of Pharmacy.
- (7) Board of Registered Nursing.
- (8) Veterinary Medical Board.
- (9) Board of Vocational Nursing and Psychiatric Technicians.
- (10) Respiratory Care Board of California.
- (11) Physical Therapy Board of California.
- (12) Physician Assistant Committee.

(13) Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board.

(14) Medical Board of California.

(15) State Board of Optometry.

(16) Acupuncture Board.

(17) Cemetery and Funeral Bureau.

(18) Bureau of Security and Investigative Services.

(19) Division of Investigation.

(20) Board of Psychology.

(21) California Board of Occupational Therapy.

(22) Structural Pest Control Board.

(23) Contractors State License Board.

(24) Naturopathic Medicine Committee.

(25) Professional Fiduciaries Bureau.

(26) Board for Professional Engineers, Land Surveyors, and Geologists.

(27) Bureau of Cannabis Control.

(28) Podiatric Medical Board of California.

(29) Osteopathic Medical Board of California.

(30) California Architects Board, beginning January 1, 2021.

(31) Landscape Architects Technical Committee, beginning January 1, 2022.

(c) For purposes of paragraph (26) of subdivision (b), the term “applicant” shall be limited to an initial applicant who has never been registered or licensed by the board or to an applicant for a new licensure or registration category.

SEC. 6. Section 200.1 of the Business and Professions Code is amended to read:

200.1. (a) Any accruals that occur on or after September 11, 1993, to any funds or accounts within the Professions and Vocations Fund that realize increased revenues to that fund or account as a result of legislation enacted on or after September 11, 1993, and that have not been transferred pursuant to Sections 13.50, 13.60, and 13.70 of the Budget Act of 1993 on the effective date of the act that enacted this section, shall be exempt from the transfers contained in Sections 13.50, 13.60, and 13.70 of the Budget Act of 1993. These funds shall include, but not be limited to, all of the following:

(1) Athletic Commission Fund.

(2) Bureau of Home Furnishings and Thermal Insulation Fund.

(3) Contractors License Fund.

(4) Private Investigator Fund.

(5) Respiratory Care Fund.

(6) Vocational Nursing and Psychiatric Technicians Fund.

(b) Subdivision (a) shall not apply to the Contingent Fund of the Medical Board of California.

SEC. 7. Section 205 of the Business and Professions Code, as amended by Section 2 of Chapter 865 of the Statutes of 2019, is amended to read:

205. (a) There is in the State Treasury the Professions and Vocations Fund. The fund shall consist of the following special funds:

- (1) Accountancy Fund.
- (2) California Architects Board Fund.
- (3) Athletic Commission Fund.
- (4) Barbering and Cosmetology Contingent Fund.
- (5) Cemetery and Funeral Fund.
- (6) Contractors License Fund.
- (7) State Dentistry Fund.
- (8) Home Furnishings and Thermal Insulation Fund.
- (9) California Architects Board-Landscape Architects Fund.
- (10) Contingent Fund of the Medical Board of California.
- (11) Optometry Fund.
- (12) Pharmacy Board Contingent Fund.
- (13) Physical Therapy Fund.
- (14) Private Investigator Fund.
- (15) Private Security Services Fund.
- (16) Professional Engineer's, Land Surveyor's, and Geologist's Fund.
- (17) Consumer Affairs Fund.
- (18) Behavioral Sciences Fund.
- (19) Licensed Midwifery Fund.
- (20) Court Reporters' Fund.
- (21) Veterinary Medical Board Contingent Fund.
- (22) Vocational Nursing and Psychiatric Technicians Fund.
- (23) Electronic and Appliance Repair Fund.
- (24) Dispensing Opticians Fund.
- (25) Acupuncture Fund.
- (26) Physician Assistant Fund.
- (27) Board of Podiatric Medicine Fund.
- (28) Psychology Fund.
- (29) Respiratory Care Fund.
- (30) Speech-Language Pathology and Audiology and Hearing Aid Dispensers Fund.
- (31) Board of Registered Nursing Fund.
- (32) Animal Health Technician Examining Committee Fund.
- (33) State Dental Hygiene Fund.
- (34) State Dental Assistant Fund.
- (35) Structural Pest Control Fund.
- (36) Structural Pest Control Eradication and Enforcement Fund.
- (37) Structural Pest Control Research Fund.
- (38) Household Movers Fund.

(b) For accounting and recordkeeping purposes, the Professions and Vocations Fund shall be deemed to be a single special fund, and each of the several special funds therein shall constitute and be deemed to be a separate account in the Professions and Vocations Fund. Each account or fund shall be available for expenditure only for the purposes as are now or may hereafter be provided by law.

(c) This section shall be repealed on July 1, 2022.

SEC. 8. Section 205 of the Business and Professions Code, as added by Section 3 of Chapter 865 of the Statutes of 2019, is amended to read:

205. (a) There is in the State Treasury the Professions and Vocations Fund. The fund shall consist of the following special funds:

- (1) Accountancy Fund.
- (2) California Architects Board Fund.
- (3) Athletic Commission Fund.
- (4) Barbering and Cosmetology Contingent Fund.
- (5) Cemetery and Funeral Fund.
- (6) Contractors License Fund.
- (7) State Dentistry Fund.
- (8) Home Furnishings and Thermal Insulation Fund.
- (9) California Architects Board-Landscape Architects Fund.
- (10) Contingent Fund of the Medical Board of California.
- (11) Optometry Fund.
- (12) Pharmacy Board Contingent Fund.
- (13) Physical Therapy Fund.
- (14) Private Investigator Fund.
- (15) Private Security Services Fund.
- (16) Professional Engineer's, Land Surveyor's, and Geologist's Fund.
- (17) Consumer Affairs Fund.
- (18) Behavioral Sciences Fund.
- (19) Licensed Midwifery Fund.
- (20) Court Reporters' Fund.
- (21) Veterinary Medical Board Contingent Fund.
- (22) Vocational Nursing and Psychiatric Technicians Fund.
- (23) Electronic and Appliance Repair Fund.
- (24) Dispensing Opticians Fund.
- (25) Acupuncture Fund.
- (26) Physician Assistant Fund.
- (27) Board of Podiatric Medicine Fund.
- (28) Psychology Fund.
- (29) Respiratory Care Fund.
- (30) Speech-Language Pathology and Audiology and Hearing Aid Dispensers Fund.
- (31) Board of Registered Nursing Fund.
- (32) Animal Health Technician Examining Committee Fund.
- (33) State Dental Hygiene Fund.
- (34) Structural Pest Control Fund.
- (35) Structural Pest Control Eradication and Enforcement Fund.
- (36) Structural Pest Control Research Fund.
- (37) Household Movers Fund.

(b) For accounting and recordkeeping purposes, the Professions and Vocations Fund shall be deemed to be a single special fund, and each of the several special funds therein shall constitute and be deemed to be a separate account in the Professions and Vocations Fund. Each account or fund shall

be available for expenditure only for the purposes as are now or may hereafter be provided by law.

(c) This section shall become operative on July 1, 2022.

SEC. 8.5. Section 205 of the Business and Professions Code, as added by Section 3 of Chapter 865 of the Statutes of 2019, is amended to read:

205. (a) There is in the State Treasury the Professions and Vocations Fund. The fund shall consist of the following special funds:

- (1) Accountancy Fund.
- (2) California Architects Board Fund.
- (3) Athletic Commission Fund.
- (4) Barbering and Cosmetology Contingent Fund.
- (5) Cemetery and Funeral Fund.
- (6) Contractors License Fund.
- (7) State Dentistry Fund.
- (8) Home Furnishings and Thermal Insulation Fund.
- (9) California Architects Board-Landscape Architects Fund.
- (10) Contingent Fund of the Medical Board of California.
- (11) Optometry Fund.
- (12) Pharmacy Board Contingent Fund.
- (13) Physical Therapy Fund.
- (14) Private Investigator Fund.
- (15) Private Security Services Fund.
- (16) Professional Engineer's, Land Surveyor's, and Geologist's Fund.
- (17) Consumer Affairs Fund.
- (18) Behavioral Sciences Fund.
- (19) Licensed Midwifery Fund.
- (20) Court Reporters' Fund.
- (21) Veterinary Medical Board Contingent Fund.
- (22) Vocational Nursing and Psychiatric Technicians Fund.
- (23) Electronic and Appliance Repair Fund.
- (24) Acupuncture Fund.
- (25) Physician Assistant Fund.
- (26) Board of Podiatric Medicine Fund.
- (27) Psychology Fund.
- (28) Respiratory Care Fund.
- (29) Speech-Language Pathology and Audiology and Hearing Aid Dispensers Fund.
- (30) Board of Registered Nursing Fund.
- (31) Animal Health Technician Examining Committee Fund.
- (32) State Dental Hygiene Fund.
- (33) Structural Pest Control Fund.
- (34) Structural Pest Control Eradication and Enforcement Fund.
- (35) Structural Pest Control Research Fund.
- (36) Household Movers Fund.

(b) For accounting and recordkeeping purposes, the Professions and Vocations Fund shall be deemed to be a single special fund, and each of the several special funds therein shall constitute and be deemed to be a separate

account in the Professions and Vocations Fund. Each account or fund shall be available for expenditure only for the purposes as are now or may hereafter be provided by law.

(c) This section shall become operative on July 1, 2022.

SEC. 9. Section 494.5 of the Business and Professions Code is amended to read:

494.5. (a) (1) Except as provided in paragraphs (2), (3), and (4), a state governmental licensing entity shall refuse to issue, reactivate, reinstate, or renew a license and shall suspend a license if a licensee's name is included on a certified list.

(2) The Department of Motor Vehicles shall suspend a license if a licensee's name is included on a certified list. Any reference in this section to the issuance, reactivation, reinstatement, renewal, or denial of a license shall not apply to the Department of Motor Vehicles.

(3) The State Bar of California may recommend to refuse to issue, reactivate, reinstate, or renew a license and may recommend to suspend a license if a licensee's name is included on a certified list. The word "may" shall be substituted for the word "shall" relating to the issuance of a temporary license, refusal to issue, reactivate, reinstate, renew, or suspend a license in this section for licenses under the jurisdiction of the California Supreme Court.

(4) The Department of Alcoholic Beverage Control may refuse to issue, reactivate, reinstate, or renew a license, and may suspend a license, if a licensee's name is included on a certified list.

(b) For purposes of this section:

(1) "Certified list" means either the list provided by the State Board of Equalization or the list provided by the Franchise Tax Board of persons whose names appear on the lists of the 500 largest tax delinquencies pursuant to Section 7063 or 19195 of the Revenue and Taxation Code, as applicable.

(2) "License" includes a certificate, registration, or any other authorization to engage in a profession or occupation issued by a state governmental licensing entity. "License" includes a driver's license issued pursuant to Chapter 1 (commencing with Section 12500) of Division 6 of the Vehicle Code. "License" excludes a vehicle registration issued pursuant to Division 3 (commencing with Section 4000) of the Vehicle Code.

(3) "Licensee" means an individual authorized by a license to drive a motor vehicle or authorized by a license, certificate, registration, or other authorization to engage in a profession or occupation issued by a state governmental licensing entity.

(4) "State governmental licensing entity" means any entity listed in Section 101, 1000, or 19420, the office of the Attorney General, the Department of Insurance, the Department of Motor Vehicles, the State Bar of California, the Department of Real Estate, and any other state agency, board, or commission that issues a license, certificate, or registration authorizing an individual to engage in a profession or occupation, including any certificate, business or occupational license, or permit or license issued by the Department of Motor Vehicles or the Department of the California

Highway Patrol. "State governmental licensing entity" shall not include the Contractors State License Board.

(c) The State Board of Equalization and the Franchise Tax Board shall each submit its respective certified list to every state governmental licensing entity. The certified lists shall include the name, social security number or taxpayer identification number, and the last known address of the persons identified on the certified lists.

(d) Notwithstanding any other law, each state governmental licensing entity shall collect the social security number or the federal taxpayer identification number from all applicants for the purposes of matching the names of the certified lists provided by the State Board of Equalization and the Franchise Tax Board to applicants and licensees.

(e) (1) Each state governmental licensing entity shall determine whether an applicant or licensee is on the most recent certified list provided by the State Board of Equalization and the Franchise Tax Board.

(2) If an applicant or licensee is on either of the certified lists, the state governmental licensing entity shall immediately provide a preliminary notice to the applicant or licensee of the entity's intent to suspend or withhold issuance or renewal of the license. The preliminary notice shall be delivered personally or by mail to the applicant's or licensee's last known mailing address on file with the state governmental licensing entity within 30 days of receipt of the certified list. Service by mail shall be completed in accordance with Section 1013 of the Code of Civil Procedure.

(A) The state governmental licensing entity shall issue a temporary license valid for a period of 90 days to any applicant whose name is on a certified list if the applicant is otherwise eligible for a license.

(B) The 90-day time period for a temporary license shall not be extended. Only one temporary license shall be issued during a regular license term and the term of the temporary license shall coincide with the first 90 days of the regular license term. A license for the full term or the remainder of the license term may be issued or renewed only upon compliance with this section.

(C) In the event that a license is suspended or an application for a license or the renewal of a license is denied pursuant to this section, any funds paid by the applicant or licensee shall not be refunded by the state governmental licensing entity.

(f) (1) A state governmental licensing entity shall refuse to issue or shall suspend a license pursuant to this section no sooner than 90 days and no later than 120 days of the mailing of the preliminary notice described in paragraph (2) of subdivision (e), unless the state governmental licensing entity has received a release pursuant to subdivision (h). The procedures in the administrative adjudication provisions of the Administrative Procedure Act (Chapter 4.5 (commencing with Section 11400) and Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code) shall not apply to the denial or suspension of, or refusal to renew, a license or the issuance of a temporary license pursuant to this section.

(2) Notwithstanding any other law, if a board, bureau, or commission listed in Section 101, other than the Contractors State License Board, fails to take action in accordance with this section, the Department of Consumer Affairs shall issue a temporary license or suspend or refuse to issue, reactivate, reinstate, or renew a license, as appropriate.

(g) Notices shall be developed by each state governmental licensing entity. For an applicant or licensee on the State Board of Equalization's certified list, the notice shall include the address and telephone number of the State Board of Equalization, and shall emphasize the necessity of obtaining a release from the State Board of Equalization as a condition for the issuance, renewal, or continued valid status of a license or licenses. For an applicant or licensee on the Franchise Tax Board's certified list, the notice shall include the address and telephone number of the Franchise Tax Board, and shall emphasize the necessity of obtaining a release from the Franchise Tax Board as a condition for the issuance, renewal, or continued valid status of a license or licenses.

(1) The notice shall inform the applicant that the state governmental licensing entity shall issue a temporary license, as provided in subparagraph (A) of paragraph (2) of subdivision (e), for 90 calendar days if the applicant is otherwise eligible and that upon expiration of that time period, the license will be denied unless the state governmental licensing entity has received a release from the State Board of Equalization or the Franchise Tax Board, whichever is applicable.

(2) The notice shall inform the licensee that any license suspended under this section will remain suspended until the state governmental licensing entity receives a release along with applications and fees, if applicable, to reinstate the license.

(3) The notice shall also inform the applicant or licensee that if an application is denied or a license is suspended pursuant to this section, any moneys paid by the applicant or licensee shall not be refunded by the state governmental licensing entity. The state governmental licensing entity shall also develop a form that the applicant or licensee shall use to request a release by the State Board of Equalization or the Franchise Tax Board. A copy of this form shall be included with every notice sent pursuant to this subdivision.

(h) If the applicant or licensee wishes to challenge the submission of their name on a certified list, the applicant or licensee shall make a timely written request for release to the State Board of Equalization or the Franchise Tax Board, whichever is applicable. The State Board of Equalization or the Franchise Tax Board shall immediately send a release to the appropriate state governmental licensing entity and the applicant or licensee, if any of the following conditions are met:

(1) The applicant or licensee has complied with the tax obligation, either by payment of the unpaid taxes or entry into an installment payment agreement, as described in Section 6832 or 19008 of the Revenue and Taxation Code, to satisfy the unpaid taxes.

(2) The applicant or licensee has submitted a request for release not later than 45 days after the applicant's or licensee's receipt of a preliminary notice described in paragraph (2) of subdivision (e), but the State Board of Equalization or the Franchise Tax Board, whichever is applicable, will be unable to complete the release review and send notice of its findings to the applicant or licensee and state governmental licensing entity within 45 days after the State Board of Equalization's or the Franchise Tax Board's receipt of the applicant's or licensee's request for release. Whenever a release is granted under this paragraph, and, notwithstanding that release, the applicable license or licenses have been suspended erroneously, the state governmental licensing entity shall reinstate the applicable licenses with retroactive effect back to the date of the erroneous suspension and that suspension shall not be reflected on any license record.

(3) The applicant or licensee is unable to pay the outstanding tax obligation due to a current financial hardship. "Financial hardship" means financial hardship as determined by the State Board of Equalization or the Franchise Tax Board, whichever is applicable, where the applicant or licensee is unable to pay any part of the outstanding liability and the applicant or licensee is unable to qualify for an installment payment arrangement as provided for by Section 6832 or Section 19008 of the Revenue and Taxation Code. In order to establish the existence of a financial hardship, the applicant or licensee shall submit any information, including information related to reasonable business and personal expenses, requested by the State Board of Equalization or the Franchise Tax Board, whichever is applicable, for purposes of making that determination.

(i) An applicant or licensee is required to act with diligence in responding to notices from the state governmental licensing entity and the State Board of Equalization or the Franchise Tax Board with the recognition that the temporary license will lapse or the license suspension will go into effect after 90 days and that the State Board of Equalization or the Franchise Tax Board must have time to act within that period. An applicant's or licensee's delay in acting, without good cause, which directly results in the inability of the State Board of Equalization or the Franchise Tax Board, whichever is applicable, to complete a review of the applicant's or licensee's request for release shall not constitute the diligence required under this section which would justify the issuance of a release. An applicant or licensee shall have the burden of establishing that they diligently responded to notices from the state governmental licensing entity or the State Board of Equalization or the Franchise Tax Board and that any delay was not without good cause.

(j) The State Board of Equalization or the Franchise Tax Board shall create release forms for use pursuant to this section. When the applicant or licensee has complied with the tax obligation by payment of the unpaid taxes, or entry into an installment payment agreement, or establishing the existence of a current financial hardship as defined in paragraph (3) of subdivision (h), the State Board of Equalization or the Franchise Tax Board, whichever is applicable, shall mail a release form to the applicant or licensee

and provide a release to the appropriate state governmental licensing entity. Any state governmental licensing entity that has received a release from the State Board of Equalization and the Franchise Tax Board pursuant to this subdivision shall process the release within five business days of its receipt. If the State Board of Equalization or the Franchise Tax Board determines subsequent to the issuance of a release that the licensee has not complied with their installment payment agreement, the State Board of Equalization or the Franchise Tax Board, whichever is applicable, shall notify the state governmental licensing entity and the licensee in a format prescribed by the State Board of Equalization or the Franchise Tax Board, whichever is applicable, that the licensee is not in compliance and the release shall be rescinded. The State Board of Equalization and the Franchise Tax Board may, when it is economically feasible for the state governmental licensing entity to develop an automated process for complying with this subdivision, notify the state governmental licensing entity in a manner prescribed by the State Board of Equalization or the Franchise Tax Board, whichever is applicable, that the licensee has not complied with the installment payment agreement. Upon receipt of this notice, the state governmental licensing entity shall immediately notify the licensee on a form prescribed by the state governmental licensing entity that the licensee's license will be suspended on a specific date, and this date shall be no longer than 30 days from the date the form is mailed. The licensee shall be further notified that the license will remain suspended until a new release is issued in accordance with this subdivision.

(k) The State Board of Equalization and the Franchise Tax Board may enter into interagency agreements with the state governmental licensing entities necessary to implement this section.

(l) Notwithstanding any other law, a state governmental licensing entity, with the approval of the appropriate department director or governing body, may impose a fee on a licensee whose license has been suspended pursuant to this section. The fee shall not exceed the amount necessary for the state governmental licensing entity to cover its costs in carrying out the provisions of this section. Fees imposed pursuant to this section shall be deposited in the fund in which other fees imposed by the state governmental licensing entity are deposited and shall be available to that entity upon appropriation in the annual Budget Act.

(m) The process described in subdivision (h) shall constitute the sole administrative remedy for contesting the issuance of a temporary license or the denial or suspension of a license under this section.

(n) Any state governmental licensing entity receiving an inquiry as to the licensed status of an applicant or licensee who has had a license denied or suspended under this section or who has been granted a temporary license under this section shall respond that the license was denied or suspended or the temporary license was issued only because the licensee appeared on a list of the 500 largest tax delinquencies pursuant to Section 7063 or 19195 of the Revenue and Taxation Code. Information collected pursuant to this section by any state agency, board, or department shall be subject to the

Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). Any state governmental licensing entity that discloses on its internet website or other publication that the licensee has had a license denied or suspended under this section or has been granted a temporary license under this section shall prominently disclose, in bold and adjacent to the information regarding the status of the license, that the only reason the license was denied, suspended, or temporarily issued is because the licensee failed to pay taxes.

(o) Any rules and regulations issued pursuant to this section by any state agency, board, or department may be adopted as emergency regulations in accordance with the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of these regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, and safety, or general welfare. The regulations shall become effective immediately upon filing with the Secretary of State.

(p) The State Board of Equalization, the Franchise Tax Board, and state governmental licensing entities, as appropriate, shall adopt regulations as necessary to implement this section.

(q) (1) Neither the state governmental licensing entity, nor any officer, employee, or agent, or former officer, employee, or agent of a state governmental licensing entity, may disclose or use any information obtained from the State Board of Equalization or the Franchise Tax Board, pursuant to this section, except to inform the public of the denial, refusal to renew, or suspension of a license or the issuance of a temporary license pursuant to this section. The release or other use of information received by a state governmental licensing entity pursuant to this section, except as authorized by this section, is punishable as a misdemeanor. This subdivision may not be interpreted to prevent the State Bar of California from filing a request with the Supreme Court of California to suspend a member of the bar pursuant to this section.

(2) A suspension of, or refusal to renew, a license or issuance of a temporary license pursuant to this section does not constitute denial or discipline of a licensee for purposes of any reporting requirements to the National Practitioner Data Bank and shall not be reported to the National Practitioner Data Bank or the Healthcare Integrity and Protection Data Bank.

(3) Upon release from the certified list, the suspension or revocation of the applicant's or licensee's license shall be purged from the state governmental licensing entity's internet website or other publication within three business days. This paragraph shall not apply to the State Bar of California.

(r) If any provision of this section or the application thereof to any person or circumstance is held invalid, that invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

(s) All rights to review afforded by this section to an applicant shall also be afforded to a licensee.

(t) Unless otherwise provided in this section, the policies, practices, and procedures of a state governmental licensing entity with respect to license suspensions under this section shall be the same as those applicable with respect to suspensions pursuant to Section 17520 of the Family Code.

(u) No provision of this section shall be interpreted to allow a court to review and prevent the collection of taxes prior to the payment of those taxes in violation of the California Constitution.

(v) This section shall apply to any licensee whose name appears on a list of the 500 largest tax delinquencies pursuant to Section 7063 or 19195 of the Revenue and Taxation Code on or after July 1, 2012.

SEC. 10. Section 1000 of the Business and Professions Code is amended to read:

1000. (a) The law governing practitioners of chiropractic is found in an initiative act entitled "An act prescribing the terms upon which licenses may be issued to practitioners of chiropractic, creating the State Board of Chiropractic Examiners and declaring its powers and duties, prescribing penalties for violation hereof, and repealing all acts and parts of acts inconsistent herewith," adopted by the electors November 7, 1922.

(b) The State Board of Chiropractic Examiners is within the Department of Consumer Affairs.

(c) Notwithstanding any other law, the powers and duties of the State Board of Chiropractic Examiners, as set forth in this article and under the act creating the board, shall be subject to review by the appropriate policy committees of the Legislature. The review shall be performed as if this chapter were scheduled to be repealed as of January 1, 2023.

SEC. 11. Section 1913 of the Business and Professions Code is amended to read:

1913. Unless otherwise specified in this chapter, a registered dental hygienist may perform any procedure or provide any service within the scope of their practice in any setting under the appropriate level of supervision required by this article, if the registered dental hygienist has completed the appropriate education and training required to perform the procedure or provide the service.

SEC. 12. Section 1917 of the Business and Professions Code is amended to read:

1917. The dental hygiene board shall grant initial licensure as a registered dental hygienist to a person who satisfies all of the following requirements:

(a) Completion of an educational program for registered dental hygienists, approved by the dental hygiene board, accredited by the Commission on Dental Accreditation, and conducted by a degree-granting, postsecondary institution.

(b) Within the preceding three years, satisfactory completion of the dental hygiene examination given by the Western Regional Examining Board or any other clinical or dental hygiene examination approved by the dental hygiene board.

(c) Satisfactory completion of the National Board Dental Hygiene Examination.

(d) Satisfactory completion of the examination in California law and ethics as prescribed by the dental hygiene board.

(e) Submission of a completed application form and all fees required by the dental hygiene board.

(f) Satisfactory completion of dental hygiene board-approved instruction in gingival soft-tissue curettage, nitrous oxide-oxygen analgesia, and local anesthesia.

SEC. 13. Section 1917.1 of the Business and Professions Code is amended to read:

1917.1. (a) The dental hygiene board may grant a license as a registered dental hygienist to an applicant who has not taken a clinical examination before the dental hygiene board, if the applicant submits all of the following to the dental hygiene board:

(1) A completed application form and all fees required by the dental hygiene board.

(2) Proof of a current license as a registered dental hygienist issued by another state that is not revoked, suspended, or otherwise restricted.

(3) Proof that the applicant has been in clinical practice as a registered dental hygienist or has been a full-time faculty member in an accredited dental hygiene education program for a minimum of 750 hours per year for at least five years immediately preceding the date of application under this section. The clinical practice requirement shall be deemed met if the applicant provides proof of at least three years of clinical practice and commits to completing the remaining two years of clinical practice by filing with the dental hygiene board a copy of a pending contract to practice dental hygiene in any of the following facilities:

(A) A primary care clinic licensed under subdivision (a) of Section 1204 of the Health and Safety Code.

(B) A primary care clinic exempt from licensure pursuant to subdivision (c) of Section 1206 of the Health and Safety Code.

(C) A clinic owned or operated by a public hospital or health system.

(D) A clinic owned and operated by a hospital that maintains the primary contract with a county government to fill the county's role under Section 17000 of the Welfare and Institutions Code.

(4) Satisfactory performance on a California law and ethics examination and any examination that may be required by the dental hygiene board.

(5) Proof that the applicant has not been subject to disciplinary action by any state in which the applicant is or has been previously issued any professional or vocational license. If the applicant has been subject to disciplinary action, the dental hygiene board shall review that action to determine if it warrants refusal to issue a license to the applicant.

(6) Proof of graduation from a school of dental hygiene accredited by the Commission on Dental Accreditation.

(7) Proof of satisfactory completion of the National Board Dental Hygiene Examination and of a state clinical examination, regional clinical licensure

examination, or any other clinical dental hygiene examination approved by the dental hygiene board.

(8) Proof that the applicant has not failed the state clinical examination, the examination given by the Western Regional Examining Board, or any other clinical dental hygiene examination approved by the dental hygiene board for licensure to practice dental hygiene under this chapter more than once or once within five years prior to the date of application for a license under this section.

(9) Documentation of completion of a minimum of 25 units of continuing education earned in the two years preceding application, including completion of any continuing education requirements imposed by the dental hygiene board on registered dental hygienists licensed in this state at the time of application.

(10) Any other information as specified by the dental hygiene board to the extent that it is required of applicants for licensure by examination under this article.

(b) The dental hygiene board may periodically request verification of compliance with the requirements of paragraph (3) of subdivision (a) and may revoke the license upon a finding that the employment requirement or any other requirement of paragraph (3) of subdivision (a) has not been met.

(c) The dental hygiene board shall provide in the application packet to each out-of-state dental hygienist pursuant to this section the following information:

(1) The location of dental manpower shortage areas in the state.

(2) Any nonprofit clinics, public hospitals, and accredited dental hygiene education programs seeking to contract with licensees for dental hygiene service delivery or training purposes.

SEC. 14. Section 1922 of the Business and Professions Code is amended to read:

1922. The dental hygiene board shall license as a registered dental hygienist in alternative practice a person who demonstrates satisfactory performance on an examination in California law and ethics required by the dental hygiene board and who completes an application form and pays all application fees required by the dental hygiene board and meets either of the following requirements:

(a) Holds a current California license as a registered dental hygienist and meets the following requirements:

(1) Has been engaged in the practice of dental hygiene, as defined in Section 1908, as a registered dental hygienist in any setting, including, but not limited to, educational settings and public health settings, for a minimum of 2,000 hours during the immediately preceding 36 months.

(2) Has successfully completed a bachelor's degree or its equivalent, recognized as a minimum of 120 semester credit hours or 180 quarter credit hours in postsecondary education, from a college or institution of higher education that is accredited by a national or regional accrediting agency recognized by the United States Department of Education, and a minimum of 150 hours of additional educational requirements, as prescribed by the

dental hygiene board by regulation, that are consistent with good dental and dental hygiene practice, including, but not necessarily limited to, dental hygiene technique and theory including gerontology and medical emergencies, and business administration and practice management.

(b) Has received a letter of acceptance into the employment utilization phase of the Health Workforce Pilot Project No. 155 established by the Office of Statewide Health Planning and Development pursuant to Article 1 (commencing with Section 128125) of Chapter 3 of Part 3 of Division 107 of the Health and Safety Code.

SEC. 15. Section 2065 of the Business and Professions Code is amended to read:

2065. (a) Unless otherwise provided by law, no postgraduate trainee, intern, resident, postdoctoral fellow, or instructor may engage in the practice of medicine, or receive compensation therefor, or offer to engage in the practice of medicine unless they hold a valid, unrevoked, and unsuspended physician's and surgeon's certificate issued by the board. However, a graduate of an approved medical school may engage in the practice of medicine whenever and wherever required as a part of a postgraduate training program under the following conditions:

(1) The medical school graduate has taken and passed the board-approved medical licensing examinations required to qualify the applicant to participate in an approved postgraduate training program.

(2) If the medical school graduate graduated from a foreign medical school approved by the board pursuant to Section 2084, the Educational Commission for Foreign Medical Graduates (ECFMG) has submitted an official ECFMG Certification Status Report directly to the board confirming the graduate is ECFMG certified.

(3) The medical school graduate is enrolled in a postgraduate training program approved by the board.

(4) The board-approved postgraduate training program has submitted the required board-approved form to the board documenting the medical school graduate is enrolled in an approved postgraduate training program.

(5) The medical school graduate obtains a physician's and surgeon's postgraduate training license in accordance with Section 2064.5.

(b) A medical school graduate enrolled in an approved first-year postgraduate training program in accordance with this section may engage in the practice of medicine whenever and wherever required as a part of the training program, and may receive compensation for that practice.

(c) A graduate who has completed the first year of postgraduate training may, in an approved residency or fellowship, engage in the practice of medicine whenever and wherever required as part of that residency or fellowship, and may receive compensation for that practice. The resident or fellow shall qualify for, take, and pass the next succeeding written examination for licensure. If the resident or fellow fails to receive a license to practice medicine under this chapter within 27 months from the commencement of the residency or fellowship, except as otherwise allowed under subdivision (g) or (h), or if the board denies their application for

licensure, all privileges and exemptions under this section shall automatically cease.

(d) All approved postgraduate training the medical school graduate has successfully completed in the United States or Canada shall count toward the 39-month license exemption, except as otherwise allowed under subdivision (h).

(e) A medical school graduate from a medical school approved by the board shall have successfully completed a minimum of 36 months of approved postgraduate training, which includes successful progression through 24 months in the same program, to be eligible for a California physician's and surgeon's certificate.

(f) The program director for an approved postgraduate training program in California shall report to the board, on a form approved by the board, and provide any supporting documents as required by the board, the following actions within 30 days of the action:

(1) A postgraduate trainee is notified that they have received partial or no credit for a period of postgraduate training, and their postgraduate training period is extended.

(2) A postgraduate trainee takes a leave of absence or any break from their postgraduate training, and they are notified that their postgraduate training period is extended.

(3) A postgraduate trainee is terminated from the postgraduate training program.

(4) A postgraduate trainee resigns, dies, or otherwise leaves the postgraduate training program.

(5) A postgraduate trainee has completed a one-year contract approved by the postgraduate training program.

(g) Upon review of supporting documentation, the board, in its discretion, may grant an extension beyond 39 months to a postgraduate training licensee to successfully complete the 36 months of required approved postgraduate training.

(h) An applicant for a physician's and surgeon's license who has successfully completed 36 months of approved postgraduate training in another state or in Canada and who is accepted into an approved postgraduate training program in California shall obtain their physician's and surgeon's license within 90 days after beginning that postgraduate training program or all privileges and exemptions under this section shall automatically cease.

(i) This section shall become operative on January 1, 2020.

SEC. 16. Section 2113 of the Business and Professions Code is amended to read:

2113. (a) Any person who does not immediately qualify for a physician's and surgeon's certificate under this chapter and who is offered by the dean of an approved medical school in this state a full-time faculty position may, after application to and approval by the board, be granted a certificate of registration to engage in the practice of medicine only to the extent that the practice is incident to and a necessary part of their duties as approved by the board in connection with the faculty position. A certificate of registration

does not authorize a registrant to admit patients to a nursing or a skilled or assisted living facility unless that facility is formally affiliated with the sponsoring medical school. A clinical fellowship shall not be submitted as a faculty service appointment.

(b) Application for a certificate of registration shall be made on a form prescribed by the board and shall be accompanied by a registration fee fixed by the board in an amount necessary to recover the actual application processing costs of the program. To qualify for the certificate, an applicant shall submit all of the following:

(1) If the applicant is a graduate of a medical school other than in the United States or Canada, documentary evidence satisfactory to the board that they have been licensed to practice medicine and surgery for not less than four years in another state or country whose requirements for licensure are satisfactory to the board, or has been engaged in the practice of medicine in the United States for at least four years in approved facilities, or has completed a combination of that licensure and training.

(2) If the applicant is a graduate of a medical school in the United States or Canada, documentary evidence that the medical school is approved by the board.

(3) Written certification by the head of the department in which the applicant is to be appointed of all of the following:

(A) The applicant will be under their direction.

(B) The applicant will not be permitted to practice medicine unless incident to and a necessary part of their duties as approved by the board in subdivision (a).

(C) The applicant will be accountable to the medical school's department chair or division chief for the specialty in which the applicant will practice.

(D) The applicant will be proctored in the same manner as other new faculty members, including, as appropriate, review by the medical staff of the school's medical center.

(E) The applicant will not be appointed to a supervisory position at the level of a medical school department chair or division chief.

(4) Demonstration by the dean of the medical school that the applicant has the requisite qualifications to assume the position to which they are to be appointed and that shall include a written statement of the recruitment procedures followed by the medical school before offering the faculty position to the applicant.

(c) A certificate of registration shall be issued only for a faculty position at one approved medical school, and no person shall be issued more than one certificate of registration for the same period of time.

(d) (1) A certificate of registration is valid for one year from its date of issuance and may be renewed twice.

A request for renewal shall be submitted on a form prescribed by the board and shall be accompanied by a renewal fee fixed by the board in an amount necessary to recover the actual application processing costs of the program.

(2) The dean of the medical school may request renewal of the registration by submitting a plan at the beginning of the third year of the registrant's appointment demonstrating the registrant's continued progress toward licensure and, if the registrant is a graduate of a medical school other than in the United States or Canada, that the registrant has been issued a certificate by the Educational Commission for Foreign Medical Graduates. The board may, in its discretion, extend the registration for a two-year period to facilitate the registrant's completion of the licensure process.

(e) If the registrant is a graduate of a medical school other than in the United States or Canada, they shall meet the requirements of Section 2065 or 2135, as appropriate, in order to obtain a physician's and surgeon's certificate. Notwithstanding any other provision of law, the board may accept clinical practice in an appointment pursuant to this section as qualifying time to meet the postgraduate training requirements in Section 2065, and, in its discretion, waive the examination and the Educational Commission for Foreign Medical Graduates certification requirements specified in paragraph (3) of subdivision (a) of Section 2065 in the event the registrant applies for a physician's and surgeon's certificate. As a condition to waiving any examination or the Educational Commission for Foreign Medical Graduates certification requirement, the board in its discretion, may require an applicant to pass a clinical competency examination approved by the board. The board shall not waive any examination for an applicant who has not completed at least one year in the faculty position.

(f) Except to the extent authorized by this section, the registrant shall not engage in the practice of medicine, bill individually for medical services provided by the registrant, or receive compensation therefor, unless they are issued a physician's and surgeon's certificate.

(g) When providing clinical services, the registrant shall wear a visible name tag containing the title "visiting professor" or "visiting faculty member," as appropriate, and the institution at which the services are provided shall obtain a signed statement from each patient to whom the registrant provides services acknowledging that the patient understands that the services are provided by a person who does not hold a physician's and surgeon's certificate but who is qualified to participate in a special program as a visiting professor or faculty member.

(h) The board shall notify both the registrant and the dean of the medical school of a complaint made about the registrant. The board may terminate a registration for any act that would be grounds for discipline if done by a licensee. The board shall provide both the registrant and the dean of the medical school with written notice of the termination and the basis for that termination. The registrant may, within 30 days after the date of the notice of termination, file a written appeal to the board. The appeal shall include any documentation the registrant wishes to present to the board.

(i) This section shall become operative on January 1, 2020.

SEC. 16.5. Section 2113 of the Business and Professions Code is amended to read:

2113. (a) Any person who does not immediately qualify for a physician's and surgeon's certificate under this chapter and who is offered by the dean of an approved medical school, or dean or chief medical officer of an academic medical center, in this state a full-time faculty position may, after application to and approval by the board, be granted a certificate of registration to engage in the practice of medicine only to the extent that the practice is incident to and a necessary part of that person's duties as approved by the board in connection with the faculty position. A certificate of registration does not authorize a registrant to admit patients to a nursing or a skilled or assisted living facility unless that facility is formally affiliated with the sponsoring medical school. A clinical fellowship shall not be submitted as a faculty service appointment.

(b) Application for a certificate of registration shall be made on a form prescribed by the board and shall be accompanied by a registration fee fixed by the board in an amount necessary to recover the actual application processing costs of the program. To qualify for the certificate, an applicant shall submit all of the following:

(1) If the applicant is a graduate of a medical school other than in the United States or Canada, documentary evidence satisfactory to the board that the applicant has been licensed to practice medicine and surgery for not less than four years in another state or country whose requirements for licensure are satisfactory to the board, or has been engaged in the practice of medicine in the United States for at least four years in approved facilities, or has completed a combination of that licensure and training.

(2) If the applicant is a graduate of a medical school in the United States or Canada, documentary evidence that the medical school is approved by the board.

(3) Written certification by the head of the department in which the applicant is to be appointed of all of the following:

(A) The applicant will be under the head of the department's direction.

(B) The applicant will not be permitted to practice medicine unless incident to and a necessary part of the applicant's duties as approved by the board in subdivision (a).

(C) The applicant will be accountable to the medical school's or academic medical center's chair or division chief for the specialty in which the applicant will practice.

(D) The applicant will be proctored in the same manner as other new faculty members, including, as appropriate, review by the medical staff of the sponsoring medical school or academic medical center.

(E) The applicant will not be appointed to a supervisory position at the level of a medical school or academic medical center's department chair or division chief.

(4) Demonstration by the dean of the medical school, or dean or chief medical officer or an academic medical center, that the applicant has the requisite qualifications to assume the position to which the applicant is to be appointed and that shall include a written statement of the recruitment

procedures followed by the medical school or academic medical center before offering the faculty position to the applicant.

(c) A certificate of registration shall be issued only for a faculty position at one approved medical school, or academic medical center, and a person shall not be issued more than one certificate of registration for the same period of time.

(d) (1) A certificate of registration is valid for one year from its date of issuance and may be renewed twice.

A request for renewal shall be submitted on a form prescribed by the board and shall be accompanied by a renewal fee fixed by the board in an amount necessary to recover the actual application processing costs of the program.

(2) The dean of the medical school, or the dean or chief medical officer of an academic medical center, may request renewal of the registration by submitting a plan at the beginning of the third year of the registrant's appointment demonstrating the registrant's continued progress toward licensure and, if the registrant is a graduate of a medical school other than in the United States or Canada, that the registrant has been issued a certificate by the Educational Commission for Foreign Medical Graduates. The board may, in its discretion, extend the registration for a two-year period to facilitate the registrant's completion of the licensure process.

(e) If the registrant is a graduate of a medical school other than in the United States or Canada, the registrant shall meet the requirements of Section 2065 or 2135, as appropriate, in order to obtain a physician's and surgeon's certificate. Notwithstanding any other provision of law, the board may accept clinical practice in an appointment pursuant to this section as qualifying time to meet the postgraduate training requirements in Section 2065, and, in its discretion, waive the examination and the Educational Commission for Foreign Medical Graduates certification requirements specified in paragraph (3) of subdivision (a) of Section 2065 in the event the registrant applies for a physician's and surgeon's certificate. As a condition to waiving any examination or the Educational Commission for Foreign Medical Graduates certification requirement, the board in its discretion, may require an applicant to pass a clinical competency examination approved by the board. The board shall not waive any examination for an applicant who has not completed at least one year in the faculty position.

(f) Except to the extent authorized by this section, the registrant shall not engage in the practice of medicine, bill individually for medical services provided by the registrant, or receive compensation therefor, unless the registrant is issued a physician's and surgeon's certificate.

(g) When providing clinical services, the registrant shall wear a visible name tag containing the title "visiting professor" or "visiting faculty member," as appropriate, and the institution at which the services are provided shall obtain a signed statement from each patient to whom the registrant provides services acknowledging that the patient understands that the services are provided by a person who does not hold a physician's and

surgeon's certificate but who is qualified to participate in a special program as a visiting professor or faculty member.

(h) The board shall notify both the registrant and the dean of the medical school, or the dean or chief medical officer of an academic medical center, of a complaint made about the registrant. The board may terminate a registration for any act that would be grounds for discipline if done by a licensee. The board shall provide both the registrant and the dean of the medical school, or the dean or chief medical officer of an academic medical center, with written notice of the termination and the basis for that termination. The registrant may, within 30 days after the date of the notice of termination, file a written appeal to the board. The appeal shall include any documentation the registrant wishes to present to the board.

(i) A registrant granted a certificate of registration before January 1, 2021, to engage in the practice of medicine pursuant to this section at an academic medical center shall be deemed to be authorized at that academic medical center as though the initial application had been sponsored by the academic medical center.

(j) As used in this section, "academic medical center" has the same meaning as defined in subdivision (a) of Section 2168.

SEC. 17. Section 2135.5 of the Business and Professions Code is amended to read:

2135.5. Upon review and recommendation, the board may determine that an applicant for a physician's and surgeon's certificate has satisfied the medical education requirements of Sections 2084 and 2135 and the examination requirements of Section 2170 if the applicant meets all of the following criteria:

(a) They hold an unlimited and unrestricted license as a physician and surgeon in another state and has held that license continuously for a minimum of four years prior to the date of application.

(b) They meet the postgraduate training requirements in Section 2096 and are certified by a specialty board that is a member board of the American Board of Medical Specialties.

(c) They are not subject to denial of licensure under Division 1.5 (commencing with Section 475) or Article 12 (commencing with Section 2220).

(d) They have not been the subject of a disciplinary action by a medical licensing authority or of an adverse judgment or settlement resulting from the practice of medicine that, as determined by the board, constitutes a pattern of negligence or incompetence.

(e) This section shall become operative on January 1, 2020.

SEC. 18. Section 2460 of the Business and Professions Code is amended to read:

2460. (a) There is created in the Department of Consumer Affairs the California Board of Podiatric Medicine. Commencing July 1, 2019, the California Board of Podiatric Medicine is renamed the Podiatric Medical Board of California. Any reference in any provision of law to the California

Board of Podiatric Medicine shall, commencing July 1, 2019, be deemed to refer to the Podiatric Medical Board of California.

(b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed. Notwithstanding any other law, the repeal of this section renders the California Board of Podiatric Medicine subject to review by the appropriate policy committees of the Legislature.

(c) The amendments made by Chapter 775 of the Statutes of 2017 relating to podiatrists shall not be construed to change any rights or privileges held by podiatrists prior to the enactment of that act.

SEC. 19. Section 2531 of the Business and Professions Code is amended to read:

2531. (a) There is in the Department of Consumer Affairs the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board in which the enforcement and administration of this chapter are vested. The Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board shall consist of nine members, three of whom shall be public members.

(b) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

(c) Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 20. Section 2531.75 of the Business and Professions Code is amended to read:

2531.75. (a) The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in them by this chapter.

(b) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 21. Section 2570.19 of the Business and Professions Code is amended to read:

2570.19. (a) There is hereby created a California Board of Occupational Therapy, hereafter referred to as the board. The board shall enforce and administer this chapter.

(b) The members of the board shall consist of the following:

(1) Three occupational therapists who shall have practiced occupational therapy for five years.

(2) One occupational therapy assistant who shall have assisted in the practice of occupational therapy for five years.

(3) Three public members who shall not be licentiates of the board, of any other board under this division, or of any board referred to in Section 1000 or 3600.

(c) The Governor shall appoint the three occupational therapists and one occupational therapy assistant to be members of the board. The Governor, the Senate Committee on Rules, and the Speaker of the Assembly shall each appoint a public member. Not more than one member of the board shall be

appointed from the full-time faculty of any university, college, or other educational institution.

(d) All members shall be residents of California at the time of their appointment. The occupational therapist and occupational therapy assistant members shall have been engaged in rendering occupational therapy services to the public, teaching, or research in occupational therapy for at least five years preceding their appointments.

(e) The public members may not be or have ever been occupational therapists or occupational therapy assistants or in training to become occupational therapists or occupational therapy assistants. The public members may not be related to, or have a household member who is, an occupational therapist or an occupational therapy assistant, and may not have had, within two years of the appointment, a substantial financial interest in a person regulated by the board.

(f) The Governor shall appoint two board members for a term of one year, two board members for a term of two years, and one board member for a term of three years. Appointments made thereafter shall be for four-year terms, but no person shall be appointed to serve more than two consecutive terms. Terms shall begin on the first day of the calendar year and end on the last day of the calendar year or until successors are appointed, except for the first appointed members who shall serve through the last calendar day of the year in which they are appointed, before commencing the terms prescribed by this section. Vacancies shall be filled by appointment for the unexpired term. The board shall annually elect one of its members as president.

(g) The board shall meet and hold at least one regular meeting annually in the Cities of Sacramento, Los Angeles, and San Francisco. The board may convene from time to time until its business is concluded. Special meetings of the board may be held at any time and place designated by the board.

(h) Notice of each meeting of the board shall be given in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(i) Members of the board shall receive no compensation for their services, but shall be entitled to reasonable travel and other expenses incurred in the execution of their powers and duties in accordance with Section 103.

(j) The appointing power shall have the power to remove any member of the board from office for neglect of any duty imposed by state law, for incompetency, or for unprofessional or dishonorable conduct.

(k) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

(l) Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 22. Section 2602 of the Business and Professions Code is amended to read:

2602. (a) The Physical Therapy Board of California, hereafter referred to as the board, shall enforce and administer this chapter.

(b) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

(c) Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 23. Section 2607.5 of the Business and Professions Code is amended to read:

2607.5. (a) The board may employ an executive officer exempt from the provisions of the State Civil Service Act (Part 2 (commencing with Section 18500) of Division 5 of Title 2 of the Government Code) and may also employ investigators, legal counsel, physical therapist consultants, and other assistance as it may deem necessary to carry out this chapter. The board may fix the compensation to be paid for services and may incur other expenses as it may deem necessary. Investigators employed by the board shall be provided special training in investigating physical therapy practice activities.

(b) The Attorney General shall act as legal counsel for the board for any judicial and administrative proceedings and their services shall be a charge against it.

(c) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 24. Section 2841 of the Business and Professions Code is amended to read:

2841. (a) There is in the Department of Consumer Affairs a Board of Vocational Nursing and Psychiatric Technicians of the State of California, which consists of 11 members.

(b) Within the meaning of this chapter, "board," or "the board," refers to the Board of Vocational Nursing and Psychiatric Technicians of the State of California.

(c) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 25. Section 2847.1 of the Business and Professions Code is amended to read:

2847.1. (a) The board shall select an executive officer who shall perform duties as are delegated by the board and who shall be responsible to it for the accomplishment of those duties. The executive officer shall not be a member of the board.

(b) With the approval of the Director of Finance, the board shall fix the salary of the executive officer.

(c) The executive officer shall be entitled to traveling and other necessary expenses in the performance of their duties. The executive officer shall make a statement, certified before a duly authorized person, that the expenses have been actually incurred.

(d) Commencing January 1, 2018, the executive officer appointed by the board pursuant to subdivision (a) is abolished. Thereafter, until January 1,

2022, the executive officer shall be appointed as set forth in Section 2847.3. Commencing January 1, 2022, the executive officer shall, again, be appointed by the board as set forth in subdivision (a).

(e) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 26. Section 2847.3 of the Business and Professions Code is amended to read:

2847.3. (a) Commencing January 1, 2018, the executive officer position established pursuant to subdivision (a) of Section 2847.1 is temporarily abolished. Commencing January 1, 2018, the Governor shall appoint an executive officer who shall perform duties as are delegated by the board and who shall be responsible for the accomplishment of those duties. The executive officer shall exercise all powers, discharge all responsibilities, and administer and enforce all laws pursuant to this chapter and Chapter 10 (commencing with Section 4500) of Division 2 that are necessary to perform the duties delegated by the board.

(b) The executive officer shall serve at the pleasure of the Governor and the Governor shall fix the salary of the executive officer. The executive officer shall not be a member of the board.

(c) The executive officer shall be entitled to traveling and other necessary expenses in the performance of their duties.

(d) This section shall become operative on January 1, 2018, and shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 27. Section 2920 of the Business and Professions Code is amended to read:

2920. (a) The Board of Psychology shall enforce and administer this chapter. The board shall consist of nine members, four of whom shall be public members.

(b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

(c) Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 28. Section 2933 of the Business and Professions Code is amended to read:

2933. (a) Except as provided by Section 159.5, the board shall employ and shall make available to the board within the limits of the funds received by the board all personnel necessary to carry out this chapter. The board may employ, exempt from the State Civil Service Act, an executive officer to the Board of Psychology. The board shall make all expenditures to carry out this chapter. The board may accept contributions to effectuate the purposes of this chapter.

(b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 29. Section 3504 of the Business and Professions Code is amended to read:

3504. There is established a Physician Assistant Board within the jurisdiction of the Medical Board of California. The board consists of nine members. This section shall remain in effect only until January 1, 2022, and as of that date is repealed. Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 30. Section 3512 of the Business and Professions Code is amended to read:

3512. (a) Except as provided in Sections 159.5 and 2020, the board shall employ within the limits of the Physician Assistant Fund all personnel necessary to carry out this chapter including an executive officer who shall be exempt from civil service. The Medical Board of California and board shall make all necessary expenditures to carry out this chapter from the funds established by Section 3520. The board may accept contributions to effect the purposes of this chapter.

(b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 31. Section 3686 of the Business and Professions Code is amended to read:

3686. This chapter shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 32. Section 3710 of the Business and Professions Code is amended to read:

3710. (a) The Respiratory Care Board of California, hereafter referred to as the board, shall enforce and administer this chapter.

(b) This section shall remain in effect only until January 1, 2023, and as of that date is repealed. Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 33. Section 3716 of the Business and Professions Code is amended to read:

3716. (a) The board may employ an executive officer exempt from civil service and, subject to the provisions of law relating to civil service, clerical assistants and, except as provided in Section 159.5, other employees as it may deem necessary to carry out its powers and duties.

(b) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 34. Section 4001 of the Business and Professions Code is amended to read:

4001. (a) There is in the Department of Consumer Affairs a California State Board of Pharmacy in which the administration and enforcement of this chapter is vested. The board consists of 13 members.

(b) The Governor shall appoint seven competent pharmacists who reside in different parts of the state to serve as members of the board. The Governor shall appoint four public members, and the Senate Committee on Rules and the Speaker of the Assembly shall each appoint a public member who shall

not be a licensee of the board, any other board under this division, or any board referred to in Section 1000 or 3600.

(c) At least five of the seven pharmacist appointees to the board shall be pharmacists who are actively engaged in the practice of pharmacy. Additionally, the membership of the board shall include at least one pharmacist representative from each of the following practice settings: an acute care hospital, an independent community pharmacy, a chain community pharmacy, and a long-term health care or skilled nursing facility. The pharmacist appointees shall also include a pharmacist who is a member of a labor union that represents pharmacists. For the purposes of this subdivision, a “chain community pharmacy” means a chain of 75 or more stores in California under the same ownership, and an “independent community pharmacy” means a pharmacy owned by a person or entity who owns no more than four pharmacies in California.

(d) Members of the board shall be appointed for a term of four years. No person shall serve as a member of the board for more than two consecutive terms. Each member shall hold office until the appointment and qualification of their successor or until one year shall have elapsed since the expiration of the term for which the member was appointed, whichever first occurs. Vacancies occurring shall be filled by appointment for the unexpired term.

(e) Each member of the board shall receive a per diem and expenses as provided in Section 103.

(f) This section shall remain in effect only until January 1, 2022, and as of that date is repealed. Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 35. Section 4003 of the Business and Professions Code is amended to read:

4003. (a) The board, with the approval of the director, may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in them by this chapter. The executive officer may or may not be a member of the board as the board may determine.

(b) The executive officer shall receive the compensation as established by the board with the approval of the Director of Finance. The executive officer shall also be entitled to travel and other expenses necessary in the performance of their duties.

(c) The executive officer shall maintain and update in a timely fashion records containing the names, titles, qualifications, and places of business of all persons subject to this chapter.

(d) The executive officer shall give receipts for all money received by them and pay it to the department, taking its receipt therefor. Besides the duties required by this chapter, the executive officer shall perform other duties pertaining to the office as may be required of them by the board.

(e) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 36. Section 4501 of the Business and Professions Code is amended to read:

4501. (a) "Board," as used in this chapter, means the Board of Vocational Nursing and Psychiatric Technicians of the State of California.

(b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 37. Section 4503 of the Business and Professions Code is amended to read:

4503. (a) The board shall administer and enforce this chapter.

(b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 38. Section 4604 of the Business and Professions Code is amended to read:

4604. (a) In order to obtain certification as a massage therapist, an applicant shall submit a written application and provide the council with satisfactory evidence that the applicant meets all of the following requirements:

(1) The applicant is 18 years of age or older.

(2) The applicant has successfully completed the curricula in massage and related subjects totaling a minimum of 500 hours, or the credit unit equivalent, that incorporates appropriate school assessment of student knowledge and skills.

(A) Of the 500 hours, a minimum of 100 hours of instruction shall address anatomy and physiology, contraindications, health and hygiene, and business and ethics.

(B) All of the 500 hours shall be from approved schools. The council shall accept the 500 hours if, at the time all of the hours were completed, the school or schools were approved. The 500 hours may be completed at more than one approved school. Notwithstanding any other law, pursuant to its policies and procedures for approval of schools, the council shall accept hours earned by an applicant for certification as a massage therapist if those hours were completed before July 1, 2016, and were earned from a school providing education in this state that was unapproved by the council after July 1, 2016, based solely on the fact that the National Certification Board for Therapeutic Massage and Bodywork took denial or disciplinary action against the school. For purposes of this section, "unapproved" means that the council determined that it will not accept hours from a school toward certification.

(3) The applicant has passed a massage and bodywork competency assessment examination that meets generally recognized psychometric principles and standards and that is approved by the council. The successful completion of this examination may have been accomplished before the date the council is authorized by this chapter to begin issuing certificates. This paragraph shall be inoperative commencing on January 1, 2019, and shall become operative on January 1, 2022.

(4) The applicant has successfully passed a background investigation pursuant to Section 4606, and has not violated any of the provisions of this chapter.

(5) All fees required by the council have been paid.

(6) The council may issue a certificate to an applicant who meets the qualifications of this chapter if the applicant holds a current and valid registration, certification, or license from any other state whose licensure requirements meet or exceed those defined within this chapter. If an applicant has received education at a school that is not approved by the council, the council shall have the discretion to give credit for comparable academic work completed by an applicant in a program outside of California.

(b) A certificate issued pursuant to this chapter and any identification card issued by the council shall be surrendered to the council by any certificate holder whose certificate is suspended or revoked.

SEC. 39. Section 4621 of the Business and Professions Code is amended to read:

4621. (a) This chapter shall remain in effect only until January 1, 2022, and as of that date is repealed.

(b) Notwithstanding any other law, the powers and duties of the council shall be subject to review by the appropriate policy committees of the Legislature.

SEC. 40. Section 4800 of the Business and Professions Code is amended to read:

4800. (a) There is in the Department of Consumer Affairs a Veterinary Medical Board in which the administration of this chapter is vested. The board consists of the following members:

- (1) Four licensed veterinarians.
- (2) One registered veterinary technician.
- (3) Three public members.

(b) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

(c) Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature. However, the review of the board shall be limited to those issues identified by the appropriate policy committees of the Legislature and shall not involve the preparation or submission of a sunset review document or evaluative questionnaire.

SEC. 41. Section 4804.5 of the Business and Professions Code is amended to read:

4804.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in them by this chapter.

This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 42. Section 4990 of the Business and Professions Code is amended to read:

4990. (a) There is in the Department of Consumer Affairs, a Board of Behavioral Sciences that consists of the following members:

- (1) Two state licensed clinical social workers.
- (2) One state licensed educational psychologist.
- (3) Two state licensed marriage and family therapists.
- (4) One state licensed professional clinical counselor.
- (5) Seven public members.

(b) Each member, except the seven public members, shall have at least two years of experience in their profession.

(c) Each member shall reside in the State of California.

(d) The Governor shall appoint five of the public members and the six licensed members with the advice and consent of the Senate. The Senate Committee on Rules and the Speaker of the Assembly shall each appoint a public member.

(e) Each member of the board shall be appointed for a term of four years. A member appointed by the Senate Committee on Rules or the Speaker of the Assembly shall hold office until the appointment and qualification of their successor or until one year from the expiration date of the term for which they were appointed, whichever first occurs. Pursuant to Section 1774 of the Government Code, a member appointed by the Governor shall hold office until the appointment and qualification of their successor or until 60 days from the expiration date of the term for which they were appointed, whichever first occurs.

(f) A vacancy on the board shall be filled by appointment for the unexpired term by the authority who appointed the member whose membership was vacated.

(g) Not later than the first of June of each calendar year, the board shall elect a chairperson and a vice chairperson from its membership.

(h) Each member of the board shall receive a per diem and reimbursement of expenses as provided in Section 103.

(i) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

(j) Notwithstanding any other provision of law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 43. Section 4990.04 of the Business and Professions Code is amended to read:

4990.04. (a) The board shall appoint an executive officer. This position is designated as a confidential position and is exempt from civil service under subdivision (e) of Section 4 of Article VII of the California Constitution.

(b) The executive officer serves at the pleasure of the board.

(c) The executive officer shall exercise the powers and perform the duties delegated by the board and vested in them by this chapter.

(d) With the approval of the director, the board shall fix the salary of the executive officer.

(e) The chairperson and executive officer may call meetings of the board and any duly appointed committee at a specified time and place. For purposes of this section, “call meetings” means setting the agenda, time, date, or place for any meeting of the board or any committee.

(f) This section shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 44. Section 5600.4 of the Business and Professions Code is amended to read:

5600.4. (a) The board shall issue, upon application and payment of the fee fixed by this chapter, a retired license to an architect who holds a license that is current and active or capable of being renewed pursuant to Section 5600.2 and whose license is not suspended, revoked, or otherwise punitively restricted by the board or subject to disciplinary action under this chapter.

(b) The holder of a retired license issued pursuant to this section shall not engage in any activity for which an active architect’s license is required. An architect holding a retired license shall be permitted to use the title “architect retired” or “retired architect.”

(c) The holder of a retired license shall not be required to renew that license.

(d) In order for the holder of a retired license issued pursuant to this section to restore their license to active status, the holder of a retired license shall comply with Section 5600.2 or 5600.3, as applicable.

SEC. 45. Section 5810 of the Business and Professions Code is amended to read:

5810. (a) This chapter shall be subject to review by the appropriate policy committees of the Legislature.

(b) This chapter shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 46. Section 7000 of the Business and Professions Code is amended to read:

7000. This chapter constitutes, and may be cited as, the Contractors State License Law.

SEC. 47. Section 7000.5 of the Business and Professions Code is amended to read:

7000.5. (a) There is in the Department of Consumer Affairs a Contractors State License Board, which consists of 15 members.

(b) Notwithstanding any other provision of law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

(c) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 48. Section 7000.6 of the Business and Professions Code is amended to read:

7000.6. Protection of the public shall be the highest priority for the Contractors State License Board in exercising its licensing, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent

with other interests sought to be promoted, the protection of the public shall be paramount.

SEC. 49. Section 7011.4 of the Business and Professions Code is amended to read:

7011.4. (a) Notwithstanding Section 7011, there is in the Contractors State License Board, a separate enforcement division that shall rigorously enforce this chapter prohibiting all forms of unlicensed activity and shall enforce the obligation to secure the payment of valid and current workers' compensation insurance in accordance with Section 3700.5 of the Labor Code.

(b) Persons employed as enforcement representatives of the Contractors State License Board and designated by the Director of Consumer Affairs shall have the authority to issue a written notice to appear in court pursuant to Chapter 5C (commencing with Section 853.5) of Title 3 of Part 2 of the Penal Code. An employee so designated is not a peace officer and is not entitled to safety member retirement benefits as a result of that designation. They do not have the power of arrest.

(c) When participating in the activities of the Joint Enforcement Strike Force on the Underground Economy pursuant to Section 329 of the Unemployment Insurance Code, the enforcement division shall have free access to all places of labor.

SEC. 50. Section 7011.5 of the Business and Professions Code is amended to read:

7011.5. Persons employed as investigators of the Special Investigations Unit of the Contractors State License Board and designated by the Director of Consumer Affairs have the authority of peace officers while engaged in exercising the powers granted or performing the duties imposed upon them in investigating the laws administered by the Contractors State License Board or commencing directly or indirectly any criminal prosecution arising from any investigation conducted under these laws. All persons herein referred to shall be deemed to be acting within the scope of employment with respect to all acts and matters in this section set forth.

SEC. 51. Section 7011.8 of the Business and Professions Code is amended to read:

7011.8. (a) Any person subject to licensure under this chapter who reports to, or causes a complaint to be filed with, the Contractors State License Board that a person licensed by that entity has engaged in professional misconduct, knowing the report or complaint to be false, may be issued a citation by the registrar.

(b) The board may notify the appropriate district attorney or city attorney that a person subject to licensure under this chapter has made or filed what the entity believes to be a false report or complaint against a licensee.

SEC. 52. Section 7015 of the Business and Professions Code is amended to read:

7015. The board shall adopt a seal for its own use. The seal shall have the words "Contractors State License Board, State of California, Department

of Consumer Affairs,” and the care and custody thereof shall be in the hands of the registrar.

SEC. 53. Section 7017.3 of the Business and Professions Code is amended to read:

7017.3. The Contractors State License Board shall report annually to the Legislature, not later than October 1 of each year, the following statistical information for the prior fiscal year. The following data shall be reported on complaints filed with the board against licensed contractors, registered home improvement salespersons, and unlicensed persons acting as licensees or registrants:

(a) The number of complaints received by the board categorized by source, such as public, trade, profession, government agency, or board-initiated, and by type of complaint, such as licensee or nonlicensee.

(b) The number of complaints closed prior to referral for field investigation, categorized by the reason for the closure, such as settled, referred for mandatory arbitration, or referred for voluntary arbitration.

(c) The number of complaints referred for field investigation categorized by the type of complaint, such as licensee or nonlicensee.

(d) The number of complaints closed after referral for field investigation categorized by the reason for the closure, such as settled, referred for mandatory arbitration, or referred for voluntary arbitration.

(e) For the board’s Intake/Mediation Center and the board’s Investigation Center closures, respectively, the total number of complaints closed prior to a field investigation per consumer services representative, and the total number of complaints closed after referral for a field investigation per enforcement representative. Additionally, the board shall report the total number of complaints closed by other board staff during the year.

(f) The number of complaints pending at the end of the fiscal year grouped in 90-day increments, and the percentage of total complaints pending, represented by the number of complaints in each grouping.

(g) The number of citations issued to licensees categorized by the type of citation such as order of correction only or order of correction and fine, and the number of citations issued to licensees that were vacated or withdrawn.

(h) The number of citations issued to nonlicensees and the number of these citations that were vacated or withdrawn.

(i) The number of complaints referred to a local prosecutor for criminal investigation or prosecution, the number of complaints referred to the Attorney General for the filing of an accusation, and the number of complaints referred to both a local prosecutor and the Attorney General, categorized by type of complaint, such as licensee and nonlicensee.

(j) Actions taken by the board, including, but not limited to, the following:

(1) The number of disciplinary actions categorized by type, such as revocations or suspensions, categorized by whether the disciplinary action resulted from an accusation, failure to comply with a citation, or failure to comply with an arbitration award.

(2) The number of accusations dismissed or withdrawn.

(k) For subdivisions (g) and (j), the number of cases containing violations of Sections 7121 and 7121.5, and paragraph (5) of subdivision (a) of Section 7159.5, categorized by section.

(l) The number of interim suspension orders sought, the number of interim suspension orders granted, the number of temporary restraining orders sought, and the number of temporary restraining orders granted.

(m) The amount of cost recovery ordered and the amount collected.

(n) Case aging data, including data for each major stage of the enforcement process, including the following:

(1) The average number of days from the filing of a complaint to its closure by the board's Intake/Mediation Center prior to the referral for an investigation categorized by the type of complaint, such as licensee or nonlicensee.

(2) The average number of days from the referral of a complaint for an investigation to its closure by the Investigation Center categorized by the type of complaint, such as licensee or nonlicensee.

(3) The average number of days from the filing of a complaint to the referral of the completed investigation to the Attorney General.

(4) The average number of days from the referral of a completed investigation to the Attorney General to the filing of an accusation by the Attorney General.

(5) The average number of days from the filing of an accusation to the first hearing date or date of a stipulated settlement.

(6) The average number of days from the receipt of the Administrative Law Judge's proposed decision to the registrar's final decision.

SEC. 54. Section 7028.7 of the Business and Professions Code is amended to read:

7028.7. (a) If upon inspection or investigation, either upon complaint or otherwise, the registrar has probable cause to believe that a person is acting in the capacity of or engaging in the business of a contractor or salesperson within this state without having a license or registration in good standing to so act or engage, and the person is not otherwise exempted from this chapter, the registrar shall issue a citation to that person.

(b) Within 72 hours of receiving notice that a public entity is intending to award, or has awarded, a contract to an unlicensed contractor, the registrar shall give written notice to the public entity that a citation may be issued if a contract is awarded to an unlicensed contractor. If after receiving the written notice from the registrar that the public entity has awarded or awards the contract to an unlicensed contractor, the registrar may issue a citation to the responsible officer or employee of the public entity as specified in Section 7028.15.

(c) Each citation shall be in writing and shall describe with particularity the basis of the citation. Notwithstanding Sections 125.9 and 148, each citation shall contain an order of abatement and an assessment of a civil penalty in an amount not less than two hundred dollars (\$200) nor more than fifteen thousand dollars (\$15,000).

(d) With the approval of the Contractors State License Board, the registrar shall prescribe procedures for the issuance of a citation under this section. The board shall adopt regulations covering the assessment of a civil penalty that shall give due consideration to the gravity of the violation, and any history of previous violations.

(e) The sanctions authorized under this section shall be separate from, and in addition to, all other remedies either civil or criminal.

SEC. 55. Section 7030 of the Business and Professions Code is amended to read:

7030. (a) Except for contractors writing home improvement contracts pursuant to Section 7151.2 and contractors writing service and repair contracts pursuant to Section 7159.10, every person licensed pursuant to this chapter shall include the following statement in at least 10-point type on all written contracts with respect to which the person is a prime contractor:

“Contractors are required by law to be licensed and regulated by the Contractors State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors State License Board, P.O. Box 26000, Sacramento, CA 95826.”

(b) Every person licensed pursuant to this chapter shall include the following statement in at least 12-point type in all home improvement contracts written pursuant to Section 7151.2 and service and repair contracts written pursuant to Section 7159.10:

“Information about the Contractors State License Board (CSLB): CSLB is the state consumer protection agency that licenses and regulates construction contractors.

Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB.

Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor’s employees.

For more information:

Visit CSLB’s internet website at www.cslb.ca.gov

Call CSLB at 800-321-CSLB (2752)

Write CSLB at P.O. Box 26000, Sacramento, CA 95826.”

(c) Failure to comply with the notice requirements set forth in subdivision (a) or (b) of this section is cause for disciplinary action.

SEC. 56. Section 7031 of the Business and Professions Code is amended to read:

7031. (a) Except as provided in subdivision (e), no person engaged in the business or acting in the capacity of a contractor, may bring or maintain any action, or recover in law or equity in any action, in any court of this state for the collection of compensation for the performance of any act or contract where a license is required by this chapter without alleging that they were a duly licensed contractor at all times during the performance of that act or contract regardless of the merits of the cause of action brought by the person, except that this prohibition shall not apply to contractors who are each individually licensed under this chapter but who fail to comply with Section 7029.

(b) Except as provided in subdivision (e), a person who utilizes the services of an unlicensed contractor may bring an action in any court of competent jurisdiction in this state to recover all compensation paid to the unlicensed contractor for performance of any act or contract.

(c) A security interest taken to secure any payment for the performance of any act or contract for which a license is required by this chapter is unenforceable if the person performing the act or contract was not a duly licensed contractor at all times during the performance of the act or contract.

(d) If licensure or proper licensure is controverted, then proof of licensure pursuant to this section shall be made by production of a verified certificate of licensure from the Contractors State License Board which establishes that the individual or entity bringing the action was duly licensed in the proper classification of contractors at all times during the performance of any act or contract covered by the action. Nothing in this subdivision shall require any person or entity controverting licensure or proper licensure to produce a verified certificate. When licensure or proper licensure is controverted, the burden of proof to establish licensure or proper licensure shall be on the licensee.

(e) The judicial doctrine of substantial compliance shall not apply under this section where the person who engaged in the business or acted in the capacity of a contractor has never been a duly licensed contractor in this state. However, notwithstanding subdivision (b) of Section 143, the court may determine that there has been substantial compliance with licensure requirements under this section if it is shown at an evidentiary hearing that the person who engaged in the business or acted in the capacity of a contractor (1) had been duly licensed as a contractor in this state prior to the performance of the act or contract, (2) acted reasonably and in good faith to maintain proper licensure, and (3) acted promptly and in good faith to remedy the failure to comply with the licensure requirements upon learning of the failure.

(f) The exceptions to the prohibition against the application of the judicial doctrine of substantial compliance found in subdivision (e) shall apply to all contracts entered into on or after January 1, 1992, and to all actions or

arbitrations arising therefrom, except that the amendments to subdivisions (e) and (f) enacted during the 1994 portion of the 1993–94 Regular Session of the Legislature shall not apply to either of the following:

(1) Any legal action or arbitration commenced prior to January 1, 1995, regardless of the date on which the parties entered into the contract.

(2) Any legal action or arbitration commenced on or after January 1, 1995, if the legal action or arbitration was commenced prior to January 1, 1995, and was subsequently dismissed.

SEC. 57. Section 7058.7 of the Business and Professions Code is amended to read:

7058.7. (a) No contractor may engage in a removal or remedial action, as defined in subdivision (d), unless the qualifier for the license has passed an approved hazardous substance certification examination.

(b) (1) The Contractors State License Board, the Division of Occupational Safety and Health of the Department of Industrial Relations, and the Department of Toxic Substances Control shall jointly select an advisory committee, which shall be composed of two representatives of hazardous substance removal workers in California, two general engineering contractors in California, and two representatives of insurance companies in California who shall be selected by the Insurance Commissioner.

(2) The Contractors State License Board shall develop a written test for the certification of contractors engaged in hazardous substance removal or remedial action, in consultation with the Division of Occupational Safety and Health, the State Water Resources Control Board, the Department of Toxic Substances Control, and the advisory committee.

(c) The Contractors State License Board may require additional updated approved hazardous substance certification examinations of licensees currently certified based on new public or occupational health and safety information. The Contractors State License Board, in consultation with the Department of Toxic Substances Control and the State Water Resources Control Board, shall approve other initial and updated hazardous substance certification examinations and determine whether to require an updated certification examination of all current certificate holders.

(d) For purposes of this section “removal or remedial action” has the same meaning as found in Chapter 6.8 (commencing with Section 25300) of Division 20 of the Health and Safety Code, if the action requires the contractor to dig into the surface of the earth and remove the dug material and the action is at a site listed pursuant to Section 25356 of the Health and Safety Code or any other site listed as a hazardous substance release site by the Department of Toxic Substances Control or a site listed on the National Priorities List compiled pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.). “Removal or remedial action” does not include asbestos-related work, as defined in Section 6501.8 of the Labor Code, or work related to a hazardous substance spill on a highway.

(e) (1) A contractor may not install or remove an underground storage tank, unless the contractor has passed the hazardous substance certification examination developed pursuant to this section.

(2) A contractor who is not certified may bid on or contract for the installation or removal of an underground tank, if the work is performed by a contractor who is certified pursuant to this section.

(3) For purposes of this subdivision, “underground storage tank” has the same meaning as defined in subdivision (y) of Section 25281 of the Health and Safety Code.

SEC. 58. Section 7071.4 of the Business and Professions Code is amended to read:

7071.4. (a) 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 or as deposited with the registrar pursuant to paragraph (1) of subdivision (a) of Section 995.710 of the Code of Civil Procedure in the appropriate amount. Notwithstanding Article 7 (commencing with Section 995.710) of Chapter 2 of Title 14 of Part 2 of the Code of Civil Procedure, no other method of deposit, including, but not limited to, a certificate of deposit, shall satisfy a bond requirement under this article.

(b) All existing alternatives in lieu of a bond currently filed with the registrar shall be replaced for a surety bond or the deposit prescribed by paragraph (1) of subdivision (a) of Section 995.710 of the Code of Civil Procedure by January 1, 2020.

(c) (1) If the board is notified, in writing, of a civil action against the deposit authorized under this section, the deposit or any portion thereof shall not be released for any purpose, except as determined by the court.

(2) If any deposit authorized under this section is insufficient to pay, in full, all claims that have been adjudicated under any action filed in accordance with this section, the amount of the deposit shall be distributed to all claimants in proportion to the amount of their respective claims.

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

(e) (1) This section shall be operative on and after January 1, 2019, upon which date the registrar shall thereafter no longer accept alternatives in lieu of a bond, other than as provided in this section.

(2) Notwithstanding any other law, in order to comply with the bonding provisions of this article, a person shall only be required to provide information consistent with the requirements for an applicant under Section 30.

(f) All alternatives in lieu of a bond filed with the registrar before January 1, 2019, and any lawful money or cashier’s check deposited pursuant to paragraph (1) of subdivision (a) of Section 995.710 of the Code of Civil Procedure after 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.

(g) In any case in which a claim is filed against an alternative given in lieu of a bond filed with the registrar before January 1, 2019, or deposited with the registrar pursuant to subdivision (a), 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.

(h) Legal fees may not be charged by the board against any alternative given in lieu of a bond filed with the registrar before January 1, 2019, or deposited with the registrar pursuant to subdivision (a).

SEC. 59. Section 7080.5 of the Business and Professions Code is amended to read:

7080.5. When an application has been accepted by the registrar, the name and address of the applicant, every classification for which the applicant has applied, and the names and titles of all personnel who have signed the application shall be publicly posted by the registrar, on the day

following acceptance, in the office of the Contractors State License Board in Sacramento.

SEC. 60. Section 7085.5 of the Business and Professions Code is amended to read:

7085.5. Arbitrations of disputes arising out of cases filed with or by the board shall be conducted in accordance with the following rules:

(a) All "agreements to arbitrate" shall include the names, addresses, and telephone numbers of the parties to the dispute, the issue in dispute, and the amount in dollars or any other remedy sought. The appropriate fee shall be paid by the board from the Contractors License Fund.

(b) (1) The board or appointed arbitration association shall appoint an arbitrator in the following manner: immediately after the filing of the agreement to arbitrate, the board or appointed arbitration association shall submit simultaneously to each party to the dispute, an identical list of names of persons chosen from the panel. Each party to the dispute shall have seven days from the mailing date in which to cross off any names to which it objects, number the remaining names to indicate the order of preference, and return the list to the board or appointed arbitration association. If a party does not return the list within the time specified, all persons named in the list are acceptable. From among the persons who have been approved on both lists, and in accordance with the designated order of mutual preference, the board or appointed arbitration association shall appoint an arbitrator to serve. If the parties fail to agree on any of the parties named, if acceptable arbitrators are unable to act, or if, for any other reason, the appointment cannot be made from the submitted lists, the board or appointed arbitration association shall have the power to make the appointment from among other members of the panel without the submission of any additional lists. Each dispute shall be heard and determined by one arbitrator unless the board or appointed arbitration association, in its discretion, directs that a greater number of arbitrators be appointed.

(2) In all cases in which a complaint has been referred to arbitration pursuant to subdivision (b) of Section 7085, the board or the appointed arbitration association shall have the power to appoint an arbitrator to hear the matter.

(3) The board shall adopt regulations setting minimum qualification standards for listed arbitrators based upon relevant training, experience, and performance.

(c) No person shall serve as an arbitrator in any arbitration in which that person has any financial or personal interest in the result of the arbitration. Prior to accepting an appointment, the prospective arbitrator shall disclose any circumstances likely to prevent a prompt hearing or to create a presumption of bias. Upon receipt of that information, the board or appointed arbitration association shall immediately replace the arbitrator or communicate the information to the parties for their comments. Thereafter, the board or appointed arbitration association shall determine whether the arbitrator should be disqualified and shall inform the parties of its decision, which shall be conclusive.

(d) The board or appointed arbitration association may appoint another arbitrator if a vacancy occurs, or if an appointed arbitrator is unable to serve in a timely manner.

(e) (1) The board or appointed arbitration association shall provide the parties with a list of the times and dates, and locations of the hearing to be held. The parties shall notify the arbitrator, within seven calendar days of the mailing of the list, of the times and dates convenient to each party. If the parties fail to respond to the arbitrator within the seven-day period, the arbitrator shall fix the time, place, and location of the hearing. An arbitrator may, at the arbitrator's sole discretion, make an inspection of the construction site which is the subject of the arbitration. The arbitrator shall notify the parties of the time and date set for the inspection. Any party who so desires may be present at the inspection.

(2) The board or appointed arbitration association shall fix the time, place, and location of the hearing for all cases referred to arbitration pursuant to subdivision (b) of Section 7085. An arbitrator may, at the arbitrator's sole discretion, make an inspection of the construction site which is the subject of the arbitration. The arbitrator shall notify the parties of the time and date set for the inspection. Any party who desires may be present at the inspection.

(f) Any person having a direct interest in the arbitration is entitled to attend the hearing. The arbitrator shall otherwise have the power to require the exclusion of any witness, other than a party or other essential person, during the testimony of any other witness. It shall be discretionary with the arbitrator to determine the propriety of the attendance of any other person.

(g) Hearings shall be adjourned by the arbitrator only for good cause.

(h) A record is not required to be taken of the proceedings. However, any party to the proceeding may have a record made at its own expense. The parties may make appropriate notes of the proceedings.

(i) The hearing shall be conducted by the arbitrator in any manner which will permit full and expeditious presentation of the case by both parties. Consistent with the expedited nature of arbitration, the arbitrator shall establish the extent of, and schedule for, the production of relevant documents and other information, the identification of any witnesses to be called, and a schedule for any hearings to elicit facts solely within the knowledge of one party. The complaining party shall present its claims, proofs, and witnesses, who shall submit to questions or other examination. The defending party shall then present its defenses, proofs, and witnesses, who shall submit to questions or other examination. The arbitrator has discretion to vary this procedure but shall afford full and equal opportunity to the parties for the presentation of any material or relevant proofs.

(j) The arbitration may proceed in the absence of any party who, after due notice, fails to be present. The arbitrator shall require the attending party to submit supporting evidence in order to make an award. An award for the attending party shall not be based solely on the fact that the other party has failed to appear at the arbitration hearing.

(k) The arbitrator shall be the sole judge of the relevancy and materiality of the evidence offered and conformity to legal rules of evidence shall not be required.

(l) The arbitrator may receive and consider documentary evidence. Documents to be considered by the arbitrator may be submitted prior to the hearing. However, a copy shall be simultaneously transmitted to all other parties and to the board or appointed arbitration association for transmittal to the arbitrator or board appointed arbitrator.

(m) The arbitrator shall specifically inquire of the parties whether they have any further proofs to offer or witnesses to be heard. Upon receiving negative replies, the arbitrator shall declare the hearing closed and minutes thereof shall be recorded. If briefs are to be filed, the hearing shall be declared closed as of the final date set by the arbitrator for the receipt of briefs. If documents are to be filed as requested by the arbitrator and the date set for their receipt is later than that set for the receipt of briefs, the later date shall be the date of closing the hearings. The time limit within which the arbitrator is required to make the award shall commence to run, in the absence of other agreements by the parties, upon the closing of the hearings.

(n) The hearing may be reopened on the arbitrator's own motion.

(o) Any party who proceeds with the arbitration after knowledge that any provision or requirement of these rules has not been complied with, and who fails to state their objections to the arbitrator in writing, within 10 calendar days of close of hearing, shall be deemed to have waived their right to object.

(p) (1) Except as provided in paragraph (2), any papers or process necessary or proper for the initiation or continuation of an arbitration under these rules and for any court action in connection therewith, or for the entry of judgment on an award made thereunder, may be served upon any party (A) by regular mail addressed to that party or their attorney at the party's last known address, or (B) by personal service.

(2) Notwithstanding paragraph (1), in all cases referred to arbitration pursuant to subdivision (b) of Section 7085 in which the contractor fails or refuses to return an executed copy of the notice to arbitrate within the time specified, any papers or process specified in paragraph (1) to be sent to the contractor, including the notice of hearing, shall be mailed by certified mail to the contractor's address of record.

(q) The award shall be made promptly by the arbitrator, and unless otherwise agreed by the parties, no later than 30 calendar days from the date of closing the hearing, closing a reopened hearing, or if oral hearing has been waived, from the date of transmitting the final statements and proofs to the arbitrator.

The arbitrator may for good cause extend any period of time established by these rules, except the time for making the award. The arbitrator shall notify the parties of any extension and the reason therefor.

(r) (1) The arbitrator may grant any remedy or relief that the arbitrator deems just and equitable and within the scope of the board's referral and

the requirements of the board. The arbitrator, in their sole discretion, may award costs or expenses.

(2) The amendments made in paragraph (1) during the 2003–04 Regular Session shall not be interpreted to prevent an arbitrator from awarding a complainant all direct costs and expenses for the completion or repair of the project.

(s) The award shall become final 30 calendar days from the date the arbitration award is issued. The arbitrator, upon written application of a party to the arbitration, may correct the award upon the following grounds:

(1) There was an evident miscalculation of figures or an evident mistake in the description of any person, things, or property referred to in the award.

(2) There is any other clerical error in the award, not affecting the merits of the controversy.

An application for correction of the award shall be made within 10 calendar days of the date of service of the award by serving a copy of the application on the arbitrator, and all other parties to the arbitration. Any party to the arbitration may make a written objection to the application for correction by serving a copy of the written objection on the arbitrator, the board, and all other parties to the arbitration, within 10 calendar days of the date of service of the application for correction.

The arbitrator shall either deny the application or correct the award within 30 calendar days of the date of service of the original award by mailing a copy of the denial or correction to all parties to the arbitration. Any appeal from the denial or correction shall be filed with a court of competent jurisdiction and a true copy thereof shall be filed with the arbitrator or appointed arbitration association within 30 calendar days after the award has become final. The award shall be in writing, and shall be signed by the arbitrator or a majority of them. If no appeal is filed within the 30-calendar day period, it shall become a final order of the registrar.

(t) Service of the award by certified mail shall be effective if a certified letter containing the award, or a true copy thereof, is mailed by the arbitrator or arbitration association to each party or to a party's attorney of record at their last known address, address of record, or by personally serving any party. Service may be proved in the manner authorized in civil actions.

(u) The board shall pay the expenses of one expert witness appointed by the board when the services of an expert witness are requested by either party involved in arbitration pursuant to this article and the case involves workmanship issues that are itemized in the complaint and have not been repaired or replaced. Parties who choose to present the findings of another expert witness as evidence shall pay for those services. Payment for expert witnesses appointed by the board shall be limited to the expert witness costs for inspection of the problem at the construction site, preparation of the expert witness' report, and expert witness fees for appearing or testifying at a hearing. All requests for payment to an expert witness shall be submitted on a form that has been approved by the registrar. All requests for payment to an expert witness shall be reviewed and approved by the board prior to

payment. The registrar shall advise the parties that names of industry experts may be obtained by requesting this information from the registrar.

(v) The arbitrator shall interpret and apply these rules insofar as they relate to their powers and duties.

(w) The following shall apply as to court procedure and exclusion of liability:

(1) The board, the appointed arbitration association, or any arbitrator in a proceeding under these rules is not a necessary party in judicial proceedings relating to the arbitration.

(2) Parties to these rules shall be deemed to have consented that judgment upon the arbitration award may be entered in any federal or state court having jurisdiction thereof.

(3) The board, the appointed arbitration association, or any arbitrator is not liable to any party for any act or omission in connection with any arbitration conducted under these rules.

SEC. 61. Section 7099.2 of the Business and Professions Code is amended to read:

7099.2. (a) The board shall promulgate regulations covering the assessment of civil penalties under this article that give due consideration to the appropriateness of the penalty with respect to the following factors:

(1) The gravity of the violation.

(2) The good faith of the licensee or applicant for licensure being charged.

(3) The history of previous violations.

(b) Except as otherwise provided by this chapter, no civil penalty shall be assessed in an amount greater than five thousand dollars (\$5,000). Notwithstanding Section 125.9, a civil penalty not to exceed fifteen thousand dollars (\$15,000) may be assessed for a violation of Section 7114 or 7118.

SEC. 62. Section 7099.9 is added to the Business and Professions Code, to read:

7099.9. (a) If, upon investigation, the registrar has probable cause to believe that a licensee, registrant, or applicant has committed acts or omissions that are grounds for denial, suspension, or revocation of a license or registration, the registrar, or their designee, may issue a letter of admonishment to an applicant, licensee, or registrant in lieu of issuing a citation. Nothing in this article shall in any way limit the registrar's discretionary authority or ability to issue a letter of admonishment as prescribed by this subdivision.

(b) The letter of admonishment shall be in writing and shall describe in detail the nature and facts of the violation, including a reference to the statutes or regulations violated. The letter of admonishment shall inform the licensee, registrant, or applicant that within 30 days of service of the letter of admonishment the licensee, registrant, or applicant may do either of the following:

(1) Submit a written request for an office conference to the registrar to contest the letter of admonishment. Upon a timely request, the registrar, or their designee, shall hold an office conference with the licensee, registrant,

or applicant and, if applicable, their legal counsel or authorized representative.

(A) No individual other than the legal counsel or authorized representative of the licensee, registrant, or applicant may accompany the licensee, registrant, or applicant to the office conference.

(B) Prior to or at the office conference, the licensee, registrant, or applicant may submit to the registrar declarations and documents pertinent to the subject matter of the letter of admonishment.

(C) The office conference is intended to be informal and shall not be subject to the Administrative Procedure Act (Chapter 4.5 (commencing with Section 11400) or Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code).

(D) After the office conference, the registrar, or their designee, may affirm, modify, or withdraw the letter of admonishment. Within 14 calendar days from the date of the office conference, the registrar, or their designee, shall personally serve or send the written decision by certified mail to the licensee's, registrant's, or applicant's address of record. This decision shall be deemed the final administrative decision concerning the letter of admonishment.

(E) Judicial review of the decision may be had by filing a petition for a writ of mandate in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure within 30 days after the date the decision was personally served or sent by certified mail. The judicial review shall extend to the question of whether or not there was a prejudicial abuse of discretion in the issuance of the letter of admonishment or in the decision after the office conference.

(2) Comply with the letter of admonishment and, if required, submit a written corrective action plan to the registrar documenting compliance. If an office conference is not requested pursuant to this section, compliance with the letter of admonishment shall not constitute an admission of the violation noted in the letter of admonishment.

(c) The letter of admonishment shall be served upon the licensee, registrant, or applicant personally or by certified mail at their address of record with the board. If the licensee, registrant, or applicant is served by certified mail, service shall be effective upon deposit in the United States mail.

(d) The licensee, registrant, or applicant shall maintain and have readily available a copy of the letter of admonishment and corrective action plan, if any, for at least one year from the date of issuance of the letter of admonishment.

(e) Nothing in this subdivision shall in any way limit the board's authority or ability to do either of the following:

(1) Issue a citation pursuant to Section 125.9, 148, or 7099.

(2) Institute disciplinary proceedings pursuant to this article.

(f) The issuance of a letter of admonishment shall not be construed as a disciplinary action or discipline for purposes of licensure or the reporting of discipline for licensure.

(g) The board shall not issue a letter of admonishment when any one of the following factors is present:

- (1) The licensee, registrant, or applicant was unlicensed at the time of the violation.
 - (2) Multiple violations have been established.
 - (3) The licensee, registrant, or applicant has a history of the same or similar violations.
 - (4) The violation resulted in financial harm to another.
 - (5) The victim is an elder or dependent adult as defined in Section 368 of the Penal Code.
 - (6) The violation is related to the repair of damage caused by a natural disaster.
- (h) The board may adopt regulations to further define the circumstances under which a letter of admonishment may be issued.

SEC. 63. Section 7123.5 of the Business and Professions Code is amended to read:

7123.5. If a contractor is convicted of violating Section 396 of the Penal Code or any substantially similar local ordinance in connection with the sale, or offer for sale, of repair or reconstruction services, as defined in Section 396 of the Penal Code, the Contractors State License Board shall take disciplinary action against the contractor, which shall include a suspension of at least six months or the permanent revocation of the contractor's license.

SEC. 64. Section 7135 of the Business and Professions Code is amended to read:

7135. (a) The fees and civil penalties received under this chapter shall be deposited in the Contractors License Fund. All moneys in the fund are hereby appropriated for the purposes of this chapter.

(b) It is the intent of the Legislature that the board shall use moneys appropriated from the fund to improve its administrative and investigative oversight activities and capacity.

SEC. 65. Section 7136 of the Business and Professions Code is amended to read:

7136. The director shall designate a sum not to exceed 10 percent of the total income of the Contractors State License Board for each fiscal year to be transferred to the Consumer Affairs Fund as the board's share of the cost of administration of the department.

SEC. 66. Section 7137 of the Business and Professions Code is amended to read:

7137. The board may set fees by regulation. These fees shall be set according to the following schedule:

(a) (1) The application fee for an original license in a single classification shall be three hundred thirty dollars (\$330) and may be increased to not more than three hundred seventy-five dollars (\$375).

(2) The application fee for each additional classification applied for in connection with an original license shall not be more than eighty-five dollars (\$85).

(3) The application fee for each additional classification pursuant to Section 7059 shall be one hundred fifty dollars (\$150) and may be increased to not more than one hundred seventy-five dollars (\$175).

(4) The application fee to replace a responsible managing officer, responsible managing manager, responsible managing member, or responsible managing employee pursuant to Section 7068.2 shall be one hundred fifty dollars (\$150) and may be increased to not more than one hundred seventy-five dollars (\$175).

(5) The application fee to add personnel, other than a qualifying individual, to an existing license shall be one hundred dollars (\$100) and may be increased to not more than one hundred fifteen dollars (\$115).

(b) The fee for rescheduling an examination for an applicant who has applied for an original license, additional classification, a change of responsible managing officer, responsible managing manager, responsible managing member, or responsible managing employee, or for an asbestos certification or hazardous substance removal certification, shall not be more than seventy dollars (\$70).

(c) The fee for scheduling or rescheduling an examination for a licensee who is required to take the examination as a condition of probation shall not be more than seventy dollars (\$70).

(d) The initial license fee for an active or inactive license shall be two hundred dollars (\$200) and may be increased to not more than two hundred twenty-five dollars (\$225).

(e) (1) The renewal fee for an active license shall be four hundred dollars (\$400) and may be increased to not more than four hundred fifty dollars (\$450).

(2) The renewal fee for an inactive license shall be two hundred dollars (\$200) and may be increased to not more than two hundred twenty-five dollars (\$225).

(f) The delinquency fee is an amount equal to 50 percent of the renewal fee, if the license is renewed after its expiration.

(g) The registration fee for a home improvement salesperson shall be eighty-three dollars (\$83) and may be increased to not more than ninety-five dollars (\$95).

(h) The renewal fee for a home improvement salesperson registration shall be eighty-three dollars (\$83) and may be increased to not more than ninety-five dollars (\$95).

(i) The application fee for an asbestos certification examination shall be eighty-three dollars (\$83) and may be increased to not more than ninety-five dollars (\$95).

(j) The application fee for a hazardous substance removal or remedial action certification examination shall be eighty-three dollars (\$83) and may be increased to not more than ninety-five dollars (\$95).

(k) In addition to any other fees charged to C-10 contractors, the board shall charge a fee of twenty dollars (\$20), to be assessed with the renewal fee for an active license, which shall be used by the board to enforce provisions of the Labor Code related to electrician certification.

(l) The service fee to deposit with the registrar lawful money or cashier's check pursuant to paragraph (1) of subdivision (a) of Section 995.710 of the Code of Civil Procedure for purposes of compliance with any provision of Article 5 (commencing with Section 7065) shall be one hundred dollars (\$100), which shall be used by the board only to process each deposit filed with the registrar, to cover the reasonable costs to the registrar for holding money or cashier's checks in trust in interest bearing deposit or share accounts, and to offset the costs of processing payment of lawful claims against a deposit in a civil action.

(m) The board shall, by regulation, establish criteria for the approval of expedited processing of applications. Approved expedited processing of applications for licensure or registration, as required by other provisions of law, shall not be subject to this subdivision.

SEC. 67. Section 7137.5 of the Business and Professions Code is amended to read:

7137.5. The sum of ten thousand dollars (\$10,000) shall be transferred from the Contractors License Fund to the Controller for the exclusive use of the California Uniform Construction Cost Accounting Commission.

The commission shall prepare a recommendation to the Legislature for a local public agency source to fund the commission beginning July 1, 1991, which will provide revenue supported by the contract activities represented by the commission's authority.

Upon adoption of this funding program, the commission shall reimburse the Contractors License Fund in the amount of ten thousand dollars (\$10,000).

SEC. 68. Section 7138 of the Business and Professions Code is amended to read:

7138. Notwithstanding any other provision of law, a fee paid in connection with a service or application covered by Section 7137 shall accrue to the Contractors License Fund as an earned fee and shall not be refunded.

SEC. 69. Section 7139.1 of the Business and Professions Code is amended to read:

7139.1. The Legislature hereby finds and declares all of the following:

(a) There is a demand and increasing need for construction management education programs and resources within the postsecondary education system that prepare graduates for the management of construction operations and companies regulated by the Contractors State License Law and enforced by the Contractors State License Board.

(b) Although construction management programs do exist within the state university system, these programs are woefully underfunded and insufficiently funded to provide training on state-of-the-art management information systems for either graduates or extension programs for continuing education of licensed contractors. Construction industry associations have provided some assistance through direct grants and scholarships, but the industrywide service of these programs and the need for additional assistance mandates broad based industrywide support.

(c) It is the intent of the Legislature that by enabling contractors to designate a portion of their licensure fee and providing a format for contractors to contribute funds to construction management education, this article will receive broad based industry support. In addition, this article allows the contractor to demonstrate the importance of construction management education. This assistance will enable greater development of construction management curricula and will improve the overall quality of construction by providing construction management training to California licensed contractors and their current and future management personnel.

SEC. 70. Section 7139.2 of the Business and Professions Code is amended to read:

7139.2. (a) There is hereby created the Construction Management Education Account (CMEA) as a separate account in the Contractors License Fund for the purposes of construction management education. Funds in the account shall be available for the purposes of this article upon appropriation by the Legislature.

(b) The Contractors State License Board shall allow a contractor to make a contribution to the Construction Management Education Account at the time of the contractor license fee payment. The license fee form shall clearly display this alternative on its face and shall clearly inform the licensee that this provision is a contribution to the Construction Management Education Account and is in addition to the fees.

(c) The board may accept grants from federal, state, or local public agencies, or from private foundations or individuals, in order to assist it in carrying out its duties, functions, and powers under this article. Grant moneys shall be deposited into the Construction Management Education Account.

SEC. 71. Section 7141.5 of the Business and Professions Code is amended to read:

7141.5. The registrar shall grant the retroactive renewal of a license if, within 90 days of the expiration of the license, the otherwise eligible licensee submits a completed application for renewal on a form prescribed by the registrar, and pays the appropriate renewal fee and delinquency fee prescribed by this chapter. For the purposes of this section, an application shall be deemed submitted if it is delivered to the board's headquarters or postmarked within 90 days of the expiration of the license.

SEC. 72. Section 7145.5 of the Business and Professions Code is amended to read:

7145.5. (a) The registrar may refuse to issue, reinstate, reactivate, or renew a license or may suspend a license for the failure of a licensee to resolve all outstanding final liabilities, which include taxes, additions to tax, penalties, interest, and any fees that may be assessed by the board, the Department of Industrial Relations, the Employment Development Department, the Franchise Tax Board, or the State Board of Equalization.

(1) Until the debts covered by this section are satisfied, the qualifying person and any other personnel of record named on a license that has been suspended under this section shall be prohibited from serving in any capacity

that is subject to licensure under this chapter, but shall be permitted to act in the capacity of a nonsupervising bona fide employee.

(2) The license of any other renewable licensed entity with any of the same personnel of record that have been assessed an outstanding liability covered by this section shall be suspended until the debt has been satisfied or until the same personnel of record disassociate themselves from the renewable licensed entity.

(b) The refusal to issue a license or the suspension of a license as provided by this section shall be applicable only if the registrar has mailed a notice preliminary to the refusal or suspension that indicates that the license will be refused or suspended by a date certain. This preliminary notice shall be mailed to the licensee at least 60 days before the date certain.

(c) In the case of outstanding final liabilities assessed by the Franchise Tax Board, this section shall be operative within 60 days after the Contractors State License Board has provided the Franchise Tax Board with the information required under Section 30, relating to licensing information that includes the federal employer identification number, individual taxpayer identification number, or social security number.

(d) All versions of the application for a contractor's license shall include, as part of the application, an authorization by the applicant, in the form and manner mutually agreeable to the Franchise Tax Board and the board, for the Franchise Tax Board to disclose the tax information that is required for the registrar to administer this section. The Franchise Tax Board may from time to time audit these authorizations.

(e) In the case of outstanding final liabilities assessed by the State Board of Equalization, this section shall not apply to any outstanding final liability if the licensee has entered into an installment payment agreement for that liability with the State Board of Equalization and is in compliance with the terms of that agreement.

SEC. 73. Section 7159 of the Business and Professions Code is amended to read:

7159. (a) (1) This section identifies the projects for which a home improvement contract is required, outlines the contract requirements, and lists the items that shall be included in the contract, or may be provided as an attachment.

(2) This section does not apply to service and repair contracts that are subject to Section 7159.10, if the contract for the applicable services complies with Sections 7159.10 to 7159.14, inclusive.

(3) This section does not apply to the sale, installation, and servicing of a fire alarm sold in conjunction with an alarm system, as defined in Section 7590.1, if all costs attributable to making the fire alarm system operable, including sale and installation costs, do not exceed five hundred dollars (\$500), and the licensee complies with the requirements set forth in Section 7159.9.

(4) This section does not apply to any costs associated with monitoring a burglar or fire alarm system.

(5) Failure by the licensee, their agent or salesperson, or by a person subject to be licensed under this chapter, to provide the specified information, notices, and disclosures in the contract, or to otherwise fail to comply with any provision of this section, is cause for discipline.

(b) For purposes of this section, “home improvement contract” means an agreement, whether oral or written, or contained in one or more documents, between a contractor and an owner or between a contractor and a tenant, regardless of the number of residence or dwelling units contained in the building in which the tenant resides, if the work is to be performed in, to, or upon the residence or dwelling unit of the tenant, for the performance of a home improvement, as defined in Section 7151, and includes all labor, services, and materials to be furnished and performed thereunder, if the aggregate contract price specified in one or more improvement contracts, including all labor, services, and materials to be furnished by the contractor, exceeds five hundred dollars (\$500). “Home improvement contract” also means an agreement, whether oral or written, or contained in one or more documents, between a salesperson, whether or not they are a home improvement salesperson, and an owner or a tenant, regardless of the number of residence or dwelling units contained in the building in which the tenant resides, which provides for the sale, installation, or furnishing of home improvement goods or services.

(c) In addition to the specific requirements listed under this section, every home improvement contract and any person subject to licensure under this chapter or their agent or salesperson shall comply with all of the following:

(1) The writing shall be legible.

(2) Any printed form shall be readable. Unless a larger typeface is specified in this article, text in any printed form shall be in at least 10-point typeface and the headings shall be in at least 10-point boldface type.

(3) (A) Before any work is started, the contractor shall give the buyer a copy of the contract signed and dated by both the contractor and the buyer. The buyer’s receipt of the copy of the contract initiates the buyer’s rights to cancel the contract pursuant to Sections 1689.5 to 1689.14, inclusive, of the Civil Code.

(B) The contract shall contain on the first page, in a typeface no smaller than that generally used in the body of the document, both of the following:

(i) The date the buyer signed the contract.

(ii) The name and address of the contractor to which the applicable “Notice of Cancellation” is to be mailed, immediately preceded by a statement advising the buyer that the “Notice of Cancellation” may be sent to the contractor at the address noted on the contract.

(4) The contract shall include a statement that, upon satisfactory payment being made for any portion of the work performed, the contractor, prior to any further payment being made, shall furnish to the person contracting for the home improvement or swimming pool work a full and unconditional release from any potential lien claimant claim or mechanics lien authorized pursuant to Sections 8400 and 8404 of the Civil Code for that portion of the work for which payment has been made.

(5) A change-order form for changes or extra work shall be incorporated into the contract and shall become part of the contract only if it is in writing and signed by the parties prior to the commencement of any work covered by a change order.

(6) The contract shall contain, in close proximity to the signatures of the owner and contractor, a notice stating that the owner or tenant has the right to require the contractor to have a performance and payment bond.

(7) If the contract provides for a contractor to furnish joint control, the contractor shall not have any financial or other interest in the joint control.

(8) The provisions of this section are not exclusive and do not relieve the contractor from compliance with any other applicable provision of law.

(d) A home improvement contract and any changes to the contract shall be in writing and signed by the parties to the contract prior to the commencement of work covered by the contract or an applicable change order and, except as provided in paragraph (8) of subdivision (a) of Section 7159.5, shall include or comply with all of the following:

(1) The name, business address, and license number of the contractor.

(2) If applicable, the name and registration number of the home improvement salesperson that solicited or negotiated the contract.

(3) The following heading on the contract form that identifies the type of contract in at least 10-point boldface type: "Home Improvement."

(4) The following statement in at least 12-point boldface type: "You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started."

(5) The heading: "Contract Price," followed by the amount of the contract in dollars and cents.

(6) If a finance charge will be charged, the heading: "Finance Charge," followed by the amount in dollars and cents. The finance charge is to be set out separately from the contract amount.

(7) The heading: "Description of the Project and Description of the Significant Materials to be Used and Equipment to be Installed," followed by a description of the project and a description of the significant materials to be used and equipment to be installed. For swimming pools, the project description required under this paragraph also shall include a plan and scale drawing showing the shape, size, dimensions, and the construction and equipment specifications.

(8) If a downpayment will be charged, the details of the downpayment shall be expressed in substantially the following form, and shall include the text of the notice as specified in subparagraph (C):

(A) The heading: "Downpayment."

(B) A space where the actual downpayment appears.

(C) The following statement in at least 12-point boldface type:

"THE DOWNPAYMENT MAY NOT EXCEED \$1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS."

(9) If payments, other than the downpayment, are to be made before the project is completed, the details of these payments, known as progress payments, shall be expressed in substantially the following form, and shall include the text of the statement as specified in subparagraph (C):

(A) A schedule of progress payments shall be preceded by the heading: "Schedule of Progress Payments."

(B) Each progress payment shall be stated in dollars and cents and specifically reference the amount of work or services to be performed and materials and equipment to be supplied.

(C) The section of the contract reserved for the progress payments shall include the following statement in at least 12-point boldface type:

"The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. **IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT.**"

(10) The contract shall address the commencement of work to be performed in substantially the following form:

(A) A statement that describes what constitutes substantial commencement of work under the contract.

(B) The heading: "Approximate Start Date."

(C) The approximate date on which work will be commenced.

(11) The estimated completion date of the work shall be referenced in the contract in substantially the following form:

(A) The heading: "Approximate Completion Date."

(B) The approximate date of completion.

(12) If applicable, the heading: "List of Documents to be Incorporated into the Contract," followed by the list of documents incorporated into the contract.

(13) The heading: "Note About Extra Work and Change Orders," followed by the following statement:

"Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments."

(e) Except as provided in paragraph (8) of subdivision (a) of Section 7159.5, all of the following notices shall be provided to the owner as part of the contract form as specified or, if otherwise authorized under this subdivision, may be provided as an attachment to the contract:

(1) A notice concerning commercial general liability insurance. This notice may be provided as an attachment to the contract if the contract includes the following statement: "A notice concerning commercial general liability insurance is attached to this contract." The notice shall include the heading "Commercial General Liability Insurance (CGL)," followed by whichever of the following statements is both relevant and correct:

(A) "(The name on the license or 'This contractor') does not carry commercial general liability insurance."

(B) "(The name on the license or 'This contractor') carries commercial general liability insurance written by (the insurance company). You may call (the insurance company) at _____ to check the contractor's insurance coverage."

(C) "(The name on the license or 'This contractor') is self-insured."

(D) "(The name on the license or 'This contractor') is a limited liability company that carries liability insurance or maintains other security as required by law. You may call (the insurance company or trust company or bank) at ____ to check on the contractor's insurance coverage or security."

(2) A notice concerning workers' compensation insurance. This notice may be provided as an attachment to the contract if the contract includes the statement: "A notice concerning workers' compensation insurance is attached to this contract." The notice shall include the heading "Workers' Compensation Insurance" followed by whichever of the following statements is correct:

(A) "(The name on the license or 'This contractor') has no employees and is exempt from workers' compensation requirements."

(B) "(The name on the license or 'This contractor') carries workers' compensation insurance for all employees."

(3) A notice that provides the buyer with the following information about the performance of extra or change-order work:

(A) A statement that the buyer may not require a contractor to perform extra or change-order work without providing written authorization prior to the commencement of work covered by the new change order.

(B) A statement informing the buyer that extra work or a change order is not enforceable against a buyer unless the change order also identifies all of the following in writing prior to the commencement of work covered by the new change order:

(i) The scope of work encompassed by the order.

(ii) The amount to be added or subtracted from the contract.

(iii) The effect the order will make in the progress payments or the completion date.

(C) A statement informing the buyer that the contractor's failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.

(4) A notice with the heading "Mechanics Lien Warning" written as follows:

“MECHANICS LIEN WARNING:

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics lien on your property. A mechanics lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a ‘Preliminary Notice.’ This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if they are not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB’s internet website at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.”

(5) The following notice shall be provided in at least 12-point typeface:

“Information about the Contractors State License Board (CSLB): CSLB is the state consumer protection agency that licenses and regulates construction contractors.

Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions, and civil judgments that are reported to CSLB.

Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information:

Visit CSLB's internet website at www.cslb.ca.gov

Call CSLB at 800-321-CSLB (2752)

Write CSLB at P.O. Box 26000, Sacramento, CA 95826."

(6) (A) The notice set forth in subparagraph (B) and entitled "Three-Day Right to Cancel," shall be provided to the buyer unless the contract is:

(i) Negotiated at the contractor's place of business.

(ii) Subject to the "Seven-Day Right to Cancel," as set forth in paragraph (7).

(iii) Subject to licensure under the Alarm Company Act (Chapter 11.6 (commencing with Section 7590)), provided the alarm company licensee complies with Sections 1689.5, 1689.6, and 1689.7 of the Civil Code, as applicable.

(B) "Three-Day Right to Cancel

You, the buyer, have the right to cancel this contract within three business days. You may cancel by emailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the third business day after you received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received them, goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract."

(C) The "Three-Day Right to Cancel" notice required by this paragraph shall comply with all of the following:

- (i) The text of the notice is at least 12-point boldface type.
- (ii) The notice is in immediate proximity to a space reserved for the owner’s signature.
- (iii) The owner acknowledges receipt of the notice by signing and dating the notice form in the signature space.
- (iv) The notice is written in the same language, e.g., Spanish, as that principally used in any oral sales presentation.
- (v) The notice may be attached to the contract if the contract includes, in at least 12-point boldface type, a checkbox with the following statement: “The law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a ‘Notice of the Three-Day Right to Cancel.’ ”
- (vi) The notice shall be accompanied by a completed form in duplicate, captioned “Notice of Cancellation,” which also shall be attached to the agreement or offer to purchase and be easily detachable, and which shall contain the following statement written in the same language, e.g., Spanish, as used in the contract:

“Notice of Cancellation”

/enter date of transaction/

(Date)

“You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller’s expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.”

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram

to _____,

/name of seller/

at _____

/address of seller's place of business/
 not later than midnight of _____.
 (Date)

I hereby cancel this transaction. _____
 (Date)

 (Buyer's signature)

(7) (A) The following notice entitled "Seven-Day Right to Cancel" shall be provided to the buyer for any contract that is written for the repair or restoration of residential premises damaged by any sudden or catastrophic event for which a state of emergency has been declared by the President of the United States or the Governor, or for which a local emergency has been declared by the executive officer or governing body of any city, county, or city and county:

"Seven-Day Right to Cancel

You, the buyer, have the right to cancel this contract within seven business days. You may cancel by emailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the seventh business day after you received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received them, goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract."

(B) The "Seven-Day Right to Cancel" notice required by this subdivision shall comply with all of the following:

- (i) The text of the notice is at least 12-point boldface type.
- (ii) The notice is in immediate proximity to a space reserved for the owner's signature.
- (iii) The owner acknowledges receipt of the notice by signing and dating the notice form in the signature space.
- (iv) The notice is written in the same language, e.g., Spanish, as that principally used in any oral sales presentation.
- (v) The notice may be attached to the contract if the contract includes, in at least 12-point boldface type, a checkbox with the following statement:

“The law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a ‘Notice of the Seven-Day Right to Cancel.’”

(vi) The notice shall be accompanied by a completed form in duplicate, captioned “Notice of Cancellation,” which shall also be attached to the agreement or offer to purchase and be easily detachable, and which shall contain the following statement written in the same language, e.g., Spanish, as used in the contract:

“Notice of Cancellation”

/enter date of transaction/

(Date)

“You may cancel this transaction, without any penalty or obligation, within seven business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller’s expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.”

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram

to _____,
/name of seller/

at _____,
/address of seller’s place of business/

not later than midnight of _____.
(Date)

I hereby cancel this transaction. _____
(Date)

(Buyer’s signature)

SEC. 73.5. Section 7159 of the Business and Professions Code is amended to read:

7159. (a) (1) This section identifies the projects for which a home improvement contract is required, outlines the contract requirements, and lists the items that shall be included in the contract, or may be provided as an attachment.

(2) This section does not apply to service and repair contracts that are subject to Section 7159.10, if the contract for the applicable services complies with Sections 7159.10 to 7159.14, inclusive.

(3) This section does not apply to the sale, installation, and servicing of a fire alarm sold in conjunction with an alarm system, as defined in Section 7590.1, if all costs attributable to making the fire alarm system operable, including sale and installation costs, do not exceed five hundred dollars (\$500), and the licensee complies with the requirements set forth in Section 7159.9.

(4) This section does not apply to any costs associated with monitoring a burglar or fire alarm system.

(5) Failure by the licensee, their agent or salesperson, or by a person subject to be licensed under this chapter, to provide the specified information, notices, and disclosures in the contract, or to otherwise fail to comply with any provision of this section, is cause for discipline.

(b) For purposes of this section, "home improvement contract" means an agreement, whether oral or written, or contained in one or more documents, between a contractor and an owner or between a contractor and a tenant, regardless of the number of residence or dwelling units contained in the building in which the tenant resides, if the work is to be performed in, to, or upon the residence or dwelling unit of the tenant, for the performance of a home improvement, as defined in Section 7151, and includes all labor, services, and materials to be furnished and performed thereunder, if the aggregate contract price specified in one or more improvement contracts, including all labor, services, and materials to be furnished by the contractor, exceeds five hundred dollars (\$500). "Home improvement contract" also means an agreement, whether oral or written, or contained in one or more documents, between a salesperson, whether or not they are a home improvement salesperson, and an owner or a tenant, regardless of the number of residence or dwelling units contained in the building in which the tenant resides, which provides for the sale, installation, or furnishing of home improvement goods or services.

(c) In addition to the specific requirements listed under this section, every home improvement contract and any person subject to licensure under this chapter or their agent or salesperson shall comply with all of the following:

(1) The writing shall be legible.

(2) Any printed form shall be readable. Unless a larger typeface is specified in this article, text in any printed form shall be in at least 10-point typeface and the headings shall be in at least 10-point boldface type.

(3) (A) Before any work is started, the contractor shall give the buyer a copy of the contract signed and dated by both the contractor and the buyer.

The buyer's receipt of the copy of the contract initiates the buyer's rights to cancel the contract pursuant to Sections 1689.5 to 1689.14, inclusive, of the Civil Code.

(B) The contract shall contain on the first page, in a typeface no smaller than that generally used in the body of the document, both of the following:

(i) The date the buyer signed the contract.

(ii) The name and address of the contractor to which the applicable "Notice of Cancellation" is to be mailed, immediately preceded by a statement advising the buyer that the "Notice of Cancellation" may be sent to the contractor at the address noted on the contract.

(4) The contract shall include a statement that, upon satisfactory payment being made for any portion of the work performed, the contractor, prior to any further payment being made, shall furnish to the person contracting for the home improvement or swimming pool work a full and unconditional release from any potential lien claimant claim or mechanics lien authorized pursuant to Sections 8400 and 8404 of the Civil Code for that portion of the work for which payment has been made.

(5) A change-order form for changes or extra work shall be incorporated into the contract and shall become part of the contract only if it is in writing and signed by the parties prior to the commencement of any work covered by a change order.

(6) The contract shall contain, in close proximity to the signatures of the owner and contractor, a notice stating that the owner or tenant has the right to require the contractor to have a performance and payment bond.

(7) If the contract provides for a contractor to furnish joint control, the contractor shall not have any financial or other interest in the joint control.

(8) The provisions of this section are not exclusive and do not relieve the contractor from compliance with any other applicable provision of law.

(d) A home improvement contract and any changes to the contract shall be in writing and signed by the parties to the contract prior to the commencement of work covered by the contract or an applicable change order and, except as provided in paragraph (8) of subdivision (a) of Section 7159.5, shall include or comply with all of the following:

(1) The name, business address, and license number of the contractor.

(2) If applicable, the name and registration number of the home improvement salesperson that solicited or negotiated the contract.

(3) The following heading on the contract form that identifies the type of contract in at least 10-point boldface type: "Home Improvement."

(4) The following statement in at least 12-point boldface type: "You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started."

(5) The heading: "Contract Price," followed by the amount of the contract in dollars and cents.

(6) If a finance charge will be charged, the heading: "Finance Charge," followed by the amount in dollars and cents. The finance charge is to be set out separately from the contract amount.

(7) The heading: "Description of the Project and Description of the Significant Materials to be Used and Equipment to be Installed," followed by a description of the project and a description of the significant materials to be used and equipment to be installed. For swimming pools, the project description required under this paragraph also shall include a plan and scale drawing showing the shape, size, dimensions, and the construction and equipment specifications.

(8) If a downpayment will be charged, the details of the downpayment shall be expressed in substantially the following form, and shall include the text of the notice as specified in subparagraph (C):

(A) The heading: "Downpayment."

(B) A space where the actual downpayment appears.

(C) The following statement in at least 12-point boldface type:

"THE DOWNPAYMENT MAY NOT EXCEED \$1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS."

(9) If payments, other than the downpayment, are to be made before the project is completed, the details of these payments, known as progress payments, shall be expressed in substantially the following form, and shall include the text of the statement as specified in subparagraph (C):

(A) A schedule of progress payments shall be preceded by the heading: "Schedule of Progress Payments."

(B) Each progress payment shall be stated in dollars and cents and specifically reference the amount of work or services to be performed and materials and equipment to be supplied.

(C) The section of the contract reserved for the progress payments shall include the following statement in at least 12-point boldface type:

"The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT."

(10) The contract shall address the commencement of work to be performed in substantially the following form:

(A) A statement that describes what constitutes substantial commencement of work under the contract.

(B) The heading: "Approximate Start Date."

(C) The approximate date on which work will be commenced.

(11) The estimated completion date of the work shall be referenced in the contract in substantially the following form:

(A) The heading: "Approximate Completion Date."

(B) The approximate date of completion.

(12) If applicable, the heading: “List of Documents to be Incorporated into the Contract,” followed by the list of documents incorporated into the contract.

(13) The heading: “Note About Extra Work and Change Orders,” followed by the following statement:

“Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments.”

(e) Except as provided in paragraph (8) of subdivision (a) of Section 7159.5, all of the following notices shall be provided to the owner as part of the contract form as specified or, if otherwise authorized under this subdivision, may be provided as an attachment to the contract:

(1) A notice concerning commercial general liability insurance. This notice may be provided as an attachment to the contract if the contract includes the following statement: “A notice concerning commercial general liability insurance is attached to this contract.” The notice shall include the heading “Commercial General Liability Insurance (CGL),” followed by whichever of the following statements is both relevant and correct:

(A) “(The name on the license or ‘This contractor’) does not carry commercial general liability insurance.”

(B) “(The name on the license or ‘This contractor’) carries commercial general liability insurance written by (the insurance company). You may call (the insurance company) at _____ to check the contractor’s insurance coverage.”

(C) “(The name on the license or ‘This contractor’) is self-insured.”

(D) “(The name on the license or ‘This contractor’) is a limited liability company that carries liability insurance or maintains other security as required by law. You may call (the insurance company or trust company or bank) at ____ to check on the contractor’s insurance coverage or security.”

(2) A notice concerning workers’ compensation insurance. This notice may be provided as an attachment to the contract if the contract includes the statement: “A notice concerning workers’ compensation insurance is attached to this contract.” The notice shall include the heading “Workers’ Compensation Insurance” followed by whichever of the following statements is correct:

(A) “(The name on the license or ‘This contractor’) has no employees and is exempt from workers’ compensation requirements.”

(B) “(The name on the license or ‘This contractor’) carries workers’ compensation insurance for all employees.”

(3) A notice that provides the buyer with the following information about the performance of extra or change-order work:

(A) A statement that the buyer may not require a contractor to perform extra or change-order work without providing written authorization prior to the commencement of work covered by the new change order.

(B) A statement informing the buyer that extra work or a change order is not enforceable against a buyer unless the change order also identifies all of the following in writing prior to the commencement of work covered by the new change order:

(i) The scope of work encompassed by the order.

(ii) The amount to be added or subtracted from the contract.

(iii) The effect the order will make in the progress payments or the completion date.

(C) A statement informing the buyer that the contractor's failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.

(4) A notice with the heading "Mechanics Lien Warning" written as follows:

"MECHANICS LIEN WARNING:

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics lien on your property. A mechanics lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a 'Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if they are not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's internet website at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe."

(5) The following notice shall be provided in at least 12-point typeface:

"Information about the Contractors State License Board (CSLB): CSLB is the state consumer protection agency that licenses and regulates construction contractors.

Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions, and civil judgments that are reported to CSLB.

Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information:

Visit CSLB's internet website at www.cslb.ca.gov

Call CSLB at 800-321-CSLB (2752)

Write CSLB at P.O. Box 26000, Sacramento, CA 95826."

(6) (A) The notice set forth in subparagraph (B) and entitled "Three-Day Right to Cancel," or entitled "Five-Day Right to Cancel" for contracts with a senior citizen, shall be provided to the buyer unless the contract is:

(i) Negotiated at the contractor's place of business.

(ii) Subject to the "Seven-Day Right to Cancel," as set forth in paragraph (7).

(iii) Subject to licensure under the Alarm Company Act (Chapter 11.6 (commencing with Section 7590)), provided the alarm company licensee complies with Sections 1689.5, 1689.6, and 1689.7 of the Civil Code, as applicable.

(B) (i) "Three-Day Right to Cancel

You, the buyer, have the right to cancel this contract within three business days. You may cancel by emailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the third business day after you received a signed and dated copy of the

contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received them, goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract."

(ii) References to "three" and "third" in the notice set forth in clause (i) shall be changed to "five" and "fifth," respectively, for a buyer who is a senior citizen.

(C) The notice required by this paragraph shall comply with all of the following:

(i) The text of the notice is at least 12-point boldface type.

(ii) The notice is in immediate proximity to a space reserved for the owner's signature.

(iii) The owner acknowledges receipt of the notice by signing and dating the notice form in the signature space.

(iv) The notice is written in the same language, e.g., Spanish, as that principally used in any oral sales presentation.

(v) The notice may be attached to the contract if the contract includes, in at least 12-point boldface type, a checkbox with one of the following statements, as applicable:

(I) For a contract with a senior citizen: "The law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a 'Notice of the Five-Day Right to Cancel.'"

(II) For all other contracts: "The law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a 'Notice of the Three-Day Right to Cancel.'"

(vi) (I) The notice shall be accompanied by a completed form in duplicate, captioned "Notice of Cancellation," which also shall be attached to the agreement or offer to purchase and be easily detachable, and which shall contain the following statement written in the same language, e.g., Spanish, as used in the contract:

"Notice of Cancellation"

/enter date of transaction/

(Date)

“You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller’s expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.”

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to _____, /name of seller/ at _____ /address of seller’s place of business/ not later than midnight of _____ (Date)

I hereby cancel this transaction. _____ (Date) _____ (Buyer’s signature)

(II) The reference to “three” in the statement set forth in subclause (I) shall be changed to “five” for a buyer who is a senior citizen.

(7) (A) The following notice entitled “Seven-Day Right to Cancel” shall be provided to the buyer for any contract that is written for the repair or restoration of residential premises damaged by any sudden or catastrophic event for which a state of emergency has been declared by the President of the United States or the Governor, or for which a local emergency has been declared by the executive officer or governing body of any city, county, or city and county:

“Seven-Day Right to Cancel

You, the buyer, have the right to cancel this contract within seven business days. You may cancel by emailing, mailing, faxing, or delivering a written notice to the contractor at the contractor’s place of business by midnight of the seventh business day after you received a signed and dated copy of the

contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received them, goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract."

(B) The "Seven-Day Right to Cancel" notice required by this subdivision shall comply with all of the following:

- (i) The text of the notice is at least 12-point boldface type.
- (ii) The notice is in immediate proximity to a space reserved for the owner's signature.
- (iii) The owner acknowledges receipt of the notice by signing and dating the notice form in the signature space.
- (iv) The notice is written in the same language, e.g., Spanish, as that principally used in any oral sales presentation.
- (v) The notice may be attached to the contract if the contract includes, in at least 12-point boldface type, a checkbox with the following statement: "The law requires that the contractor give you a notice explaining your right to cancel. Initial the checkbox if the contractor has given you a 'Notice of the Seven-Day Right to Cancel.'"
- (vi) The notice shall be accompanied by a completed form in duplicate, captioned "Notice of Cancellation," which shall also be attached to the agreement or offer to purchase and be easily detachable, and which shall contain the following statement written in the same language, e.g., Spanish, as used in the contract:

"Notice of Cancellation"

/enter date of transaction/

(Date)

"You may cancel this transaction, without any penalty or obligation, within seven business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract."

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram

to _____,
/name of seller/

at _____
/address of seller's place of business/

not later than midnight of _____.
(Date)

I hereby cancel this transaction. _____
(Date)

(Buyer's signature)

(f) The five-day right to cancel added by the act that amended paragraph (6) of subdivision (e) shall apply to contracts entered into on or after January 1, 2021.

SEC. 74. Section 7170 of the Business and Professions Code is amended to read:

7170. (a) The Contractors State License Board shall receive and review complaints and consumer questions regarding solar energy systems companies and solar contractors. The board shall also receive complaints received from state agencies regarding solar energy systems companies and solar contractors.

(b) Beginning on July 1, 2019, the board annually shall compile a report documenting consumer complaints relating to solar contractors. The report shall be made available publicly on the board's and the Public Utilities Commission's internet websites. The report shall contain all of the following:

- (1) The number and types of complaints.
- (2) The ZIP Code where the consumer complaint originated.
- (3) The disposition of all complaints received against a solar contractor.

(c) For purposes of this section, "solar energy system" means a solar energy device to be installed on a residential building that has the primary purpose of providing for the collection and distribution of solar energy for the generation of electricity, that produces at least one kW, and not more than five MW, alternating current rated peak electricity, and that meets or

exceeds the eligibility criteria established pursuant to Section 25782 of the Public Resources Code.

SEC. 75. Section 7303 of the Business and Professions Code is amended to read:

7303. (a) Notwithstanding Article 8 (commencing with Section 9148) of Chapter 1.5 of Part 1 of Division 2 of Title 2 of the Government Code, there is in the Department of Consumer Affairs the State Board of Barbering and Cosmetology in which the administration of this chapter is vested.

(b) The board shall consist of nine members. Five members shall be public members, and four members shall represent the professions. The Governor shall appoint three of the public members and the four professional members. The Senate Committee on Rules and the Speaker of the Assembly shall each appoint one public member. Members of the board shall be appointed for a term of four years, except that of the members appointed by the Governor, two of the public members and two of the professions members shall be appointed for an initial term of two years. No board member may serve longer than two consecutive terms.

(c) The board may appoint an executive officer who is exempt from civil service. The executive officer shall exercise the powers and perform the duties delegated by the board and vested in the executive officer by this chapter. The appointment of the executive officer is subject to the approval of the director. In the event that a newly authorized board replaces an existing or previous bureau, the director may appoint an interim executive officer for the board who shall serve temporarily until the new board appoints a permanent executive officer.

(d) The executive officer shall provide examiners, inspectors, and other personnel necessary to carry out the provisions of this chapter.

(e) This section shall remain in effect only until January 1, 2022, and as of that date is repealed. Notwithstanding any other law, the repeal of this section renders the board subject to review by the appropriate policy committees of the Legislature.

SEC. 76. Section 7512.3 of the Business and Professions Code, as amended by Section 1 of Chapter 569 of the Statutes of 2017, is amended to read:

7512.3. (a) As used in this chapter, "person" includes any individual, firm, company, limited liability company, association, organization, partnership, and corporation.

(b) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 77. Section 7512.3 of the Business and Professions Code, as amended by Section 2 of Chapter 569 of the Statutes of 2017, is amended to read:

7512.3. (a) As used in this chapter, "person" includes any individual, firm, company, association, organization, partnership, and corporation.

(b) This section shall become operative on January 1, 2024.

SEC. 78. Section 7512.14 of the Business and Professions Code is amended to read:

7512.14. (a) As used in this chapter, “member” means an individual who is a member of a limited liability company as specified in Section 17704.01 of the Corporations Code.

(b) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 79. Section 7512.15 of the Business and Professions Code is amended to read:

7512.15. (a) As used in this chapter, “manager” means an individual designated under an operating agreement of a manager-managed limited liability company who is responsible for performing the management functions for the limited liability company specified in subdivision (c) of Section 17704.07 of the Corporations Code.

(b) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 80. Section 7520.3 of the Business and Professions Code is amended to read:

7520.3. (a) As a condition of the issuance, reinstatement, reactivation, or continued valid use of a license under this chapter, a limited liability company shall, in accordance with this section, maintain a policy or policies of insurance against liability imposed on or against it by law for damages arising out of claims based upon acts, errors, or omissions arising out of the private investigator services it provides.

(b) The total aggregate limit of liability under the policy or policies of insurance required under this section shall be as follows:

(1) For a limited liability company licensee with five or fewer persons named as members pursuant to subdivision (i) of Section 7525.1, the aggregate limit shall not be less than one million dollars (\$1,000,000).

(2) For a limited liability company licensee with more than five persons named as members pursuant to subdivision (i) of Section 7525.1, an additional one hundred thousand dollars (\$100,000) of insurance shall be obtained for each person named as members of the licensee except that 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 under this section.

(c) Prior to the issuance, reinstatement, or reactivation of a limited liability company license as provided under this chapter, the applicant or licensee shall, in the manner prescribed by the bureau, submit the information and documentation required by this section and requested by the bureau, demonstrating compliance with the financial security requirements specified by this section.

(d) For any insurance policy secured by a licensee in satisfaction of this section, a Certificate of Liability Insurance, signed by an authorized agent or employee of the insurer, shall be submitted electronically or otherwise to the bureau. The insurer issuing the certificate shall report to the bureau the following information for any policy required under this section: name, license number, policy number, dates that coverage is scheduled to commence and lapse, and cancellation date if applicable. The insurer shall

list the bureau as the certificate holder for the purposes of receiving notifications related to the policy's status.

(e) (1) If a licensee fails to maintain sufficient insurance as required by this section, or fails to provide proof of the required insurance upon request by the bureau, the license is subject to suspension and shall be automatically suspended pursuant to this subdivision until the date that the licensee provides proof to the bureau of compliance with the insurance coverage requirement.

(2) Prior to an automatic suspension, the bureau shall notify the licensee, in writing, that it has 30 days to provide proof to the bureau of having the required insurance or the license shall be automatically suspended.

(3) If the licensee fails to provide proof of insurance coverage within this period, the bureau may automatically suspend the license.

(f) If the license of a limited liability company is suspended pursuant to subdivision (e), each member of the limited liability company shall be personally liable up to one million dollars (\$1,000,000) each for damages resulting to third parties in connection with the company's performance, during the period of suspension, of any act or contract when a license is required by this chapter.

(g) On and after July 1, 2018, a licensee organized as a limited liability company shall report a paid or pending claim against its liability insurance to the bureau, which shall post a notice of the claim on the Department of Consumer Affairs BreEZe License Verification Internet Web page.

(h) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 81. Section 7525.1 of the Business and Professions Code, as amended by Section 11 of Chapter 569 of the Statutes of 2017, is amended to read:

7525.1. An application shall be verified and shall include:

- (a) The full name and business address of the applicant.
- (b) The name under which the applicant intends to do business.
- (c) A statement as to the general nature of the business in which the applicant intends to engage.
- (d) A verified statement of their experience qualifications.

(e) (1) If the applicant is an individual, a qualified manager, a partner of a partnership, an officer of a corporation designated in subdivision (h), or a member, officer, or manager of a limited liability company designated in subdivision (i), one personal identification form provided by the bureau upon which shall appear a photograph taken within one year immediately preceding the date of the filing of the application together with two legible sets of fingerprints, one set of which shall be forwarded to the Federal Bureau of Investigation for purposes of a background check, on a form approved by the Department of Justice, and a personal description of each person, respectively. The identification form shall include residence addresses and employment history for the previous five years and be signed under penalty of perjury.

(2) The bureau may impose a fee not to exceed three dollars (\$3) for processing classifiable fingerprint cards submitted by applicants, excluding those submitted into an electronic fingerprint system using electronic fingerprint technology.

(f) In addition, if the applicant for a license is an individual, the application shall list all other names known as or used during the past 10 years and shall state that the applicant is to be personally and actively in charge of the business for which the license is sought. If any other qualified manager is to be actively in charge of the business, the application shall be subscribed, verified, and signed by the applicant, under penalty of perjury. If any other person is to be actively in charge of the business, the application shall also be subscribed, verified, and signed by that person under penalty of perjury.

(g) If the applicants for a license are copartners, the application shall state the true names and addresses of all partners and the name of the partner to be actively in charge of the business for which the license is sought and list all other names known as or used during the past 10 years. If a qualified manager other than a partner is to be actively in charge of the business, then the application shall be subscribed, verified, and signed by all of the partners under penalty of perjury. If any other person is to be actively in charge of the business, the application shall also be subscribed, verified, and signed by that person, under penalty of perjury, under penalty of perjury by all of the partners and the qualified manager, or by all of the partners or the qualified manager.

(h) If the applicant for a license is a corporation, the application shall state the true names and complete residence addresses of the chief executive officer, secretary, chief financial officer, and any other corporate officer who will be active in the business to be licensed. The application shall also state the name and address of the designated person to be actively in charge of the business for which the license is sought. The application shall be subscribed, verified, and signed by a duly authorized officer of the applicant and by the qualified manager thereof, under penalty of perjury.

(i) If the applicant for a license is a limited liability company, the application shall state the true name and complete residence address of each member, manager, and any officer who will be active in the business to be licensed. A certified copy of the articles of organization, as filed by the Secretary of State, shall be supplied to the bureau upon request. In the case of a manager-managed limited liability company, the application shall be subscribed, verified, and signed by a manager; otherwise, in the case of a member-managed limited liability company, the application shall be subscribed, verified, and signed by a duly authorized member of the applicant and by the qualified manager thereof. The application shall also state whether any of the members, managers, officers, or the qualified manager has ever used an alias.

(j) Any other information, evidence, statements, or documents as may be required by the director.

(k) At the discretion of the applicant, a valid email address.

(l) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 82. Section 7525.1 of the Business and Professions Code, as amended by Section 12 of Chapter 569 of the Statutes of 2017, is amended to read:

7525.1. An application shall be verified and shall include:

(a) The full name and business address of the applicant.
 (b) The name under which the applicant intends to do business.
 (c) A statement as to the general nature of the business in which the applicant intends to engage.

(d) A verified statement of their experience qualifications.

(e) (1) If the applicant is an individual, a qualified manager, a partner of a partnership, or an officer of a corporation designated in subdivision (h), one personal identification form provided by the bureau upon which shall appear a photograph taken within one year immediately preceding the date of the filing of the application together with two legible sets of fingerprints, one set of which shall be forwarded to the Federal Bureau of Investigation for purposes of a background check, on a form approved by the Department of Justice, and a personal description of each person, respectively. The identification form shall include residence addresses and employment history for the previous five years and be signed under penalty of perjury.

(2) The bureau may impose a fee not to exceed three dollars (\$3) for processing classifiable fingerprint cards submitted by applicants, excluding those submitted into an electronic fingerprint system using electronic fingerprint technology.

(f) In addition, if the applicant for a license is an individual, the application shall list all other names known as or used during the past 10 years and shall state that the applicant is to be personally and actively in charge of the business for which the license is sought. If any other qualified manager is to be actively in charge of the business, the application shall be subscribed, verified, and signed by the applicant, under penalty of perjury. If any other person is to be actively in charge of the business, the application shall also be subscribed, verified, and signed by that person under penalty of perjury.

(g) If the applicants for a license are copartners, the application shall state the true names and addresses of all partners and the name of the partner to be actively in charge of the business for which the license is sought and list all other names known as or used during the past 10 years. If a qualified manager other than a partner is to be actively in charge of the business, then the application shall be subscribed, verified, and signed by all of the partners under penalty of perjury. If any other person is to be actively in charge of the business, the application shall also be subscribed, verified, and signed under penalty of perjury by that person, by all of the partners and the qualified manager, or by all of the partners or the qualified manager.

(h) If the applicant for a license is a corporation, the application shall state the true names and complete residence addresses of the chief executive

officer, secretary, chief financial officer, and any other corporate officer who will be active in the business to be licensed. The application shall also state the name and address of the designated person to be actively in charge of the business for which the license is sought. The application shall be subscribed, verified, and signed by a duly authorized officer of the applicant and by the qualified manager thereof, under penalty of perjury.

(i) Any other information, evidence, statements, or documents as may be required by the director.

(j) At the discretion of the applicant, a valid email address.

(k) This section shall become operative on January 1, 2024.

SEC. 83. Section 7529 of the Business and Professions Code, as amended by Section 2 of Chapter 326 of the Statutes of 2019, is amended to read:

7529. (a) (1) Upon the issuance of and with each biennial renewal of a license, a license in the form of an enhanced photo identification card of the size, design, and content as may be determined by the director or the director's designee shall be issued by the bureau to each licensee, as follows:

(A) If the licensee is an individual, the enhanced photo identification card shall be issued to the licensee and to the licensee's qualified manager.

(B) If the licensee is a partnership, the enhanced photo identification card shall be issued to each partner of the partnership licensee active in the business and to the licensee's qualified manager.

(C) If the licensee is a corporation, the enhanced photo identification card shall be issued to each officer active in the business and to the licensee's qualified manager.

(D) If the licensee is a limited liability company, the enhanced photo identification card shall be issued to each member, officer, and manager of the licensee active in the business and to the licensee's qualified manager.

(2) The enhanced photo identification card is evidence that the licensee is licensed pursuant to this chapter. The card shall contain the name of the licensee, license expiration date, and a photograph of the licensee. The enhanced photo identification card shall clearly state that the person is licensed as a private investigator or is the qualified manager or officer of the licensee. The enhanced photo identification card is to be composed of a durable material and may incorporate technologically advanced security features. The bureau may recover its costs in an amount sufficient to reimburse the department's costs for furnishing the enhanced photo identification card. The fee charged shall not exceed the actual direct costs for system development, maintenance, and processing necessary to provide this service. The total amount of costs shall be recovered by including that amount in the fee charged for the initial application of and renewal of licensure. When the position, office, or association with a licensee belonging to a person to whom a card is issued is terminated, the person shall surrender the card to the licensee and, within five days thereafter, the licensee shall mail or deliver the card to the bureau for cancellation. Every person, while engaged in any activity for which licensure is required, shall display the person's valid enhanced photo identification card as provided by regulation.

(b) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 84. Section 7529 of the Business and Professions Code, as amended by Section 3 of Chapter 326 of the Statutes of 2019, is amended to read:

7529. (a) Upon the issuance of and with each biennial renewal of a license, a license in the form of an enhanced photo identification card of the size, design, and content as may be determined by the director or the director's designee shall be issued by the bureau to each licensee, as follows:

(1) If the licensee is an individual, the enhanced photo identification card shall be issued to the licensee and to the licensee's qualified manager.

(2) If the licensee is a partnership, the enhanced photo identification card shall be issued to each partner of the partnership licensee active in the business and to the licensee's qualified manager.

(3) If the licensee is a corporation, the enhanced photo identification card shall be issued to each officer active in the business and to the licensee's qualified manager.

(b) The enhanced photo identification card is evidence that the licensee is licensed pursuant to this chapter. The card shall contain the name of the licensee, license expiration date, and a photograph of the licensee. The enhanced photo identification card shall clearly state that the person is licensed as a private investigator or is the qualified manager or officer of the licensee. The enhanced photo identification card is to be composed of a durable material and may incorporate technologically advanced security features. The bureau may recover its costs in an amount sufficient to reimburse the department's costs for furnishing the enhanced photo identification card. The fee charged shall not exceed the actual direct costs for system development, maintenance, and processing necessary to provide this service. The total amount of costs shall be recovered by including that amount in the fee charged for the initial application of and renewal of licensure. When the position, office, or association with a licensee belonging to a person to whom a card is issued is terminated, the person shall surrender the card to the licensee and, within five days thereafter, the licensee shall mail or deliver the card to the bureau for cancellation. Every person, while engaged in any activity for which licensure is required, shall display the person's valid enhanced photo identification card as provided by regulation.

(c) This section shall become operative on January 1, 2024.

SEC. 85. Section 7533.5 of the Business and Professions Code, as amended by Section 21 of Chapter 569 of the Statutes of 2017, is amended to read:

7533.5. (a) A licensee shall notify the bureau within 30 days of any change in its corporate officers required to be named pursuant to subdivision (h) of Section 7525.1 or members or managers required to be named pursuant to subdivision (i) of Section 7525.1, and of any addition of a new partner.

(b) Applications, on forms prescribed by the director, shall be submitted by all new officers, members or managers, and partners. The director may suspend or revoke a license issued under this chapter if the director determines that the new officer, member or manager, or partner of a licensee

has committed any of the acts constituting grounds to deny an application for a license or to take disciplinary action against a licensee pursuant to Section 7538 or 7538.5, respectively.

(c) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 86. Section 7533.5 of the Business and Professions Code, as amended by Section 22 of Chapter 569 of the Statutes of 2017, is amended to read:

7533.5. (a) A licensee shall notify the bureau within 30 days of any change in its corporate officers required to be named pursuant to subdivision (h) of Section 7525.1, and of any addition of a new partner.

(b) Applications, on forms prescribed by the director, shall be submitted by all new officers and partners. The director may suspend or revoke a license issued under this chapter if the director determines that the new officer or partner of a licensee has committed any of the acts constituting grounds to deny an application for a license or to take disciplinary action against a licensee pursuant to Section 7538 or 7538.5, respectively.

(c) This section shall become operative on January 1, 2024.

SEC. 87. Section 7538 of the Business and Professions Code, as amended by Section 25 of Chapter 569 of the Statutes of 2017, is amended to read:

7538. (a) After a hearing the director may deny a license unless the applicant makes a showing satisfactory to the director that the applicant, if an individual, and the applicant's qualified manager have not, or, if the applicant is a person other than an individual, that its qualified manager and each of its officers, partners, members, or managers have not:

(1) Committed any act that, if committed by a licensee, would be a ground for the suspension or revocation of a license under this chapter.

(2) Committed any act constituting dishonesty or fraud.

(3) Committed any act or crime constituting grounds for denial of licensure under Section 480, including illegally using, carrying, or possessing a deadly weapon.

(4) Been refused a license under this chapter or had a license revoked.

(5) Been an officer, partner, qualified manager, member, or manager of any person who has been refused a license under this chapter or whose license has been revoked.

(6) While unlicensed committed, or aided and abetted the commission of, any act for which a license is required by this chapter.

(7) Knowingly made any false statement in their application.

(b) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 88. Section 7538 of the Business and Professions Code, as amended by Section 26 of Chapter 569 of the Statutes of 2017, is amended to read:

7538. (a) After a hearing the director may deny a license unless the applicant makes a showing satisfactory to the director that the applicant, if an individual, and the applicant's qualified manager have not, or, if the applicant is a person other than an individual, that its qualified manager and each of its officers and partners have not:

(1) Committed any act that, if committed by a licensee, would be a ground for the suspension or revocation of a license under this chapter.

(2) Committed any act constituting dishonesty or fraud.

(3) Committed any act or crime constituting grounds for denial of licensure under Section 480, including illegally using, carrying, or possessing a deadly weapon.

(4) Been refused a license under this chapter or had a license revoked.

(5) Been an officer, partner, or qualified manager of any person who has been refused a license under this chapter or whose license has been revoked.

(6) While unlicensed committed, or aided and abetted the commission of, any act for which a license is required by this chapter.

(7) Knowingly made any false statement in their application.

(b) This section shall become operative on January 1, 2024.

SEC. 89. Section 7538.5 of the Business and Professions Code, as amended by Section 27 of Chapter 569 of the Statutes of 2017, is amended to read:

7538.5. (a) The director may refuse to issue any license provided for in this chapter to any of the following:

(1) An individual who has had any license revoked, has a license currently under suspension, or failed to renew their license while under suspension.

(2) An individual who, while acting as a partner of a partnership, an officer or director of a corporation, or a member, manager, or officer of a limited liability company, had their license revoked, has a license currently under suspension, or failed to renew their license while under suspension.

(3) An individual who, while acting as a partner of the partnership, an officer, director of the corporation, or a member, manager, or officer of a limited liability company meets both of the following conditions:

(A) The individual was a partner of any partnership, an officer or director of any corporation, or a member, manager, or officer of any limited liability company whose license was revoked, is currently under suspension, or was not renewed while under suspension.

(B) While acting as a partner, officer, director, member, or manager, they participated in any of the prohibited acts for which the license was revoked or suspended.

(4) An individual who is serving or has served as the qualified manager for any licensee that has had its license revoked, is currently under suspension, or failed to renew while under suspension.

(b) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 90. Section 7538.5 of the Business and Professions Code, as amended by Section 8 of Chapter 92 of the Statutes of 2018, is amended to read:

7538.5. (a) The director may refuse to issue any license provided for in this chapter to any of the following:

(1) An individual who has had any license revoked, has a license currently under suspension, or failed to renew their license while under suspension.

(2) An individual who, while acting as a partner of a partnership, or an officer or director of a corporation, had their license revoked, has a license currently under suspension, or failed to renew their license while under suspension.

(3) An individual, who, while acting as a partner of the partnership, or an officer or director of the corporation, meets both of the following conditions:

(A) The individual was a partner of any partnership, or an officer or director of any corporation, whose license was revoked, is currently under suspension, or was not renewed while under suspension.

(B) The individual, while acting as a partner, officer, or director, participated in any of the prohibited acts for which the license was revoked or suspended.

(4) An individual who is serving or has served as the qualified manager for any licensee that has had its license revoked, is currently under suspension, or failed to renew while under suspension.

(b) This section shall become operative on January 1, 2024.

SEC. 91. Section 7539 of the Business and Professions Code, as amended by Section 29 of Chapter 569 of the Statutes of 2017, is amended to read:

7539. (a) Any licensee or officer, director, partner, member, manager, or qualified manager of a licensee may divulge to any law enforcement officer or district attorney, or their representative, any information they may acquire as to any criminal offense, but they shall not divulge to any other person, except as otherwise required by law, any information acquired by them except at the direction of the employer or client for whom the information was obtained.

(b) A licensee or officer, director, partner, member, manager, qualified manager, or employee of a licensee shall not knowingly make any false report to their employer or client for whom information was being obtained.

(c) A written report shall not be submitted to a client except by the licensee, qualified manager, or a person authorized by one or either of them, and the person submitting the report shall exercise diligence in ascertaining whether or not the facts and information in the report are true and correct.

(d) A licensee, or officer, director, partner, manager, member, qualified manager, or employee of a licensee shall not use a badge in connection with the official activities of the licensee's business.

(e) A licensee, or officer, director, partner, manager, member, qualified manager, or employee of a licensee, shall not use a title, or wear a uniform, or use an insignia, or use an identification card, or make any statement with the intent to give an impression that they are connected in any way with the federal government, a state government, or any political subdivision of a state government.

(f) A licensee, or officer, partner, manager, member, qualified manager, or employee of a licensee shall not use any identification to indicate that they are licensed as a private investigator other than the official identification card issued by the bureau or the business card regularly used by the business. However, a licensee may issue an employer identification card.

(g) A licensee, or officer, director, partner, manager, member, qualified manager, or employee of a licensee, shall not enter any private building or portion thereof, except premises commonly accessible to the public, without the consent of the owner or of the person in legal possession thereof.

(h) A licensee shall not permit an employee or agent in their own name to advertise, engage clients, furnish reports or present bills to clients, or in any manner conduct business for which a license is required under this chapter. All business of the licensee shall be conducted in the name of and under the control of the licensee.

(i) A licensee, or officer, director, partner, manager, member, qualified manager, or employee of a licensee shall not knowingly and directly solicit employment from any person who has directly sustained bodily injury or from that person's spouse or other family member to obtain authorization on behalf of the injured person as an investigator to investigate the accident or act that resulted in injury or death to that person or damage to the property of that person. Nothing in this subdivision shall prohibit the soliciting of employment from that injured person's attorney, insurance company, self-insured administrator, insurance adjuster, employer, or any other person having an indirect interest in the investigation of the injury. This subdivision shall not apply to any business agent or attorney employed by a labor organization. A licensee, or officer, director, partner, manager, member, or qualified manager of a licensee shall not pay or compensate any of their employees or agents on the basis of a bonus, bounty, or quota system whereby a premium is placed on the number of employer or client rule violations or infractions purportedly discovered as a result of any investigation made by a licensee.

(j) A licensee shall not use a fictitious business name in connection with the official activities of the licensee's business, except as provided by the bureau.

(k) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 92. Section 7539 of the Business and Professions Code, as amended by Section 9 of Chapter 92 of the Statutes of 2018, is amended to read:

7539. (a) A licensee or officer, director, partner, or qualified manager of a licensee may divulge to any law enforcement officer or district attorney, or their representative, any information they may acquire as to any criminal offense, but they shall not divulge to any other person, except as otherwise required by law, any information acquired by them except at the direction of the employer or client for whom the information was obtained.

(b) A licensee or officer, director, partner, qualified manager, or employee of a licensee shall not knowingly make any false report to their employer or client for whom information was being obtained.

(c) A written report shall not be submitted to a client except by the licensee, qualified manager, or a person authorized by one or either of them, and the person submitting the report shall exercise diligence in ascertaining whether or not the facts and information in the report are true and correct.

(d) A licensee, or officer, director, partner, qualified manager, or employee of a licensee shall not use a badge in connection with the official activities of the licensee's business.

(e) A licensee, or officer, director, partner, qualified manager, or employee of a licensee, shall not use a title, or wear a uniform, or use an insignia, or use an identification card, or make any statement with the intent to give an impression that they are connected in any way with the federal government, a state government, or any political subdivision of a state government.

(f) A licensee, or officer, partner, qualified manager, or employee of a licensee shall not use any identification to indicate that they are licensed as a private investigator other than the official identification card issued by the bureau or the business card regularly used by the business. However, a licensee may issue an employer identification card.

(g) A licensee, or officer, director, partner, qualified manager, or employee of a licensee, shall not enter any private building or portion thereof, except premises commonly accessible to the public, without the consent of the owner or of the person in legal possession thereof.

(h) A licensee shall not permit an employee or agent in their own name to advertise, engage clients, furnish reports or present bills to clients, or in any manner conduct business for which a license is required under this chapter. All business of the licensee shall be conducted in the name of and under the control of the licensee.

(i) A licensee, or officer, director, partner, qualified manager, or employee of a licensee, shall not knowingly and directly solicit employment from any person who has directly sustained bodily injury or from that person's spouse or other family member to obtain authorization on behalf of the injured person as an investigator to investigate the accident or act that resulted in injury or death to that person or damage to the property of that person. This subdivision does not prohibit the soliciting of employment from that injured person's attorney, insurance company, self-insured administrator, insurance adjuster, employer, or any other person having an indirect interest in the investigation of the injury. This subdivision does not apply to any business agent or attorney employed by a labor organization. A licensee, officer, director, partner, or qualified manager of a licensee shall not pay or compensate any of their employees or agents on the basis of a bonus, bounty, or quota system whereby a premium is placed on the number of employer or client rule violations or infractions purportedly discovered as a result of any investigation made by a licensee.

(j) A licensee shall not use a fictitious business name in connection with the official activities of the licensee's business, except as provided by the bureau.

(k) This section shall become operative on January 1, 2024.

SEC. 93. Section 8516 of the Business and Professions Code is amended to read:

8516. (a) This section, and Section 8519, apply only to wood destroying pests or organisms.

(b) A registered company or licensee shall not commence work on a contract, or sign, issue, or deliver any documents expressing an opinion or statement relating to the absence or presence of wood destroying pests or organisms until an inspection has been made by a licensed Branch 3 field representative or operator employed by a registered company, except as provided in Section 8519.5. The address of each property inspected or upon which work is completed shall be reported on a form prescribed by the board and shall be filed with the board no later than 10 business days after the commencement of an inspection or upon completed work.

Every property inspected pursuant to this subdivision or Section 8518 shall be assessed a filing fee pursuant to Section 8674.

Failure of a registered company to report and file with the board the address of any property inspected or work completed pursuant to Section 8518 or this section is grounds for disciplinary action and shall subject the registered company to a fine of not more than two thousand five hundred dollars (\$2,500). The address of an inspection report prepared for use by an attorney for litigation purposes shall not be required to be reported to the board and shall not be assessed a filing fee.

A written inspection report conforming to this section and a form approved by the board shall be prepared and delivered to the person requesting the inspection and the property owner, or to the property owner's designated agent, within 10 business days from the start of the inspection, except that an inspection report prepared for use by an attorney for litigation purposes is not required to be reported to the board or the property owner. An inspection report may be a complete, limited, supplemental, or reinspection report, as defined by Section 1993 of Title 16 of the California Code of Regulations. The report shall be delivered before work is commenced on any property. The registered company shall retain for three years all inspection reports, field notes, and activity forms.

Reports shall be made available for inspection and reproduction to the executive officer of the board or their duly authorized representative during business hours. All inspection reports or copies thereof shall be submitted to the board upon demand within two business days. The following shall be set forth in the report:

- (1) The start date of the inspection and the name of the licensed field representative or operator making the inspection.
- (2) The name and address of the person or firm ordering the report.
- (3) The name and address of the property owner and any person who is a party in interest.
- (4) The address or location of the property.
- (5) A general description of the building or premises inspected.
- (6) A foundation diagram or sketch of the structure or structures or portions of the structure or structures inspected, including the approximate location of any infested or infected areas evident, and the parts of the structure where conditions that would ordinarily subject those parts to attack by wood destroying pests or organisms exist. Reporting of the infested or infected wood members, or parts of the structure identified, shall be listed

in the inspection report to clearly identify them, as is typical in standard construction components, including, but not limited to, siding, studs, rafters, floor joists, fascia, subfloor, sheathing, and trim boards.

(7) Information regarding the substructure, foundation walls and footings, porches, patios and steps, air vents, abutments, attic spaces, roof framing that includes the eaves, rafters, fascias, exposed timbers, exposed sheathing, ceiling joists, and attic walls, or other parts subject to attack by wood destroying pests or organisms. Conditions usually deemed likely to lead to infestation or infection, such as earth-wood contacts, excessive cellulose debris, faulty grade levels, excessive moisture conditions, evidence of roof leaks, and insufficient ventilation are to be reported.

(8) One of the following statements, as appropriate, printed in bold type:

(A) **The exterior surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractors State License Board.**

(B) **The exterior surface of the roof was inspected to determine whether or not wood destroying pests or organisms are present.**

(9) Indication or description of any areas that are inaccessible or not inspected with recommendation for further inspection if practicable. If, after the report has been made in compliance with this section, authority is given later to open inaccessible areas, a supplemental report on conditions in these areas shall be made.

(10) Recommendations for corrective measures.

(11) Information regarding the pesticide or pesticides to be used for their control or prevention as set forth in subdivision (a) of Section 8538.

(12) The inspection report shall clearly disclose that if requested by the person ordering the original report, a reinspection of the structure will be performed if an estimate or bid for making repairs was given with the original inspection report, or thereafter.

An estimate or bid shall be given separately allocating the costs to perform each and every recommendation for corrective measures as specified in subdivision (c) with the original inspection report if the person who ordered the original inspection report so requests, and if the registered company is regularly in the business of performing each corrective measure.

If no estimate or bid was given with the original inspection report, or thereafter, then the registered company shall not be required to perform a reinspection.

A reinspection shall be an inspection of those items previously listed on an original report to determine if the recommendations have been completed. Each reinspection shall be reported on an original inspection report form and shall be labeled "Reinspection." Each reinspection shall also identify the original report by date.

After four months from an original inspection, all inspections shall be original inspections and not reinspections.

Any reinspection shall be performed for not more than the price of the registered company's original inspection price and shall be completed within 10 business days after a reinspection has been ordered.

(13) The inspection report shall contain the following statement, printed in boldface type:

“NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company.”

(c) At the time a report is ordered, the registered company or licensee shall inform the person or entity ordering the report, that a separate report is available pursuant to this subdivision. If a separate report is requested at the time the inspection report is ordered, the registered company or licensee shall separately identify on the report each recommendation for corrective measures as follows:

(1) The infestation or infection that is evident.

(2) The conditions that are present that are deemed likely to lead to infestation or infection.

If a registered company or licensee fails to inform as required by this subdivision and a dispute arises, or if any other dispute arises as to whether this subdivision has been complied with, a separate report shall be provided within 24 hours of the request but, in no event, later than the next business day, and at no additional cost.

(d) When a corrective condition is identified, either as paragraph (1) or (2) of subdivision (c), and the property owner or the property owner’s designated agent chooses not to correct those conditions, the registered company or licensee shall not be liable for damages resulting from a failure to correct those conditions or subject to any disciplinary action by the board. Nothing in this subdivision, however, shall relieve a registered company or a licensee of any liability resulting from negligence, fraud, dishonest dealing, other violations pursuant to this chapter, or contractual obligations between the registered company or licensee and the responsible parties.

(e) The inspection report form prescribed by the board shall separately identify the infestation or infection that is evident and the conditions that are present that are deemed likely to lead to infestation or infection. If a separate form is requested, the form shall explain the infestation or infection that is evident and the conditions that are present that are deemed likely to lead to infestation or infection and the difference between those conditions. In no event, however, shall conditions deemed likely to lead to infestation or infection be characterized as actual “defects” or as actual “active” infestations or infections or in need of correction as a precondition to issuing a certification pursuant to Section 8519.

(f) The report and any contract entered into shall also state specifically when any guarantee for the work is made, and if so, the specific terms of the guarantee and the period of time for which the guarantee shall be in effect. If a guarantee extends beyond three years, the registered company shall maintain all original inspection reports, field notes, activity forms, and

notices of completion for the duration of the guarantee period and for one year after the guarantee expires.

(g) For purposes of this section, "control service agreement" means an agreement, including extended warranties, to have a licensee conduct over a period of time regular inspections and other activities related to the control or eradication of wood destroying pests and organisms. Under a control service agreement a registered company shall refer to the original report and contract in a manner as to identify them clearly, and the report shall be assumed to be a true report of conditions as originally issued, except it may be modified after a control service inspection. A registered company is not required to issue a report as outlined in paragraphs (1) to (11), inclusive, of subdivision (b) after each control service inspection. If after control service inspection, no modification of the original report is made in writing, then it will be assumed that conditions are as originally reported. A control service contract shall state specifically the particular wood destroying pests or organisms and the portions of the buildings or structures covered by the contract.

(h) A registered company or licensee may enter into and maintain a control service agreement provided the following requirements are met:

(1) The control service agreement shall be in writing, signed by both parties, and shall specifically include the following:

(A) The wood destroying pests and organisms covered by the control service agreement.

(B) Any wood destroying pest or organism that is not covered must be specifically listed.

(C) The type and manner of treatment to be used to correct the infestations or infections.

(D) The structures or buildings, or portions thereof, covered by the agreement, including a statement specifying whether the coverage for purposes of periodic inspections is limited or full. Any exclusions from those described in the original report must be specifically listed.

(E) A reference to the original inspection report.

(F) The frequency of the inspections to be provided, the fee to be charged for each renewal, and the duration of the agreement.

(G) Whether the fee includes structural repairs.

(H) If the services provided are guaranteed, and, if so, the terms of the guarantee.

(I) A statement that all corrections of infestations or infections covered by the control service agreement shall be completed within six months of discovery, unless otherwise agreed to in writing by both parties.

(2) The original inspection report, the control service agreement, and completion report shall be maintained for three years after the cancellation of the control service agreement.

(3) Inspections made pursuant to a control service agreement shall be conducted by a Branch 3 licensee. Section 8506.1 does not modify this provision.

(4) A full inspection of the property covered by the control service agreement shall be conducted and a report filed pursuant to subdivision (b) at least once every three years from the date that the agreement was entered into, unless the consumer cancels the contract within three years from the date the agreement was entered into.

(5) Under a control service agreement, a written report shall be required for the correction of any infestation or infection unless all of the following conditions are met:

(A) The infestation or infection has been previously reported.

(B) The infestation or infection is covered by the control service agreement.

(C) There is no additional charge for correcting the infestation or infection.

(D) Correction of the infestation or infection takes place within 45 days of its discovery.

(E) Correction of the infestation or infection does not include fumigation.

(6) All notice requirements pursuant to Section 8538 shall apply to all pesticide treatments conducted under control service agreements.

(i) All work recommended by a registered company, where an estimate or bid for making repairs was given with the original inspection report, or thereafter, shall be recorded on this report or a separate work agreement and shall specify a price for each recommendation. This information shall be provided to the person requesting the inspection, and shall be retained by the registered company with the inspection report copy for three years.

SEC. 94. Section 10050 of the Business and Professions Code is amended to read:

10050. (a) (1) There is in the Business, Consumer Services, and Housing Agency a Department of Real Estate, the chief officer of which department is named the Real Estate Commissioner.

(2) Notwithstanding any other law, the powers and duties of the department, as set forth in this part and Chapter 1 (commencing with Section 11000) of Part 2, shall be subject to review by the appropriate policy committees of the Legislature. The review shall be performed as if this part and that chapter were scheduled to be repealed as of January 1, 2022.

(b) It shall be the principal responsibility of the commissioner to enforce all laws in this part and Chapter 1 (commencing with Section 11000) of Part 2 in a manner that achieves the maximum protection for the buyers of real property and those persons dealing with real estate licensees.

(c) Wherever the term "commissioner" is used in this division, it means the Real Estate Commissioner.

(d) This section shall become operative on July 1, 2018.

SEC. 95. Section 11301 of the Business and Professions Code is amended to read:

11301. (a) (1) There is hereby created within the Department of Consumer Affairs a Bureau of Real Estate Appraisers to administer and enforce this part.

(2) Notwithstanding any other law, the powers and duties of the bureau, as set forth in this part, shall be subject to review by the appropriate policy committees of the Legislature. The review shall be performed as if this part were scheduled to be repealed as of January 1, 2022.

(b) Whenever the term “Office of Real Estate Appraisers” appears in any other law, it means the “Bureau of Real Estate Appraisers.”

SEC. 96. Section 16100 of the Business and Professions Code is amended to read:

16100. (a) The board of supervisors may in the exercise of its police powers, and for the purpose of regulation, as herein provided, and not otherwise, license any kind of business not prohibited by law, transacted and carried on within the limits of its jurisdiction, including all shows, exhibitions, and lawful games, and may fix the rate of the license fee and provide for its collection by suit or otherwise.

(b) No license fee levied pursuant to subdivision (a) that is measured by the licensee’s income or gross receipts, whether levied by a charter or general law county, shall apply to any nonprofit organization that is exempted from taxes by Chapter 4 (commencing with Section 23701) of Part 11 of Division 2 of the Revenue and Taxation Code or Subchapter F (commencing with Section 501) of Chapter 1 of Subtitle A of the Internal Revenue Code of 1986, or the successor of either, or to any minister, clergyman, Christian Science practitioner, rabbi, or priest of any religious organization that has been granted an exemption from federal income tax by the United States Commissioner of Internal Revenue as an organization described in Section 501(c)(3) of the Internal Revenue Code or a successor to that section.

(c) Before a county issues a business license to a person to conduct business as a contractor, as defined by Section 7026, the county shall verify that the person is licensed by the Contractors State License Board.

SEC. 97. Section 19164 of the Business and Professions Code is amended to read:

19164. The bureau may, by regulation, establish insulation material standards governing the quality of all insulation material sold or installed within this state, including those properties that affect the safety and thermal performance of insulation material during application and in the use intended. The standards shall specify the initial performance of the insulation material and the performance expected during the design life of the insulation material. Until the bureau has adopted these regulations, the regulations of the State Energy Resources Conservation and Development Commission in effect on the effective date of this section relating to those standards shall remain in full force and effect. However, wherever those regulations specify that the commission shall perform an act, the bureau instead shall perform the act.

Prior to establishing the standards and procedures required by this chapter, the bureau shall conduct at least two public hearings, and shall invite the State Energy Resources Conservation and Development Commission, the State Fire Marshal, manufacturers, distributors, and licensed installers of insulation materials, and appropriate members of the public to participate

in the hearings. Immediately upon adoption of the standards and procedures, the bureau shall provide a copy of the standards to the State Energy Resources Conservation and Development Commission, and the Contractors State License Board. Within 30 days after receipt of the bureau's standards, the Contractors State License Board shall notify all state licensed contractors who install insulation of the standards.

Insulation standards adopted by the bureau, pursuant to this section, and by the State Energy Resources Conservation and Development Commission, pursuant to Section 25402 of the Public Resources Code, which are building standards, as defined in Section 25488.5 of the Public Resources Code, shall be submitted to the California Building Standards Commission for approval pursuant to, and are governed by, the California Building Standards Law (Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code). The building standards adopted by the bureau and published in the California Building Standards Code shall comply with, and be enforced as provided in, this section.

SEC. 98. Section 1670.8.5 is added to the Civil Code, to read:

1670.8.5. (a) A contract or proposed contract for the provision of a consumer service by a licensee regulated by a licensing board shall not include a provision limiting the consumer's ability to file a complaint with that board or to participate in the board's investigation into the licensee.

(b) Any waiver of the provisions of this section is contrary to public policy, and is void and unenforceable.

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

(1) "Consumer service" means any service that is obtained for use primarily for personal, family, or household purposes.

(2) "Licensing board" means any entity described in Section 101 of the Business and Professions Code, the State Bar of California, the Department of Real Estate, or any other state agency that issues a license, certificate, or registration authorizing a person to engage in a business or profession.

(d) Violation of this section by a licensee shall constitute unprofessional conduct subject to discipline by the licensee's licensing board.

SEC. 99. Section 94950 of the Education Code is amended to read:

94950. This chapter shall remain in effect only until January 1, 2022, and as of that date is repealed.

SEC. 100. Section 8.5 of this bill incorporates amendments to Section 205 of the Business and Professions Code, as added by Section 3 of Chapter 865 of the Statutes of 2019, proposed by this bill and Assembly Bill 896. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2021, (2) each bill amends Section 205 of the Business and Professions Code, and (3) this bill is enacted after Assembly Bill 896, in which case Section 205 of the Business and Professions Code, as amended by Assembly Bill 896, shall remain operative only until the operative date of this bill, at which time Section 8.5 of this bill shall become operative, and Section 8 of this bill shall not become operative.

SEC. 101. Section 16.5 of this bill incorporates amendments to Section 2113 of the Business and Professions Code proposed by both this bill and Assembly Bill 2273. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2021, (2) each bill amends Section 2113 of the Business and Professions Code, and (3) this bill is enacted after Assembly Bill 2273, in which case Section 16 of this bill shall not become operative.

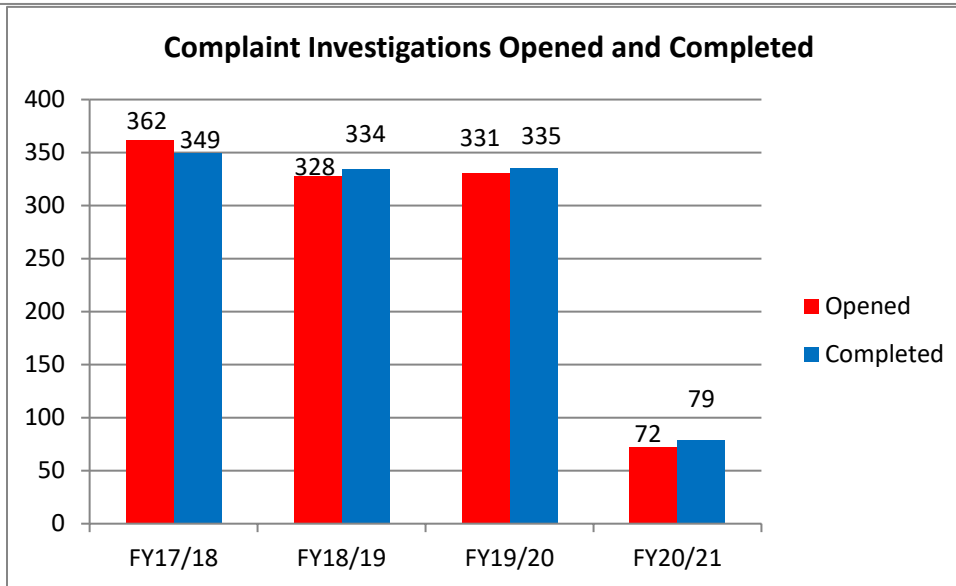
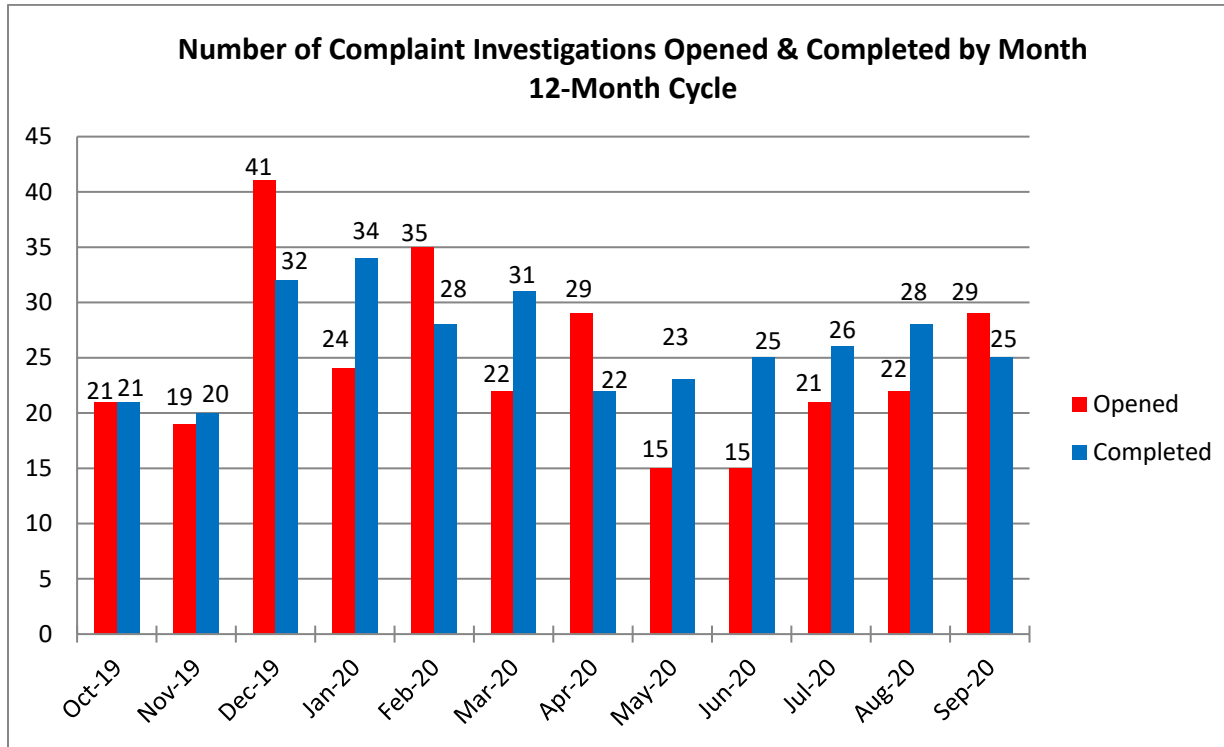
SEC. 102. Section 73.5 of this bill incorporates amendments to Section 7159 of the Business and Professions Code proposed by both this bill and Assembly Bill 2471. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2021, (2) each bill amends Section 7159 of the Business and Professions Code, and (3) this bill is enacted after Assembly Bill 2471, in which case Section 73 of this bill shall not become operative.

SEC. 103. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

VI. Enforcement

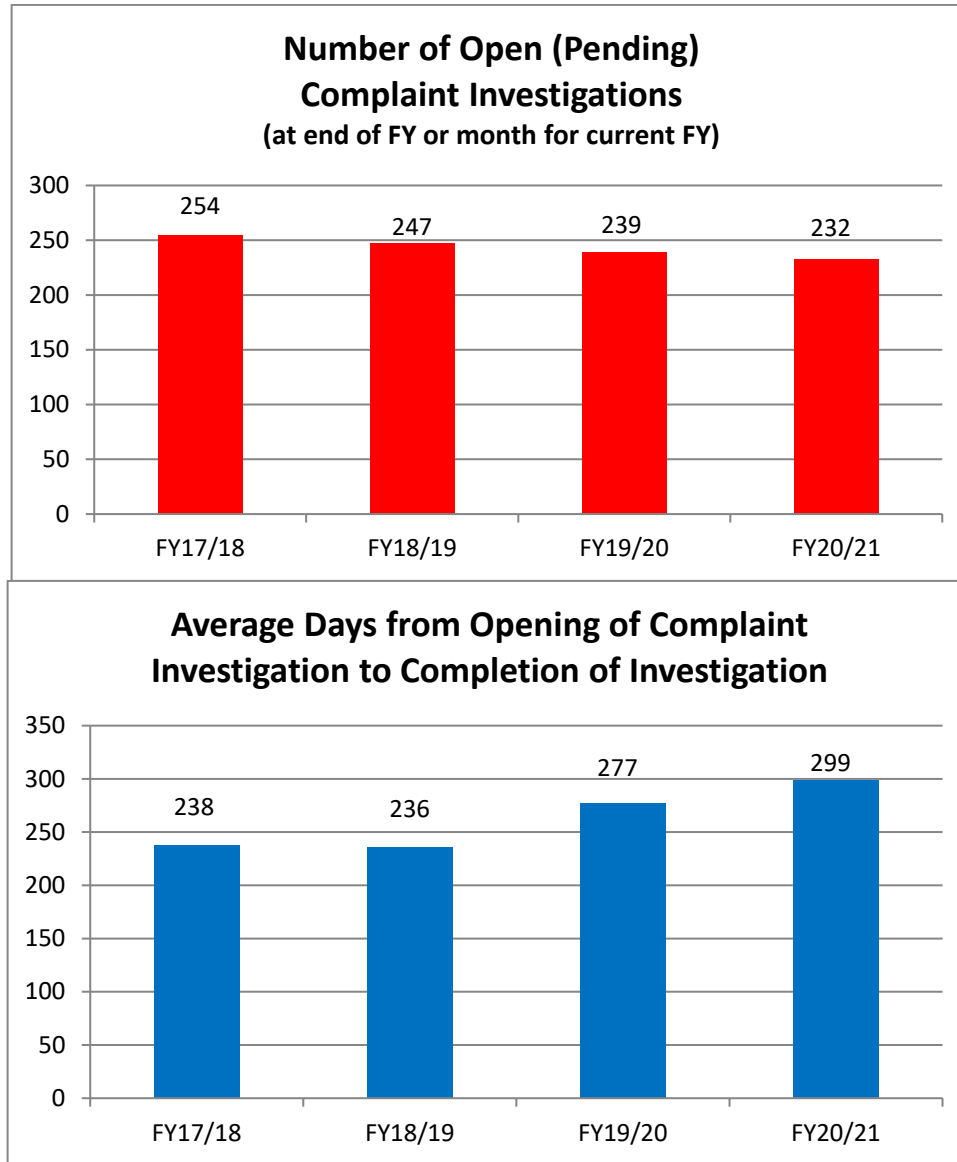
- A. Enforcement Statistical Reports
 - 2. Fiscal Year 2020/21 Update

Complaint Investigation Phase



NOTE: FY20/21 statistics are through September 30, 2020

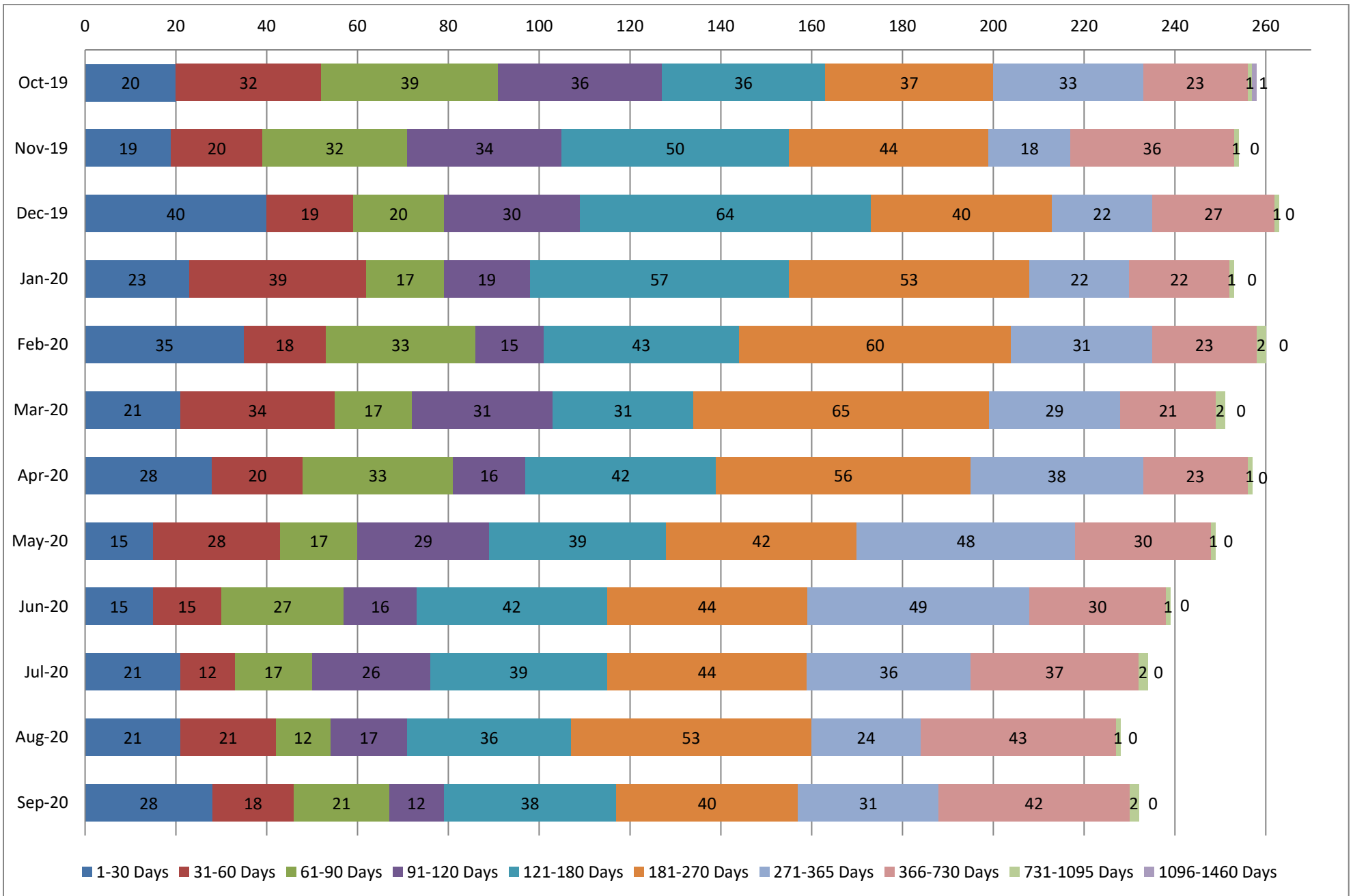
Complaint Investigation Phase



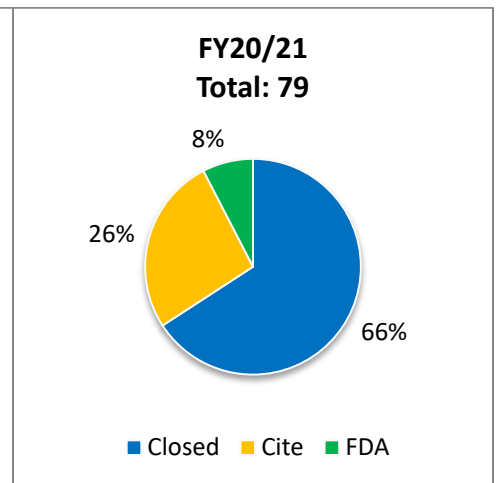
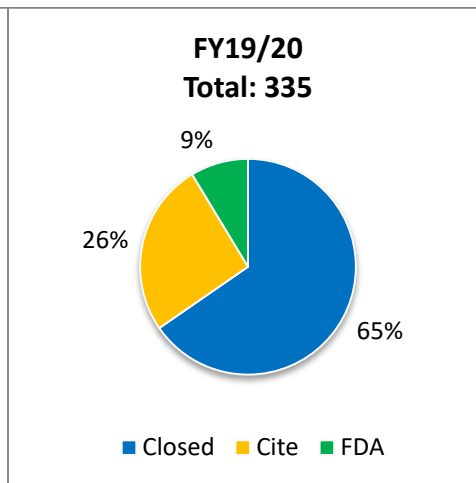
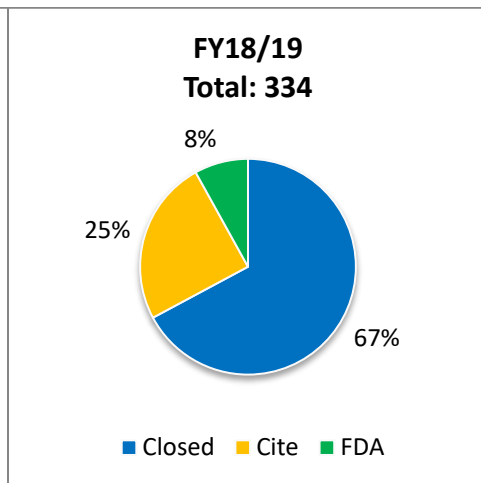
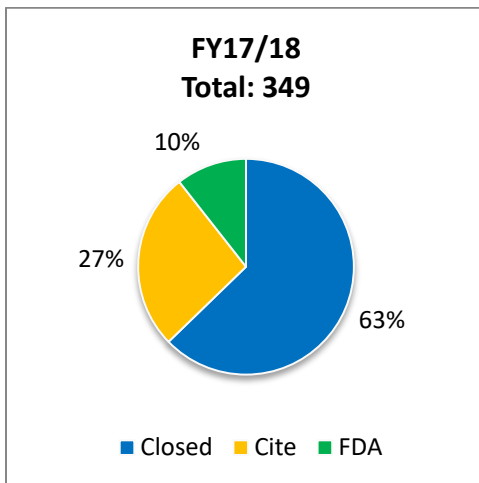
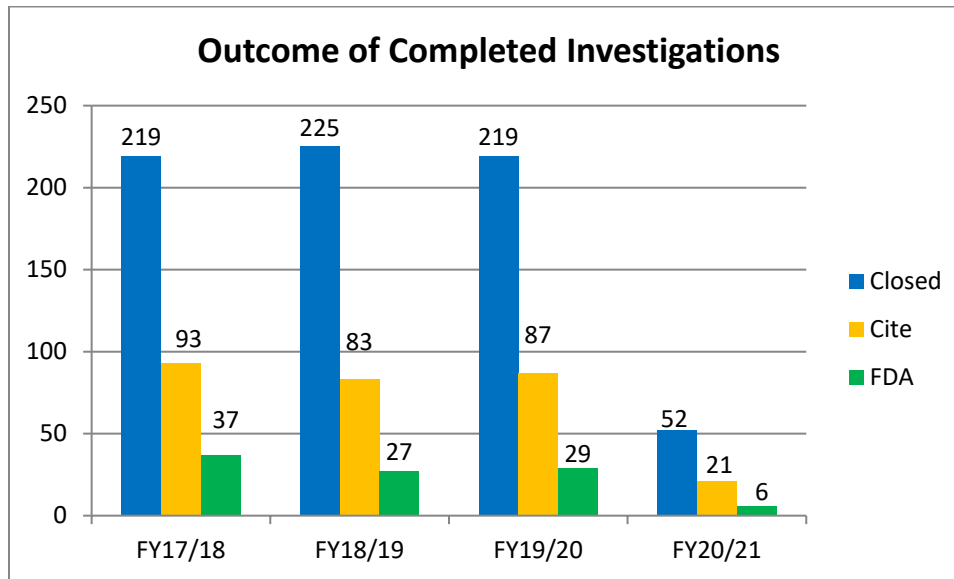
NOTE: FY20/21 statistics are through September 30, 2020

Complaint Investigation Phase

Aging of Open (Pending) Complaint Investigation Cases – 12-Month Cycle



Complaint Investigation Phase Outcome of Completed Investigations



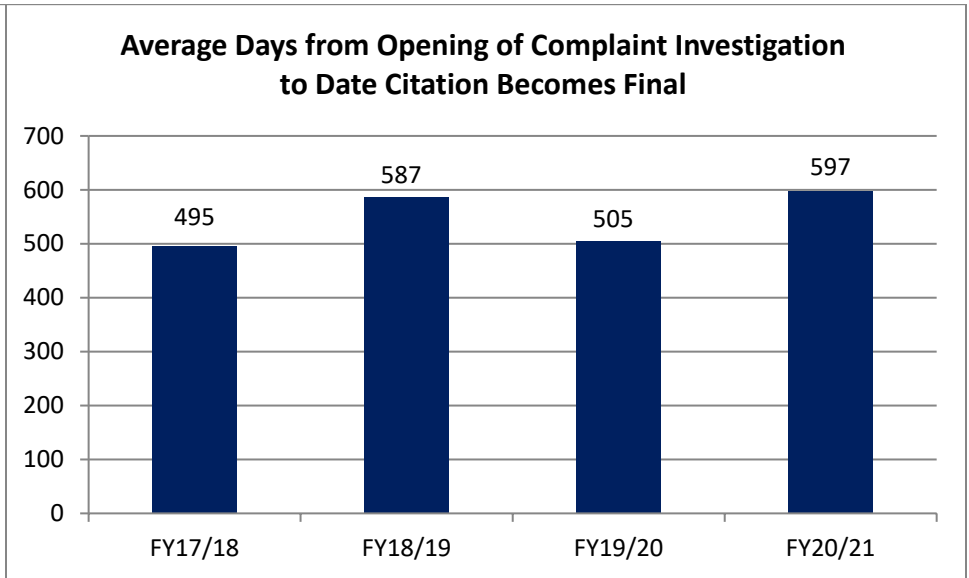
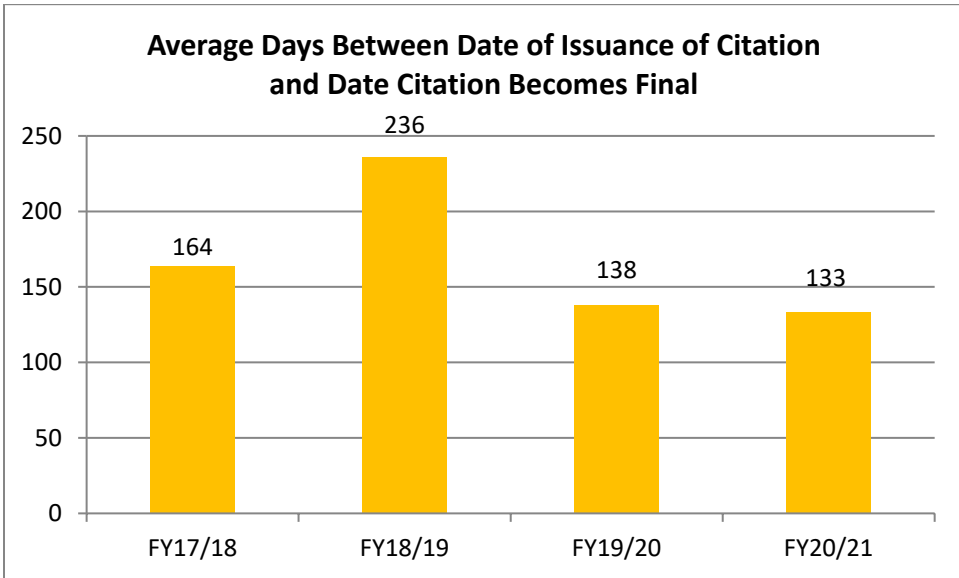
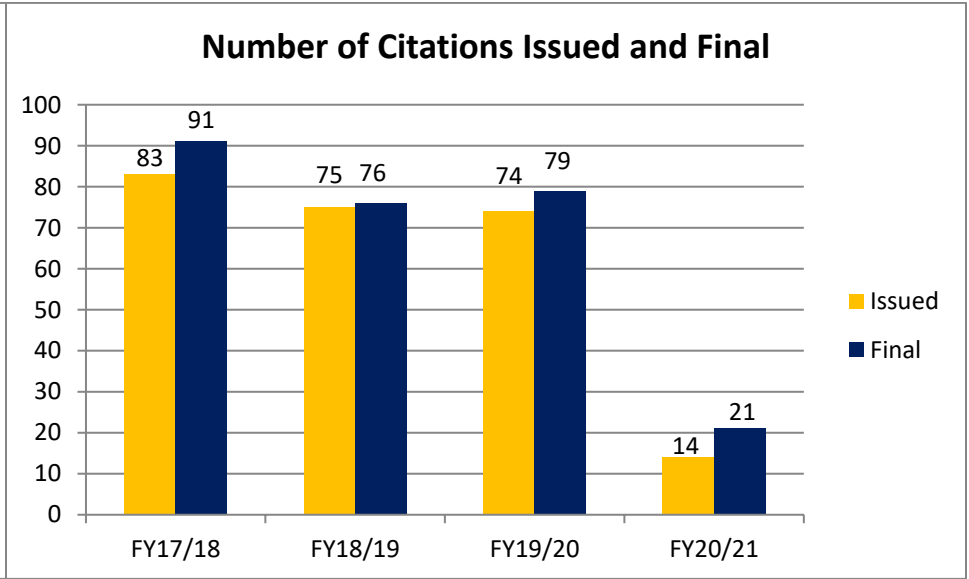
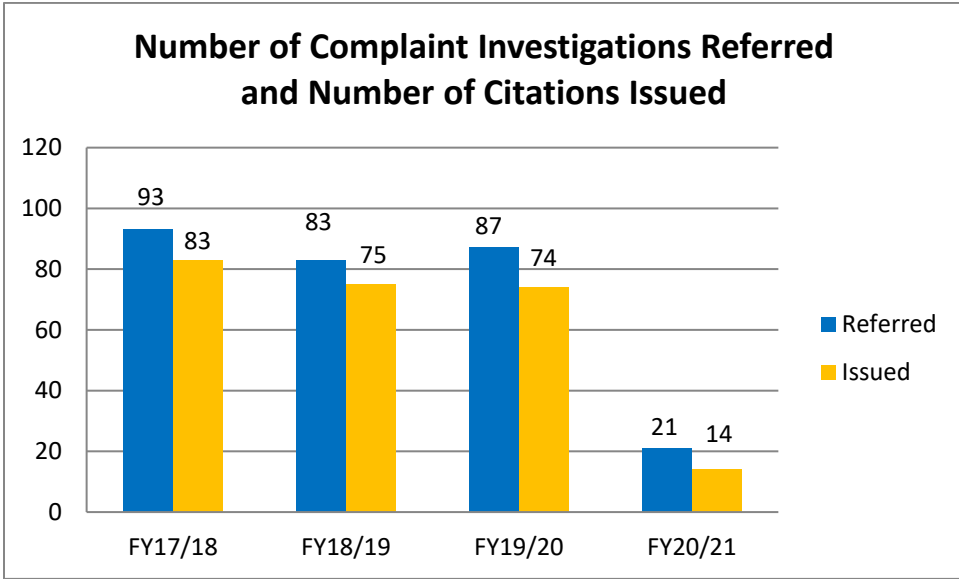
NOTE: FY20/21 statistics are through September 30, 2020

Closed with No Action Taken, includes No Violation/Insufficient Evidence; Compliance Obtained; Warning Letter; Other Reason for Closing Without Action (e.g., subject deceased); Resolved After Initial Notification; Referred to District Attorney with Request to File Criminal Charges; and Mediated.

Cite = Referred for Issuance of Citation

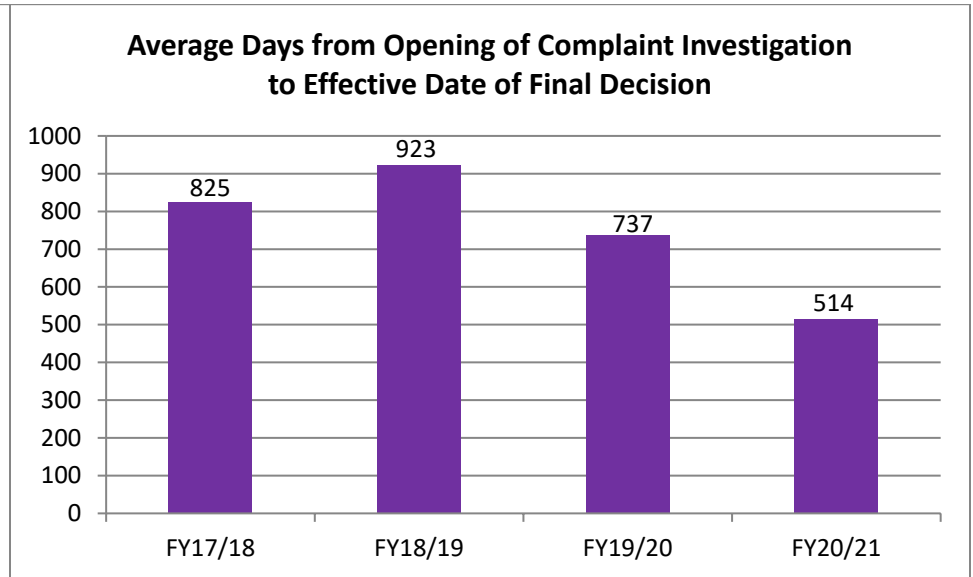
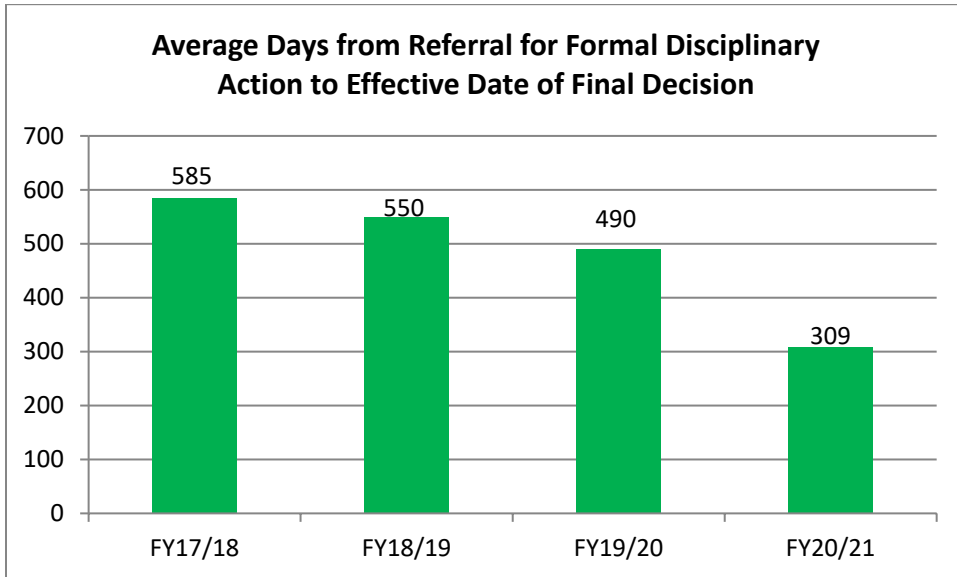
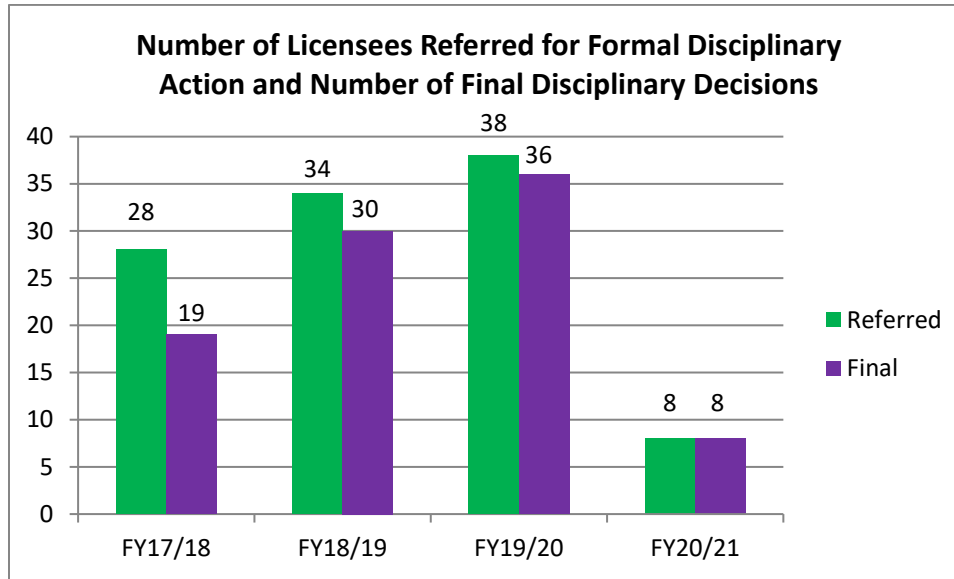
FDA = Referred for Formal Disciplinary Action

Citations (Informal Enforcement Actions)



NOTE: FY20/21 statistics are through September 30, 2020

Formal Disciplinary Actions Against Licensees



NOTE: FY20/21 statistics are through September 30, 2020

**Number of Complaint Investigations Opened & Completed by Month
12-Month Cycle**

Month	Complaint Investigations Opened	Complaint Investigations Completed
October 2019	21	21
November 2019	19	20
December 2019	41	32
January 2020	24	34
February 2020	35	28
March 2020	22	31
April 2020	29	22
May 2020	15	23
June 2020	15	25
July 2020	21	26
August 2020	22	28
September 2020	29	25

**Complaint Investigations Opened and Completed
Total by Fiscal Year**

Fiscal Year	Complaint Investigations Opened	Complaint Investigations Completed
2017/18	362	349
2018/19	328	334
2019/20	331	335
2020/21	72	79

Current Fiscal Year through September 30, 2020

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

Fiscal Year	Number of Open (Pending) Complaint Investigations
2017/18	254
2018/19	247
2019/20	239
2020/21	232

Current Fiscal Year through September 30, 2020

Complaint Investigation Phase

Average Days from Opening of Complaint Investigation to Completion of Investigation (at end of FY or month for current FY)

Fiscal Year	Average Days
2017/18	238
2018/19	236
2019/20	277
2020/21	299

Current Fiscal Year through September 30, 2020

Outcome of Completed Investigations

Fiscal Year	# Closed	% Closed	# Cite	% Cite	# FDA	% FDA
2017/18	219	63%	93	27%	37	10%
2018/19	225	67%	83	25%	27	8%
2019/20	219	65%	87	29%	29	9%
2020/21	52	66%	21	26%	6	8%

Current Fiscal Year through September 30, 2020

Closed = Closed with No Action Taken, includes No Violation/Insufficient Evidence; Compliance Obtained; Warning Letter; Other Reason for Closing Without Action (e.g., subject deceased); Resolved After Initial Notification; Referred to District Attorney with Request to File Criminal Charges; and Mediated.

Cite = Referred for Issuance of Citation

FDA = Referred for Formal Disciplinary Action

**Aging of Open (Pending) Complaint Investigation Cases
12-Month Cycle**

Month	0-30 Days	31-60 Days	61-90 Days	91-12 Days	121-180 Days	181-270 Days	271-365 Days	1-2 Years	2-3 Years	3-4 Years
October 2019	20	32	39	36	36	37	33	23	1	1
November 2019	19	20	32	34	50	44	18	36	1	0
December 2019	40	19	20	30	64	40	22	27	1	0
January 2020	23	39	17	19	57	53	22	22	1	0
February 2020	35	18	33	15	43	60	31	23	2	0
March 2020	21	34	17	31	31	65	29	21	2	0
April 2020	28	20	33	16	42	56	38	23	1	0
May 2020	15	28	17	29	39	42	48	30	1	0
June 2020	15	15	27	16	42	44	49	30	1	0
July 2020	21	12	17	26	39	44	36	37	2	0
August 2020	21	21	12	17	36	53	24	43	1	0
September 2020	28	18	21	12	38	40	31	42	2	0

Number of Complaint Investigations Referred and Number of Citations Issued

Fiscal Year	Complaint Investigations Referred for Issuance of Citation	Citations Issued
2017/18	93	83
2018/19	83	75
2019/20	87	74
2020/21	21	14

Current Fiscal Year through September 30, 2020

Number of Citations Issued and Final

Fiscal Year	Issued	Final
2017/18	83	91
2018/19	75	76
2019/20	74	79
2020/21	14	21

Current Fiscal Year through September 30, 2020

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

Fiscal Year	Number of Days
2017/18	164
2018/19	236
2019/20	138
2020/21	133

Current Fiscal Year through September 30, 2020

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

Fiscal Year	Number of Days
2017/18	495
2018/19	587
2019/20	505
2020/21	597

Current Fiscal Year through September 30, 2020

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

Fiscal Year	Number of Licensees Referred for Formal Disciplinary Action	Number of Final Disciplinary Decisions
2017/18	28	19
2018/19	34	30
2019/20	38	35
2020/21	8	8

Current Fiscal Year through September 30, 2020

**Average Days from Referral for Formal Disciplinary Action
to Effective Date of Final Decision**

Fiscal Year	Number of Days
2017/18	585
2018/19	550
2019/20	490
2020/21	309

Current Fiscal Year through September 30, 2020

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

Fiscal Year	Number of Days
2017/18	825
2018/19	923
2019/20	737
2020/21	514

Current Fiscal Year through September 30, 2020

VII. Exams/Licensing

A. 2020 Examinations Update

2020 Civil Engineer Exam Results Statistics

First Quarter 2020							
<u>Seismic Principles</u>				<u>Engineering Surveying</u>			
	Total Number of Candidates	Number Passed	Pass %		Total Number of Candidates	Number Passed	Pass %
January	79	44	56	January	121	66	55
February	151	87	58	February	215	127	59
March	89	46	52	March	84	39	46
Total	420	232	55	Total	420	232	55

Second Quarter 2020							
No Exams Administered Due to Covid-19 Pandemic							
<u>Seismic Principles</u>				<u>Engineering Surveying</u>			
	Total Number of Candidates	Number Passed	Pass %		Total Number of Candidates	Number Passed	Pass %
April	n/a	n/a	n/a	April	n/a	n/a	n/a
May	n/a	n/a	n/a	May	n/a	n/a	n/a
June	n/a	n/a	n/a	June	n/a	n/a	n/a
Total	N/A	N/A	N/A	Total	N/A	N/A	N/A

Third Quarter 2020							
<u>Seismic Principles</u>				<u>Engineering Surveying</u>			
	Total Number of Candidates	Number Passed	Pass %		Total Number of Candidates	Number Passed	Pass %
July	262	174	67	July	291	177	61
August	279	185	66	August	247	151	61
September	174			September	214		
Total	715			Total	752		

Fourth Quarter 2020							
<u>Seismic Principles</u>				<u>Engineering Surveying</u>			
	Total Number of Candidates	Number Passed	Pass %		Total Number of Candidates	Number Passed	Pass %
October				October			
November				November			
December				December			
Total				Total			

2020 Civil Engineer Exam Results							
Totals							
<u>Seismic Principles</u>				<u>Engineering Surveying</u>			
	Total Number of Candidates	Number Passed	Pass %		Total Number of Candidates	Number Passed	Pass %
2020 total				2020 total			

VIII. Executive Officer's Report

- A. Rulemaking Status Report
- B. Update on Board's Business Modernization Project
- C. Personnel
- D. 2021 Board Meeting Schedule (Possible Action)
- E. ABET
- F. Association of State Boards of Geology (ASBOG)
 - 1. Fall 2020 Annual Meeting
- G. National Council of Examiners for Engineering and Surveying (NCEES)
- H. Update on Outreach Efforts

Rulemaking Overview

1. Fees and Certificates (404, 410, 3005, and 3010)

- Rulemaking file was transmitted to Office of Administrative Law (OAL) for final review and approval on October 6, 2020.
 - Board approved final language and responses to comments on June 25, 2020.
 - Additional 15-Day public comment period ended on June 19, 2020.
 - Submitted for final review by DCA/Agency on February 26, 2020.
 - 15-Day public comment period ended February 2, 2020.
 - Board approved modified language for 15-day public comment period on January 16, 2020.
 - 45-Day public comment period ended on January 14, 2020.
 - DCA/Agency approved for filing with OAL for publication on November 14, 2019.
 - Submitted for initial (pre-notice) review by DCA Legal on May 30, 2019.
 - Board directed staff to pursue rulemaking proposal on November 1, 2018.

2. Repeal Professional Engineer and Land Surveyor Appeals (443 and 444)

- Board staff working with DCA Legal to prepare documents for initial notice.
 - Submitted for initial (pre-notice) review by DCA Legal on September 16, 2019.
 - Board directed staff to pursue rulemaking proposal on March 1, 2013.

3. Substantial Relationship Criteria and Criteria for Rehabilitation (416, 418, 3060, and 3061)

- Rulemaking file submitted to DCA for final review on September 4, 2020.
 - Board approved final language and responses to comments on June 25, 2020.
 - 15-Day public comment period ended on May 13, 2020.
 - 45-Day public comment period ended on April 27, 2020.
 - Board approved modified language for 15-day public comment period on March 12, 2020.
 - DCA/Agency approved for filing with OAL for publication on March 2, 2020.
 - Submitted for initial (pre-notice) review by DCA Legal on June 11, 2019.
 - Board directed staff to pursue rulemaking proposal on February 21, 2019.

4. Definition of Traffic Engineering (404)

- Board staff working with DCA Legal to prepare documents for initial notice.
 - Submitted for initial (pre-notice) review by DCA Legal on September 3, 2020.

- Board directed staff to pursue rulemaking proposal on March 8, 2018.

5. Definitions of Negligence and Incompetence and Responsible Charge Criteria for Professional Geologists and Professional Geophysicists (3003 and 3003.1)

- Board directed staff to pursue rulemaking proposal on September 6, 2018.

Note: Documents related to any rulemaking file listed as “noticed” can be obtained from the Board’s website at http://www.bpelsg.ca.gov/about_us/rulemaking.shtml.

PROJECT STATUS REPORT

Reporting period:	8/11/2020 – 10/06/2020	Project title:	Business Modernization Cohort 1
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EXECUTIVE SUMMARY

Narrative Summary of Status	Schedule:	GREEN	Budget:	GREEN	Issues:	GREEN
<p>BPELSG Connect launched September 16, 2020 for Minimum Viable Product (MVP) 1. BPELSG's MVP is Engineer-In-Training and Land Surveyor-In-Training application submission and online Complaint Submission. Both processes are customer facing. The project remains on target for budget projections. Planning for Product Increment 2 phase (PI2) commenced after launch and is scheduled to mid November. Scope for BPELSG in PI2 is refinements for MVP1 and implementation of license renewals.</p>						

PROJECT MILESTONE STATUS REVIEW

Project Milestones	Status	Completion Date	Issues Exist (Yes/No)
Project Planning Complete – Project Start	Complete	1/13/2020	No
Onboard Systems Integrator	Complete	1/31/2020	No
Sprint Planning & Development	Complete	7/10/2020	No
User Acceptance Testing (UAT)	Complete	8/21/2020	No
Go Live - MVP1	Complete	9/16/2020	No
Stabilization Sprints (3 one-week sprints)	In Progress	10/08/2020	No
MVP Product Increment 2 - Dates may adjust depending on final project schedule baseline	In Progress	Nov 2020	No

January 2021

S	M	T	W	T	F	S
31					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

February 2021

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

March 2021

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

April 2021

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

May 2021

S	M	T	W	T	F	S
30	31					1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

June 2021

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

July 2021

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

August 2021

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

September 2021

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

October 2021

S	M	T	W	T	F	S
31					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

November 2021

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December 2021

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Holidays

1/1	New Year's
1/18	M. L. King, Jr. Day
2/15	President's Day
3/31	Cesar Chavez Day
5/31	Memorial Day
7/5	Independence Day (observed)
9/6	Labor Day
11/11	Veteran's Day
11/25-11/26	Thanksgiving Break
12/25	Christmas

Board Meeting Dates

February 4-5
April 1-2
May 27-28
July 22-23
September 16-17
November 4-5

Key

BOARD MEETINGS	HOLIDAYS
NCEES FUNCTIONS	ASBOG FUNCTIONS

5/13-5/15 NCEES Western Zone Meeting, Bozeman, MT

8/18 - 8/21 NCEES Annual Meeting, New Orleans, LA

10/26 ASBOG Annual Meeting, Little Rock, AR

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 August 20, 2020, Board Meeting

DRAFT

MINUTES OF THE BOARD FOR PROFESSIONAL ENGINEERS, LAND SURVEYORS, AND GEOLOGISTS

Teleconference

Thursday, August 20, 2020, beginning at 9:00 a.m.

Board Members Present:	Natalie Alavi; Fel Amistad; Alireza Asgari; Duane Friel; Kathy Jones Irish; Eric Johnson; Coby King; Asha Lang; Betsy Mathieson; Mohammad Qureshi; and Frank Ruffino
Board Members Absent:	
Board Staff Present:	Ric Moore (Executive Officer); Nancy Eissler (Assistant Executive Officer); Tiffany Criswell (Enforcement Manager); Larry Kereszt (Examinations Manager); Celina Calderone (Board Liaison); Anthony Pane and Joseph Chin (Legal Counsel)

I. Roll Call to Establish a Quorum

Mr. Moore called the meeting to order at 9:10 a.m. and a quorum was established.

II. Selection of Temporary President

MOTION:	Mr. Friel and Mr. Ruffino moved to appoint Eric Johnson as Temporary President.
VOTE:	11-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				
Eric Johnson	X				
Coby King	X				
Asha Lang	X				
Betsy Mathieson	X				
Mohammad Qureshi	X				
Frank Ruffino	X				

III. Pledge of Allegiance

Mr. Ruffino led everyone in the recitation of the Pledge of Allegiance.

IV. Public Comment for Items Not on the Agenda

During Public Comment, an individual by the name of Michael asked the Board to consider online or at home testing methods.

Rouhi El-Rabaa would like the Board to consider opening the fourth quarter testing window for those who failed one or both of the California Civil Engineering examinations during the third quarter.

David Woolley discussed the rulemaking process, in reference to the amendments proposed to be made to Board Rule 416. He is concerned with the term "Professional Misconduct". If someone is pursued under a professional misconduct allegation, it may cause a financial burden. His plan is to pursue this through the Office of Administrative Law as an underground regulation.

V. Nomination and Election of President and Vice President for Fiscal Year 2020/21

MOTION:	Dr. Qureshi and Ms. Irish moved to nominate Dr. Asgari as Board President and Ms. Alavi as Vice-President
VOTE:	11-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				
Eric Johnson	X				
Coby King	X				
Asha Lang	X				
Betsy Mathieson	X				
Mohammad Qureshi	X				
Frank Ruffino	X				

9:40 a.m. Dr. Qureshi left the meeting.

VI. Administration

A. Fiscal Year 2018/19 Year-End Summary

Mr. Moore reported on the Fiscal Year 2018/19 budget summary and noted a net of about \$40,000 in positive revenue. There were no significant changes from the previous projections reported by staff.

The financial statement for Fiscal Month 1 projections for the current fiscal year represented anticipated changes to the fees that are moving through the Office of Administrative Law that will become effective the latter half of this year. It is anticipated that the new renewal fees will become effective January 1, 2021 and all other fees effective with the adoption of the rulemaking.

B. Fiscal Year 2020/21 Budget Report

Mr. Moore reported that it is estimated there will be 4.9 months in reserves at the end of Fiscal Year 2020/21 and those reserves should remain at a consistent level for a couple of years beyond. This estimate is predicated on the aforementioned fee regulations becoming effective as anticipated and subject to final closing of FY 2019/20 numbers.

VII. Legislation

A. 2020 Legislative Calendar

Ms. Eissler reviewed the legislative calendar.

B. Discussion of Legislation for 2020

AB 1263 Contracts: consumer services: consumer complaints.
This bill is dead.

AB 1616 Department of Consumer Affairs: boards: expunged convictions.

MOTION:	Mr. King and Ms. Alavi moved to take a position of watch on AB 1616, as amended July 7, 2020.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				
Eric Johnson	X				
Coby King	X				
Asha Lang	X				
Betsy Mathieson	X				
Mohammad Qureshi				X	
Frank Ruffino	X				

AB 2028 State agencies: meetings.

MOTION:	Mr. King and Ms. Alavi moved to take a position of watch on AB 2028, as amended July 28, 2020.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				

Eric Johnson	X				
Coby King	X				
Asha Lang	X				
Betsy Mathieson	X				
Mohammad Qureshi				X	
Frank Ruffino	X				

AB 2113 Refugees, asylees, and immigrants: professional licensing.

MOTION:	Ms. Alavi and Mr. King moved to take a position of watch on AB 2113, as amended August 4, 2020.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				
Eric Johnson	X				
Coby King	X				
Asha Lang	X				
Betsy Mathieson	X				
Mohammad Qureshi				X	
Frank Ruffino	X				

AB 2549 Department of Consumer Affairs: temporary licenses.
This bill is dead.

SB 865 Excavations: subsurface installations.

MOTION:	Mr. King and Mr. Ruffino moved to take a position of watch on SB 865, as amended July 27, 2020.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				
Eric Johnson	X				
Coby King	X				
Asha Lang	X				
Betsy Mathieson	X				

Mohammad Qureshi				X	
Frank Ruffino	X				

SB 878 Department of Consumer Affairs Licensing: applications: wait times. Ms. Eissler reported that this bill is currently on the Assembly floor on the consent calendar for consideration.

SB 1474 Business and Professions

MOTION:	Mr. King and Ms. Irish moved to support SB 1474, as amended August 10, 2020.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				
Eric Johnson	X				
Coby King	X				
Asha Lang	X				
Betsy Mathieson	X				
Mohammad Qureshi				X	
Frank Ruffino	X				

II. Enforcement

A. Enforcement Statistical Reports

1. Fiscal Year 2020/21 Update

Ms. Criswell presented the Enforcement statistics. Mr. King asked if there have been any changes brought about by the pandemic. She reported that, for the most part, they have maintained a level of normalcy. Board staff is very efficient, and delays have been minimal. The Office of Administrative Hearings came to a brief halt but is back on course. Hearings are not currently being scheduled until January.

During public comment, Mr. Woolley referenced the 2019/20 statistics. He is part of a peer group in Orange County that files complaints against professionals. When they file a complaint, it goes through a peer group that reviews them as they do not want to waste the Board's or professional's time with anything that is not substantial. Licensees who file complaints are discouraged when the case is considered a wash, and that is disheartening. He wanted to offer the Board members a different perspective. It is difficult on both parties.

III. Exams/Licensing

A. Update on 2020 California State Examinations

Mr. Kereszt reported that exam administration for Prometric exam centers resumed in July for the California Civil Seismic Principles and Engineering Surveying exams with 262 Seismic Principle candidates and 291 Engineering Surveying candidates scheduled. Considering the circumstances, there are 2,500 candidates scheduled for the remainder of the year for these two examinations, which is on trend with last year. The number of no-shows are minimal at this time. The scheduling numbers are increasing as more people become eligible for the exams. There have been minimal scheduling conflicts. The exam staff is currently working with ASBOG to secure exam locations and are presently in the contract phase for the October 2, 2020, exam administration.

NCEES has found it difficult to secure exam sites in order to accommodate as many candidates as they can while also considering social distancing guidelines. Mr. Kereszt explained that they are still moving forward with all the examinations that are scheduled and will adjust as changes arise.

Mr. King inquired about remote proctoring. Mr. Kereszt expressed his concern with examination security with remote exam administration. Ms. Irish suggested a presentation provided by Prometric for the next Board meeting to discuss remote proctoring, exam security, and what options are available in our current climate as we continue to consider how to move forward with exam administration. Mr. Kereszt will be in communication with Prometric to prepare a presentation for a future Board meeting.

During Public Comment, Jason Woodward expressed that he would like the Board to move forward with online testing and would like more examination communication.

Rouhi El-Rabaa inquired whether the Board has active plans to allow candidates who failed one or both of the California Civil Engineering examinations during the third quarter to take the examinations during the fourth quarter. He presented his points and encouraged the Board to consider his request.

B. 2019-20 Application and Licensing Update

Mr. Moore reviewed the licensing statistics.

IV. Executive Officer's Report

A. Rulemaking Status Report

Mr. Moore reported that staff is finalizing the Fees and Certificates rulemaking file for submittal to DCA to begin the final review process before it is submitted to the Office of Administrative Law.

The Professional Engineer and Land Surveyor Appeals rulemaking file has been submitted for review by DCA Legal. Ms. Eissler added that DCA provided comments that included changes to some of the forms. Once this is complete, the formal process can begin.

Board staff is finalizing the rulemaking file for submittal to DCA to begin final review process for the Substantial Relationship Criteria and Criteria for Rehabilitation. Ms. Eissler will assemble the documents that make up the final rulemaking file to submit to DCA to start the final rulemaking process.

Board staff is preparing the rulemaking file for the Definition of Traffic Engineering for submittal to DCA for the initial review.

B. Update on Board's Business Modernization Project

Mr. Moore reported that remote communications and collaboration have been going well. User acceptance testing began on July 23, 2020. He commended staff for their dedication and being able to identify several issues. The vendor, the DCA Office of Information Services (OIS), and the project management team have been working together to resolve them. Testing will end this week in terms of the initial review. Next week, regression testing will take place to ensure everything is working. The focus of this stage is EIT and LSIT application submission and submission of a complaint to the Enforcement Unit. He is optimistic that it will go live in early September. As for the budget, Mr. Moore reported that they are at 88-90% of the scheduled budget. He thanked the Project Management Team and the vendor.

Mr. King, Ms. Irish, and Ms. Mathieson expressed how well this has been managed and commended everyone involved.

During Public Comment, Alan Escarda commented on the Business Modernization Project. He is interested in knowing why the project was so successful, brought in on time, and under budget. Was it the people, process, project management techniques, smaller in scope? He suggested developing a presentation on why it was so successful. He also asked where he could find more information on the Board's website about the Business Modernization Project.

Mr. Moore advised that he would consult with the project management team regarding a presentation. He explained that the motivation was to improve how the Board conducts business, to ensure that Board staff has the most effective tools to conduct work in a reasonable, timely manner, and to improve communication with the applicants and licensees. The applicants and licensees will have their own user profile and have the ability to submit their information online during the application process, and it will provide a more effective method of renewing licenses.

C. Personnel

Mr. Moore reported that they are in the process of recruiting for the vacant receptionist position and are assembling the duty statement to replace the Administrative Unit Manager.

D. ABET

1. Fall 2020 and Winter 2021 Board Observer Opportunities

Mr. Moore previously reported that ABET had cancelled any observation visits; however, the Board has received requests for two virtual sessions in November 1-3, 2020, and February 7-9, 2021. He cannot disclose which universities. Ms. Mathieson expressed interest in the February session, and Dr. Amistad expressed interest in the November session.

E. Association of State Boards of Geology (ASBOG)

The examination staff is working to secure a suitable location in Sacramento to administer the geology exams while maintaining social distancing requirements.

F. National Council of Examiners for Engineering and Surveying (NCEES)

1. Nomination of NCEES Emeritus Member

MOTION:	Ms. Mathieson and Mr. King moved to nominate Steve Wilson to NCEES Emeritus Member.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				
Eric Johnson	X				
Coby King	X				
Asha Lang	X				
Betsy Mathieson	X				
Mohammad Qureshi				X	
Frank Ruffino	X				

2. Annual Meeting Update

Mr. Moore worked with Dr. Qureshi, Mr. King, and Mr. Wilson to ensure that the Board's intent was expressed in the voting. He submitted the ballot July 20 and will provide a summary at the next meeting.

G. Update on Outreach Efforts

Mr. Moore reported that the amount of in-person sessions have dramatically dropped off while online communications have increased. The Board has begun to post upcoming land surveying and geology related webinars to the Board’s website.

He added that the 2020 Certificates of Recognition are ready to be distributed. There were 249 certificates for Professional Engineers who have been licensed for 50+ years and in good standing, 80 certificates issued for Professional Land Surveyors who have been licensed for 40+ years, and 77 certificates issued for Professional Geologists who have been licensed 35+ years.

V. **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

No report given.

During Public Comment, Mr. Woolley reiterated his concern with the rulemaking related to AB 2138 and inquired as to the availability to the public of the webinars presented by Board Staff Land Surveyor Dallas Sweeney.

VI. **President’s Report/Board Member Activities**

President Johnson expressed his appreciation to both Dr. Qureshi and Ms. Jones for the Board President and Vice-President nominations.

VII. **Approval of Meeting Minutes**

A. Approval of the Minutes of the June 25, 2020, Board Meeting

MOTION:	Ms. Mathieson and Ms. Irish moved to approve the minutes, as amended.
VOTE:	10-0, Motion Carried

Member Name	Yes	No	Abstain	Absent	Recusal
Natalie Alavi	X				
Fel Amistad	X				
Alireza Asgari	X				
Duane Friel	X				
Kathy Jones Irish	X				
Eric Johnson	X				
Coby King			X		
Asha Lang			X		

Betsy Mathieson	X				
Mohammad Qureshi				X	
Frank Ruffino	X				

VIII. Discussion Regarding Proposed Agenda Items for Next Board Meeting

No items discussed.

IX. Closed Session – The Board met 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)]

X. Adjournment

Due to technological limitations, adjournment was not be broadcast. Adjournment immediately followed Closed Session, and there were no other items of business discussed.

PUBLIC PRESENT

Michael Michael
Rouhi El-Rabaa
David Woolley
Alan Escarda

XII. Discussion Regarding Proposed Agenda Items for Next Board Meeting

XIII. Hearing on the Petition for Reinstatement of Surrendered License of Claude M. Keissieh

This hearing will be held on Friday, October 16, 2020, beginning at 9:00 a.m., or as soon thereafter as the matter may be heard.

XIV. Hearing on the Petition for Reinstatement of Revoked License of David Hal Platt

This hearing will be held on Friday, October 16, 2020, immediately following Hearing on Petition for Reinstatement of Surrendered License of Claude M. Keissieh, or as soon thereafter as the matter may be heard.

XV. Closed Session – Administrative Adjudication [Pursuant to Government Code section 11126(c)(3)]

NOTE: The Board will meet in Closed Session immediately following the Hearing on the Petition for Reinstatement of Surrendered License and Hearing for Petition for Reinstatement of Revoked License to decide those matters.

XVI. 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)]

XVII. Adjournment

Due to technological limitations, adjournment will not be broadcast. Adjournment will immediately follow Closed Session, and there will be no other items of business discussed.

