

MAY 19, 2017
SACRAMENTO, CALIFORNIA

CONTRACTORS STATE LICENSE BOARD

Legislative Committee Meeting





CONTRACTORS STATE LICENSE BOARD

9821 Business Park Drive, Sacramento, CA 95827
Mailing Address: P.O. Box 26000, Sacramento, CA 95826
800-321-CSLB (2752)
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STATE OF CALIFORNIA

Governor Edmund G. Brown Jr.

NOTICE OF LEGISLATIVE COMMITTEE MEETING

Friday, May 19, 2017, 10:00 a.m. – 11:30 am (or until the conclusion of business)
Contractors State License Board HQ, John C. Hall Hearing Room
9821 Business Park Drive, Sacramento, CA 95827

Meetings are open to the public except when specifically noticed otherwise in accordance with the Open Meeting Act. All times when stated are approximate and subject to change without prior notice at the discretion of each Committee's Chair unless listed as "time certain." Items may be taken out of order to maintain a quorum, accommodate a speaker, or for convenience. Action may be taken on any item listed on this agenda, including information-only items. The meeting may be canceled without notice.

Members of the public can address the Committee during the public comment session. Public comments will also be taken on agenda items at the time the agenda item is heard and prior to the CSLB's Committee taking any action on said items. Total time allocated for public comment may be limited at the discretion of each Committee Chair.

LEGISLATIVE COMMITTEE MEETING AGENDA

Legislative Committee Members:

Nancy Springer, Chair / David Dias / Joan Hancock / Michael A. Layton / Paul Schifino / Johnny Simpson

- A. Call to Order, Roll Call, Establishment of Quorum and Chair's Introduction
- B. Public Comment Session for Items not on the Agenda and Future Agenda Item Requests
(Note: Individuals may appear before the Committee to discuss items not on the agenda; however, the CSLB's Committee can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).
- C. Review, Discussion, and Possible Action to Recommend to the Board the Initiation of a Rulemaking to Amend Title 16, California Code of Regulations (16 CCR) Sections 853, 858.1, 858.2, 869, 869.9, and 872 (Renewal Application Form, Blanket Performance and Payment Bond Requirements, Application for Approval of Blanket Performance and Payment Bond, Criteria for Rehabilitation, Criteria to Aid in Determining Earliest Date a Denied Applicant May Reapply for Licensure, and Disclosure of General Liability Insurance)
- D. Review, Discussion and Possible Action on 2017 Legislation:
 - 1. AB 710 (Wood) Department of Consumer Affairs: Board Meetings
 - 2. AB 996 (Cunningham) Contractors Licensing Board Web Site: Search Function
 - 3. AB 1005 (Calderon) Professions and Vocations: Fines: Relief
 - 4. AB 1070 (Gonzalez) Contractors
 - 5. AB 1162 (Bocanegra) Electrical Contractors: Local Permits
 - 6. AB 1190 (Obernolte) Department of Consumer Affairs: BreEZe System
 - 7. AB 1278 (Low) Contractor Licensing: Final Judgments
 - 8. AB 1357 (Chu) Home Inspectors: Roofing Contractors: Roof Inspections
 - 9. SB 27 (Morrell) Professions and Vocations: Licenses: Military Service

10. SB 486 (Monning) Contractors State License Law: Letter of Admonishment
11. SB 715 (Newman) Regulatory Boards: Removal of Board Members
12. SB 721 (Hill) Contractors: Decks and Balconies: Inspection
13. SB 800 (Business, Professions & Economic Development) Professions & Vocations

E. Adjournment

***Note:** Members of the Board who are not members of the Committee may attend the Committee meetings. However, if a majority of members of the full board are present at any of the Committee meetings, members who are not Committee members may attend the meeting as observers only.

The Board intends to provide a live webcast of the meeting. The webcast can be located at www.cslb.ca.gov. Webcast availability cannot, however, be guaranteed due to limitations on resources or technical difficulties. The meeting will continue even if the webcast is unavailable. If you wish to participate or to have a guaranteed opportunity to observe, please plan to attend at the physical location.

The meeting is accessible to the physically disabled. A person who needs a disability-related accommodation or modification in order to participate in the meeting may make a request by contacting Aaron Schultz at (916) 255-4000 or Aaron.Schultz@cslb.ca.gov or send a written request to Aaron Schultz, 9821 Business Park Drive, Sacramento, CA 95827. Providing your request at least five (5) business days prior to the meeting will help ensure availability of the requested accommodation.



CONTRACTORS STATE LICENSE BOARD

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10:00 a.m.

CSLB HQ, John C. Hall Hearing Room

9821 Business Park Drive, Sacramento, CA 95827

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AGENDA ITEM A

Call to Order, Roll Call, Establishment of Quorum and Chair's Introduction

LEGISLATIVE COMMITTEE MEMBERS:

NANCY SPRINGER, CHAIR

DAVID DIAS

JOAN HANCOCK

MICHAEL A. LAYTON

PAUL SCHIFINO

JOHNNY SIMPSON

Committee Chair Nancy Springer will review the scheduled Committee actions and make appropriate announcements.



AGENDA ITEM B

Public Comment Session for Items not on the Agenda and Future Agenda Item Requests

(Note: Individuals may appear before the Committee to discuss items not on the agenda; however, the CSLB's Committee can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)).



AGENDA ITEM C

Review, Discussion, and Possible Action to Recommend to the Board the Initiation of a Rulemaking to Amend Title 16, California Code of Regulations (16 CCR) Sections 853, 858.1, 858.2, 869, 869.9, and 872 (Renewal Application Form, Blanket Performance and Payment Bond Requirements, Application for Approval of Blanket Performance and Payment Bond, Criteria for Rehabilitation, Criteria to Aid in Determining Earliest Date a Denied Applicant May Reapply for Licensure, and Disclosure of General Liability Insurance





CONTRACTORS STATE LICENSE BOARD

TITLE 16, CALIFORNIA CODE OF REGULATIONS

CONTRACTORS STATE LICENSE BOARD ORIGINALLY PROPOSED LANGUAGE SUMMARY

California Code of Regulations Title 16, Division 8

CCR Section	Proposed Action	Reason/Justification
853	Revise language to clarify provisions relating to delinquent license renewals	<p>Business and Professions Code (BPC) section 7140 sets forth provisions for renewing an unexpired license. Section 7141 relates to renewing an expired license, including when a delinquency fee would be due.</p> <p>These changes are proposed in order to comply with the Code and to clarify these provisions for licensees.</p>
858.1	Revise the bond form used for a blanket performance and payment bond	<p>The holder of a blanket performance and payment bond is exempt from various home improvement contract requirements relating to down payments and progress payments, as provided in BPC section 7159.5 (a)(8).</p> <p>Section 7159.5 (a)(8) refers to Section 7159, which defines “home improvement contract” with a provision that the project’s contract(s) exceed five hundred dollars (\$500).</p> <p>The blanket bond form is being revised to refer to that code section for the home improvement contract definition and to incorporate a reference to the five hundred dollar (\$500) contract amount. The form revisions will also provide a space for the total amount of the blanket bond that is sufficient to pay the aggregate sum of all contracts covered thereunder.</p> <p>These changes are proposed in order to comply with the Code and to clarify these provisions for licensees and surety companies.</p>



858.2	Revise the minimum time period of licensure required to hold a blanket performance and payment bond from five years to two years	<p>SB 1479 (Stats. 2016, Ch. 634) recently revised BPC section 7159.5 (a)(8) to allow licensees to apply for approval to hold a blanket bond after just two (2) years of active licensure rather than the existing five-year requirement.</p> <p>These changes are proposed in order to comply with the Code and to clarify these provisions for licensees.</p>
869	Revise criteria for rehabilitation in relation to applicants with prior criminal conviction(s)	<p>BPC general provision section 480 was revised by AB 2396 (Stats. 2014, Ch. 737) with the inclusion of additional Penal Code sections to consider when determining if an applicant with prior criminal conviction(s) has been sufficiently rehabilitated for licensure.</p> <p>These changes are proposed in order to comply with the Code and to clarify these provisions for applicants.</p>
869.9	Revise criteria for date of reapplication after denial of application based on prior criminal conviction(s)	<p>AB 2396 also changed BPC section 480 with the addition of Penal Code sections to consider when determining the earliest date a previously denied applicant with prior criminal conviction(s) may reapply for licensure.</p> <p>These changes are proposed in order to comply with the Code and to clarify these provisions for applicants.</p>
872	Revise provisions for disclosure of general liability insurance information in home improvement contracts	<p>BPC section 7159 (e)(1) contains the general liability insurance disclosure provisions that are also included in existing Section 872 (a). The duplicative provisions are being removed.</p> <p>In 2012, CSLB began licensing limited liability companies (LLC), which are the only business entity type of contractors to have specific liability insurance requirements. Language is being added to include LLC liability insurance requirements.</p> <p>These changes are proposed in order to comply with the Code and to clarify these provisions for licensees.</p>



**CONTRACTORS STATE LICENSE BOARD
ORIGINALLY PROPOSED LANGUAGE**

**California Code of Regulations
Title 16, Division 8**

Article 5. Renewal of License

Amend Section 853 as follows:

§853. Renewal Application Form

- (a) The Registrar shall mail to each licensee, prior to the expiration of the license, a renewal form with complete instructions for renewal of the license.
- (b) A renewal application ~~is delinquent if not postmarked by~~ and fee must be postmarked or hand-delivered to the Board's headquarters office on or before the expiration date of the license. Failure to comply with the requirements of this subsection shall result in the renewal application being deemed delinquent.
- (c) An incomplete renewal application shall be returned to the licensee by the Registrar with an explanation of the reasons for its rejection. ~~If the~~ The licensee shall resubmit the completed renewal application to the Board postmarked or hand-delivered to the Board's headquarters office ~~is not returned on or~~ before the expiration date of the license. ~~, the license shall expire~~ Failure to comply with this subsection shall result in the expiration of the license as provided in Section 7140 of the Code.
- (d) An expired license shall not be renewed until any accrued delinquency fee has been paid.

Note: Authority cited: Section 7008, Business and Professions Code. Reference: Sections s 7137, 7140, and 7141, Business and Professions Code.

**Article 6. Bonds****Amend Section 858.1 as follows:****§858.1. Blanket Performance and Payment Bond Requirements**

(a) A blanket bond that is filed on behalf of a licensee to satisfy the provisions of Section 858 shall be underwritten for a dollar amount that is sufficient to cover one-hundred percent (100%) of the home improvement contracts for which the licensee has an obligation.

(b) Upon written request by a licensee, the Registrar is authorized to approve a blanket bond that is capped according to the schedule listed under subsection (c) provided the following conditions are met:

(1) The licensee, or the parent company of the licensee, is required to submit annual reports (Form 10-K) to the United States Securities and Exchange Commission (U.S. SEC).

(2) Upon the filing of a request that the blanket bond be capped, a copy of the most recently filed Form 10-K shall be submitted to the Registrar. Thereafter, a copy of any Form 10-K report shall be submitted to the Registrar within 10 days of filing with the U.S. SEC.

(3) The net worth of the applicable firm shall, initially and annually thereafter, be not less than 10 times the sum of the blanket bond as determined by the Registrar. Each net worth calculation shall be applicable to the period for which the most recent Form 10-K report was submitted to the U.S. SEC.

(c) The blanket bonds for which a request has been submitted under subsection (b) shall comply with the following schedule:

(1) If a licensee, or the parent company of a licensee, is classified as a "large accelerated filer" by the U.S. SEC, the amount of the blanket bond shall be \$10 million.

(2) If a licensee, or the parent company of a licensee, is classified as an "accelerated filer" by the U.S. SEC, the amount of the blanket bond shall be \$5 million.



(3) If a licensee, or the parent company of a licensee, is classified as a “non-accelerated filer” by the U.S. SEC, the amount of the blanket bond shall be \$1 million.

(d) A licensee who is granted approval of a blanket bond pursuant to subsections (b) and (c) is not subject to the biennial financial reporting requirement specified under Section 858.4(a)(2). However, the qualifier's certification statement must be submitted biennially as specified under that section.

(e) For the purpose of executing the qualifier's certification statement required under Section 858.2(a)(4), the provisions of subsections (a), (b), and (c) of Section 858.1 shall be referenced collectively as “the 100% rule.”

On the date that this section becomes effective, any licensee that has a blanket bond on file with the Board that fails to comply with the 100% rule shall achieve compliance not later than 90 days after the effective date of the section. The Registrar is authorized to rescind the approval of the blanket bond in accordance with the provisions of Section 858.8 of this Article if the licensee fails to comply with any provision of this section.

(f) The form of the blanket bond specified under this section is subject to the approval of the Registrar and shall conform to the following with regard to content:

This bond shall be filed with the Registrar of Contractors

State of California

Contractors State License Board

Surety Code:_____

Bond No.:_____

License No.:_____

BLANKET PERFORMANCE AND PAYMENT BOND

~~13B-39 (Rev. 08/11)~~

(Business and Professions Code Section 7159.5)



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The term of this bond is _____ to _____,

KNOW ALL BY THESE PRESENTS: That _____.

(Business Name as Shown on the License)

whose address for service is

_____.

(Street Address)

(City)

(State)

(Zip Code)

as Principal, and _____.

(Name of Surety)

a corporation organized under the laws of the State of _____
and authorized to transact a general surety business in the State of California, as
Surety, are held and firmly bound unto each owner or tenant of a residence or dwelling
unit as the beneficiaries with whom the Principal, as of the date of this bond and
thereafter, enters into a home improvement contract as defined in Section ~~7151.2~~ 7159
of the Business ~~&~~ and Professions Code for repairing, remodeling, altering, converting,
~~or~~ modernizing, or adding to such building or structure; and the aggregate contract price
specified in one or more improvement contracts including all labor, services, and
materials to be furnished by the Principal as the contractor exceeds five hundred dollars
(\$500). ~~_____ Dollars (_____)~~ in ~~in~~ the just and full
sum of the amount of each individual contract for which sum, well and truly to be paid,
we bind ourselves, our heirs, executors, successors, and assigns, jointly and severally,
firmly by these presents. The liability for all contracts covered hereunder shall have an
aggregate sum not to exceed the total amount of this bond, herein prescribed in the
amount of

_____ (\$ _____).

(BOND DOLLAR AMOUNT)

THE CONDITION OF THE OBLIGATION IS SUCH, That, WHEREAS, Sections 7159
and 7159.5 of the Business & Professions Code provide for bonding requirements for
contractors entering into contracts covered by these provisions of law, AND,



WHEREAS, the Principal desires to file a blanket guarantee to operate as security in accordance with Section 995.020 of the Code of Civil Procedure, to cover the performance and payment of all obligations resultant from such contracts in order to conduct business under the exemptions specified under paragraph (8) of subdivision (a) of Section 7159.5 of the Business & Professions Code.

NOW THEREFORE, if the Principal shall well and truly perform and fulfill all the understandings, covenants, terms, conditions, and agreements of said contracts, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contracts; and if the Principal shall promptly make payments to all persons, whether or not in direct contractual relationship with Principal, supplying labor or material or both for the prosecution of the work provided in said contracts, then this obligation is to be void; otherwise, it is to remain in full force and effect as though separate bonds in the full amount of the contract price had been written on the individual contracts.

PROVIDED, HOWEVER, this bond is issued subject to the following express conditions:

1. This bond may be cancelled by the surety in accordance with the provisions of Sections 996.310 et seq. of the Code of Civil Procedure.
2. This bond shall be deemed continuous in form and shall remain in full force and effect and shall run concurrently with the license period for which the license is granted and shall continue beyond that period and every succeeding license period or periods for which said Principal may hold this license or until the effective date of rescission of the Registrar's approval of the bond, after which liability hereunder shall cease in accordance with provisions of Section 996.360 of the Code of Civil Procedure.

3. This bond to become effective _____

(Date)

4. Even though this bond may be in effect for more than one year, the surety's aggregate liability for all contracts covered hereunder shall in no event exceed the amount set forth above.

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5. The surety signing this bond is jointly and severally liable on the obligations of the bond, the obligations of the statutes providing for this bond, and the applicable provisions of the Code of Civil Procedure regarding bonds.

(Name of Surety)

(Address for Service)

I declare under penalty of perjury under the laws of the State of California that I have executed the foregoing bond under an unrevoked power of attorney. I further declare that I have relied upon the "Qualifier's Certification Statement" to determine that, as of the date of execution, the penal sum of this bond is a good faith valuation of the funds required to safeguard the financial interests of the beneficiaries relative to the obligations for which this bond is posted.

Executed in _____, _____ on _____,
(City and State) (Date)

under the laws of the State of California.

Certificate of Authority # _____

Signature of Attorney-in-Fact _____

Printed or Typed Name of Attorney-in-Fact _____

Address of Attorney-in-Fact _____

Telephone Number of Attorney-in-Fact (_____) _____

Signature of Principal (Qualifier for the License) _____

[13B-39 \(rev. 05/17\)](#)

Note: Authority cited: Section 7008, Business and Professions Code. Reference: Sections 7151.2, 7159, and 7159.5, Business and Professions Code.

Amend Section 858.2 as follows:

§858.2. Application for Approval of Blanket Performance and Payment Bond



(a) A licensee seeking approval of a blanket bond shall meet the applicable conditions specified under this Article and submit to the Board an Application for Approval of Blanket Performance and Payment Bond, form 13B-35 (11/2011), that includes the following information:

- (1) The name and address of the licensee as listed on the license record and the license number.
- (2) The name of every person listed on the license record of the applicant who, as specified under Section 7068 of the Code, is acting as a qualifier for the license.
- (3) The reviewed year-end financial statements and a report prepared by a certified public accountant (CPA) duly licensed by the California Board of Accountancy or licensed by another state board of accountancy. The reviewed financial statements shall include supplemental information related to the liquidity ratios of the licensee's business and shall particularly include the current ratio and the quick ratio, the calculations for which are specified under subparagraphs (A) and (B) below. The review report, or a separate supplementary report, shall include an explanation that the information has been subject to the review of the CPA. The review report shall cover the two fiscal years immediately preceding application for approval of the blanket bond, and should be prepared in accordance with the current Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accounts.
 - (A) Current ratio calculation: current assets; divided by current liabilities.
 - (B) Quick ratio calculation: current assets minus inventory; divided by current liabilities.
- (4) A certification statement, signed under penalty of perjury by the qualifier for the license, which shall conform to the following language:

QUALIFIER'S CERTIFICATION STATEMENT

(Unless otherwise noted, all section references are to the California Business ~~&~~[and](#) Professions Code.)

The undersigned declares that, in accordance with Sections 7068 and 7068.1 of the Code, he or she is a qualifier for the licensee identified below (hereafter referred to as



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“licensee”) and is responsible for exercising the direct supervision and control of the licensee’s operations as is necessary to secure full compliance with the laws and regulations that are under the jurisdiction of the Contractors State License Board. As a qualifier of the licensee, the undersigned has reviewed sufficient financial information to execute this certification as it pertains to the licensee’s home improvement sales and services that are subject to the home improvement contract requirements specified under Section 7159 of the Code. As of close of business on _____ the

(Date)

blanket performance and payment bond (bond) number _____ issued by

(Bond Number)

_____ as surety is, according to my comprehension

(Name of Surety Company)

of the data derived from the licensee, in an aggregate amount that is sufficient to comply with the “100% rule” as specified in the provisions of Section 858.1 of Title 16, Division 8 of the California Code of Regulations. The undersigned also certifies that he or she will monitor the relevant business activity of the licensee; exercise due diligence to secure ongoing compliance with the 100% rule; and notify the Registrar within 30 days of the licensee’s refusal, failure, or inability to comply with the 100% rule.

The undersigned also certifies that, upon approval of the blanket bond by the Registrar, the contract forms that will be used by the licensee for all transactions which are subject to Section 7159 of the Code will contain a notice which informs the property owner that a blanket performance and payment bond is on file with the Registrar of Contractors, or in lieu thereof, a notice that clearly identifies the name and address of the surety that has issued the blanket performance and payment bond.

As a qualifying individual for the licensee, I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on _____ at _____, _____.

(Date)

(City and State)

_____ (Name of Licensee as it Appears on the License)	_____ (License Number)
_____ (Printed Name of Qualifier)	_____ (Signature of Qualifier)

(b) A licensee shall be licensed in this state in an active status for not less than ~~five~~two (2) years prior to submitting the application provided for by this section.

(c) Except as otherwise provided under this subsection, an application for approval of a blanket bond shall not be accepted for consideration if any member of the personnel of record of the licensee, or any home improvement salespersons registered to the licensee, was found to have been responsible for, participated in, or otherwise culpable relative to any legal action that is subject to disclosure under Section 7124.6(e)(2) or 7124.6 (e)(3) of the Code, or is named on a license that is suspended pursuant to Section 7071.17 of the Code.

(1) Any person who, after the effective date of the most recent disciplinary order applicable to that individual, is listed on an active license for three (3) consecutive years with no violations resulting in disciplinary action may make application as provided under this Article.

(d) The application shall be signed by the person qualifying on behalf of the licensee who has executed the qualifier's certification statement required under this section. In the case of a responsible managing employee qualifier, the application shall also be signed by the owner, partner, or current corporate officer.

(e) The application shall be accompanied by a blanket bond that complies with the provisions of Section 858.1 of this Article and is underwritten by a surety that has been admitted in the State of California.



Note: Authority cited: Section 7008, Business and Professions Code. Reference: Sections 7068, 7068.1, [7071.17](#), 7124.6, 7159, and 7159.5, Business and Professions Code.

Article 7. Special Provisions

Amend Section 869 as follows:

§869. Criteria for Rehabilitation

(a) When considering the denial, suspension, or revocation of a license pursuant to Division 1.5 (commencing with Section 475) of the code, the Board in evaluating the applicant's or licensee's rehabilitation and present eligibility for a license will consider the following criteria:

(1) Subject to the provisions of subsection (a)(2), an applicant or licensee may be determined to be rehabilitated if he or she meets the following criteria:

(A) For felony convictions that are substantially related to the qualifications, functions, or duties of a licensee as defined in Section 868, seven (7) years have passed from the time of release from incarceration or completion of probation if no incarceration was imposed, without the occurrence of additional criminal activity or substantially-related acts.

(B) For misdemeanor convictions that are substantially related to the qualifications, functions, or duties of a licensee as defined in Section 868, three (3) years have passed from the time of release from incarceration or completion of probation if no incarceration was imposed, without the occurrence of additional criminal activity or substantially-related acts.

(C) For acts that are substantially related to the qualifications, functions, or duties of a licensee as defined in Section 868, three (3) years have passed from the time of commission of the act(s), without the occurrence of criminal activity or additional substantially-related acts.



(2) The amount of time needed to demonstrate rehabilitation under subsection (a)(1) may be increased or decreased by taking into account the following:

(A) The nature and severity of the crime(s) or act(s) that are under consideration as, or that were, the grounds for denial, suspension, or revocation.

(B) Evidence of any crime(s) or act(s) committed subsequent to the crime(s) or act(s) that are under consideration as, or that were, the grounds for denial, suspension, or revocation, which also could be considered as grounds for denial, suspension, or revocation.

(C) The time that has elapsed since commission of the crime(s) or act(s) that are under consideration as, or that were, the grounds for denial, suspension, or revocation.

(D) The extent to which the applicant or licensee has complied with any terms of parole, probation, restitution, or any other sanctions lawfully imposed against the applicant or licensee.

(E) Consistent work history subsequent to the release from incarceration, or the completion of probation if no incarceration was imposed, or subsequent to the time of commission of the act(s).

(F) Documents or testimony from credible individuals who have personal knowledge of the applicant's or licensee's life and activities subsequent to the time of commission of the crime(s) or act(s) who can attest to the applicant's or licensee's present fitness for licensure.

(G) If applicable, evidence of [a plea of guilty or of nolo contendere, a verdict of guilty, or a conviction having been withdrawn, set aside, or dismissed, and records having been sealed or](#) expunged ~~document proceedings~~ pursuant to Section 1203.4, [1203.4a, or 1203.41](#) of the Penal Code.

(H) Other relevant evidence, if any, of rehabilitation submitted by the applicant or licensee. For example, relevant evidence may include evidence of recovery from drug and/or alcohol addiction or abuse or completion of a drug and/or alcohol aversion program if the crime(s) or act(s) related to or involved drug and/or alcohol use; or



evidence of completion of an anger management program if the crime(s) or act(s) demonstrated the applicant's or licensee's inability to control one's temper.

(b) When considering a petition for reinstatement of the license of a contractor, the Board shall evaluate evidence of rehabilitation submitted by the petitioner, considering those criteria specified in subsection (a).

Note: Authority cited: Sections 482 and 7008, Business and Professions Code.

Reference: Sections 480, 482, 490, 496, 7066, 7069, 7073, 7123, and 7124, Business and Professions Code; [and Sections 1203.4, 1203.4a, and 1203.41, Penal Code](#).

Amend Section 869.9 as follows:

§869.9. Criteria to Aid in Determining Earliest Date a Denied Applicant May Reapply for Licensure

(a) For an applicant who is denied licensure pursuant to subdivision (a) of Section 480 of the Business and Professions Code, the date of reapplication shall be set by the registrar at not less than one year nor more than five years after the denial. When computing the date for reapplication, the time shall commence from the effective date of the decision if an appeal is made or from the service of the notice under Section 485(b) if a request for hearing is not made. The registrar will consider the following criteria when setting the reapplication date of an individual who was denied a license:

(1) For felony convictions that are substantially related to the qualifications, functions, or duties of a licensee as defined in Section 868, seven (7) years have passed from the time of release from incarceration or completion of probation if no incarceration was imposed, without the occurrence of additional criminal activity or substantially-related acts.

(2) For misdemeanor convictions that are substantially related to the qualifications, functions, or duties of a licensee as defined in Section 868, three (3) years have passed from the time of release from incarceration or completion of probation if no incarceration was imposed, without the occurrence of additional criminal activity or substantially-related acts.



- (3) For acts that are substantially related to the qualifications, functions, or duties of a licensee as defined in Section 868, three (3) years have passed from the time of commission of the act(s), without the occurrence of criminal activity or additional substantially-related acts.
- (4) The nature and severity of the crime(s) or act(s) that were the grounds for denial.
- (5) Evidence of any crime(s) or act(s) committed subsequent to the crime(s) or act(s) that were the grounds for denial, which also could be considered as grounds for denial.
- (6) The time that has elapsed since commission of the crime(s) or act(s) that were the grounds for denial.
- (7) The extent to which the applicant or licensee has complied with any terms of parole, probation, restitution, or any other sanctions lawfully imposed against the applicant.
- (8) Consistent work history subsequent to the release from incarceration, or the completion of probation if no incarceration was imposed, or subsequent to the time of commission of the act(s).
- (9) Documents or testimony from credible individuals who have personal knowledge of the applicant's life and activities subsequent to the time of commission of the crime(s) or act(s) who can attest to the applicant's present fitness for licensure.
- (10) If applicable, evidence of [a plea of guilty or of nolo contendere, a verdict of guilty, or a conviction having been withdrawn, set aside, or dismissed, and records having been sealed or](#) expunged~~ment proceedings~~ pursuant to Section 1203.4, [1203.4a, or 1203.41](#) of the Penal Code.
- (11) Other relevant evidence, if any, of eligibility for reapplication submitted by the applicant. For example, relevant evidence may include evidence of recovery from drug and/or alcohol addiction or abuse or completion of a drug and/or alcohol aversion program if the crime(s) or act(s) related to or involved drug and/or alcohol use; or evidence of completion of an anger management program if the crime(s) or act(s) demonstrated the applicant's or licensee's inability to control one's temper.



(b) Nothing in this section shall preclude the registrar from denying the license of an applicant who was previously denied a license and who is eligible for reapplication in accordance with this section.

Note: Authority cited: Sections 482, 7008 and 7073, Business and Professions Code.
Reference: Sections 480, 482, [485](#), 486, 496, 7066, 7069, 7073, and 7124, Business and Professions Code; [and Sections 1203.4, 1203.4a, and 1203.41, Penal Code](#).

Amend Section 872 as follows:

§872. Disclosure of General Liability Insurance.

~~(a) As used in this regulation, “home improvement contract” is defined in Code Section 7151.2. The following statement, must accompany every estimate (bid) intended to result in a home improvement contract and every home improvement contract. The heading shall be printed in at least 14 point type, the questions in at least 12 point type, and the comments in italics of at least 11-point type. The text should be **bold** where indicated. **This is 14-point type. This is 12-point type. This is 11-point type in italics.**~~



~~This is 14 point type. This is 12 point type. This is 11 point type in italics.~~



~~Pursuant to Bus. & Prof. §7159.3 (SB 2029), home improvement contractors must provide this notice and disclose whether or not they carry commercial general liability insurance.~~



~~Information about Commercial General Liability Insurance.~~

- ~~☐ Did your contractor tell you whether he or she carries Commercial General Liability Insurance?~~

~~Home improvement contractors are required by law to tell you whether or not they carry Commercial General Liability Insurance. This written statement must accompany the bid, if there is one, and the contract.~~

- ~~☐ What does this insurance cover?~~

~~Commercial General Liability Insurance can protect against third party bodily injury and accidental property damage. It is not intended to cover the work the contractor performs.~~

- ~~☐ Is this insurance required?~~

~~No. But the Contractors State License Board strongly recommends that all contractors carry it. The Board cautions you to evaluate the risk to your family and property when you hire a contractor who is not insured. Ask yourself, if something went wrong, would this contractor be able to cover losses ordinarily covered by insurance?~~

- ~~☐ How can you make sure the contractor is insured?~~

~~If he or she is insured, the contractor is required by law to provide you with the name and telephone number of the insurance company. Check with the insurance company to verify that the contractor's insurance coverage will cover your project.~~

- ~~☐ What about a contractor who is self-insured?~~

~~A self-insured contractor has made a business decision to be personally responsible for losses that would ordinarily be covered by insurance. Before contracting with a self-insured contractor, ask yourself, if something went wrong, would this contractor be able to cover losses that should be covered by insurance?~~

~~For more information about Commercial General Liability Insurance, contact the Contractors State License Board at www.cslb.ca.gov or call 800-321-CSLB (2752).~~

~~(b) The following statement must accompany every contract described type, the questions in at least 12-point type, and the comments in italics in Code Section 7164. The heading shall be printed in at least 14-point of at least 11-point type. The text should be bold where indicated.~~

~~Pursuant to Bus. & Prof. §7159.3 (SB 2029), home improvement contractors must provide this notice and disclose whether or not they carry commercial general liability insurance.~~



~~This is 14-point type. This is 12-point type. This is 11-point type in italics.~~



~~Pursuant to Bus. & Prof. § 97164 (50-2029), contractors building single-family residences for owners who intend to occupy the home for at least a year must provide this notice and disclose whether or not they carry commercial general liability insurance.~~



~~Information about Commercial General Liability Insurance~~

~~☐ Did your contractor tell you whether he or she carries Commercial General Liability Insurance?~~

~~Contractors building single-family residences for owners who intend to occupy the home for at least a year are required by law to tell you whether or not they carry Commercial General Liability Insurance. This written statement must accompany the contract.~~

~~☐ What does this insurance cover?~~

~~Commercial General Liability Insurance can protect against third-party bodily injury and accidental property damage. It is not intended to cover the work the contractor performs.~~

~~☐ Is this insurance required?~~

~~No. But the Contractors State License Board strongly recommends that all contractors carry it. The Board cautions you to evaluate the risk to your family and property when you hire a contractor who is not insured. Ask yourself, if something went wrong, would this contractor be able to cover losses ordinarily covered by insurance?~~

~~☐ How can you make sure the contractor is insured?~~

~~If he or she is insured, the contractor is required by law to provide you with the name and telephone number of the insurance company. Check with the insurance company to verify that the contractor's insurance coverage will cover your project.~~

~~☐ What about a contractor who is self-insured?~~

~~A self-insured contractor has made a business decision to be personally responsible for losses that would ordinarily be covered by insurance. Before contracting with a self-insured contractor, ask yourself, if something went wrong, would this contractor be able to cover losses that should be covered by insurance?~~

~~For more information about Commercial General Liability Insurance, contact the Contractors State License Board at www.cslb.ca.gov or call 800-321-CSLB (2752).~~

Information about Commercial General Liability Insurance.

Did your contractor tell you whether he or she carries Commercial General Liability Insurance?

Home improvement contractors are required by law to tell you whether or not they carry Commercial General Liability Insurance. This written statement must accompany the bid, if there is one, and the contract.

What does this insurance cover?



~~Commercial General Liability Insurance can protect against third-party bodily injury and accidental property damage. It is not intended to cover the work the contractor performs.~~

Is this insurance required?

~~No. But the Contractors State License Board strongly recommends that all contractors carry it. The Board cautions you to evaluate the risk to your family and property when you hire a contractor who is not insured. Ask yourself, if something went wrong, would this contractor be able to cover losses ordinarily covered by insurance?~~

How can you make sure the contractor is insured?

~~If he or she is insured, the contractor is required by law to provide you with the name and telephone number of the insurance company. Check with the insurance company to verify that the contractor's insurance coverage will cover your project.~~

What about a contractor who is self-insured?

~~A self-insured contractor has made a business decision to be personally responsible for losses that would ordinarily be covered by insurance. Before contracting with a self-insured contractor, ask yourself, if something went wrong, would this contractor be able to cover losses that should be covered by insurance?~~

~~For more information about Commercial General Liability Insurance, contact the Contractors State License Board at www.cslb.ca.gov or call 800-321-CSLB (2752).~~

(b) The following statement must accompany every contract described in ~~Code~~ Section 7164 of the Code. The heading shall be printed in at least 14-point bold type, the questions in at least 12-point bold type, and the comments in italics of at least 11-point type. The text should be **bold** where indicated. **This is 14-point bold type. This is 12-point bold type.** *This is 11-point type in italics.*

(b) Pursuant to Section Bus. & Prof. §7164 of the Code(SB-2029), contractors building single-family residences for owners who intend to occupy the home for at least a year must provide this notice and disclose whether or not they carry Commercial General Liability Insurance.

**CSLB**

TITLE 16, CALIFORNIA CODE OF REGULATIONS

Information about Commercial General Liability Insurance

Did your contractor tell you whether he or she carries Commercial General Liability Insurance?

Contractors building single-family residences for owners who intend to occupy the home for at least a year are required by law to tell you whether or not they carry Commercial General Liability Insurance. This written statement must accompany the contract.

☐ _____ does not carry Commercial General

(CONTRACTOR'S NAME)

Liability Insurance.

☐ _____ carries Commercial General

(CONTRACTOR'S NAME)

Liability Insurance.

The insurance company is _____.

(COMPANY NAME)

You may call the insurance company at _____ to verify coverage.

(TELEPHONE NUMBER)

☐ _____ is self-insured.

(CONTRACTOR'S NAME)

☐ _____ is a limited liability company

(CONTRACTOR'S NAME)

that carries Commercial General Liability Insurance or maintains other security as
required by law.

The insurance company is _____.

(COMPANY NAME)

You may call the insurance company at _____ to verify coverage.

(TELEPHONE NUMBER)

For more information about Commercial General Liability Insurance, contact the
Contractors State License Board at www.cslb.ca.gov or call 800-321-CSLB (2752).

**What does this insurance cover?**

Commercial General Liability Insurance can protect against third-party bodily injury and accidental property damage. It is not intended to cover the work the contractor performs.

Is this insurance required?

~~No~~ It is required for limited liability companies that hold a contractor license. However, it is optional for sole ownership, partnership, corporate, and joint venture licensees. But the ~~Contractors State License~~ Board strongly recommends that all contractors carry it. The Board cautions you to evaluate the risk to your family and property when you hire a contractor who is not insured. Ask yourself, if something went wrong, would this contractor be able to cover losses ordinarily covered by insurance?

How can you make sure the contractor is insured?

If he or she is insured, the contractor is required by law to provide you with the name and telephone number of the insurance company. Check with the insurance company to verify that the contractor's insurance coverage will cover your project.

What about a contractor who is self-insured?

A self-insured contractor has made a business decision to be personally responsible for losses that would ordinarily be covered by insurance. Before contracting with a self-insured contractor, ask yourself, if something went wrong, would this contractor be able to cover losses that should be covered by insurance?

~~For more information about Commercial General Liability Insurance, contact the Contractors State License Board at www.cslb.ca.gov or call 800-321-CSLB (2752).~~

Note: Authority cited: Sections 7008, 7159.3, and 7164, Business and Professions Code. Reference: Sections [7151.2](#) and [7164](#), Business and Professions Code.

AGENDA ITEM D

Review, Discussion and Possible Action on 2017 Legislation:

1. AB 710 (Wood) Department of Consumer Affairs: Board Meetings
2. AB 996 (Cunningham) Contractors Licensing Board Web Site: Search Function
3. AB 1005 (Calderon) Professions and Vocations: Fines: Relief
4. AB 1070 (Gonzalez) Contractors
5. AB 1162 (Bocanegra) Electrical Contractors: Local Permits
6. AB 1190 (Obernolte) Department of Consumer Affairs: BreEZe System
7. AB 1278 (Low) Contractor Licensing: Final Judgments
8. AB 1357 (Chu) Home Inspectors: Roofing Contractors: Roof Inspections
9. SB 27 (Morrell) Professions and Vocations: Licenses: Military Service
10. SB 486 (Monning) Contractors State License Law: Letter of Admonishment
11. SB 715 (Newman) Regulatory Boards: Removal of Board Members
12. SB 721 (Hill) Contractors: Decks and Balconies: Inspection
13. SB 800 (Business, Professions & Economic Development) Professions & Vocations



CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	AB 710 (Wood)
Status/Location:	Amended 4/27/17 – Assembly Appropriations Committee
Sponsor:	None
Subject:	Department of Consumer Affairs: Board Meetings
Code Section:	Business & Professions Code section 101.7

Summary:

Existing law requires boards within the Department of Consumer Affairs to meet at least three times each calendar year, and at least once each in northern and southern California.

This bill requires each board to meet once every other calendar year in rural northern California.

Background:

According to the author:

“[DCA boards] are in charge of the professional licensure of medical professionals, contractors, engineers, and many other professions. Given the wide range of issues covered by each board, current law requires each board to meet at least once in Northern California and at least once in Southern California each calendar year. This meeting requirement helps ensure that stakeholders from all over the state have an opportunity to be heard by the boards that are responsible to regulate and license them. Unfortunately, far too many times, board meetings do not take place in the rural parts of northern California. A board that meets in Santa Rosa, California would satisfy the northern California requirement, but there are still hundreds of miles north of Santa Rosa. If the board did not have any other planned meetings in northern California, a person from Crescent City, California would have to travel over 300 miles and over five hours to attend the board’s meeting in Santa Rosa. [This bill] requires boards within DCA to meet at least once every other year in rural northern California. This will ensure that our rural communities have a fair opportunity to have their voices heard at board meetings.”

Comments:

This bill does not define what locations would be considered rural northern California. Also, if the Legislature agrees that boards need to meet in more rural locations, should that be limited to northern California?

Fiscal Impact for CSLB:

No significant fiscal impact.

Staff Recommendation and Comments:

WATCH. This bill will not have a significant fiscal impact on CSLB – the workload would likely entail scheduling one of its existing meetings in a new location that meets the requirements of this bill.

Date: April 26, 2017

AMENDED IN ASSEMBLY APRIL 27, 2017

AMENDED IN ASSEMBLY MARCH 27, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 710

Introduced by Assembly Member Wood

February 15, 2017

An act to amend Section 101.7 of the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

AB 710, as amended, Wood. Department of Consumer Affairs: boards: meetings.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law generally requires these boards to meet at least 3 times each calendar year, and at least once in northern California and once in southern California per calendar year.

This bill would require a board to meet once every other calendar year in rural ~~northern~~ California.

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 101.7 of the Business and Professions
- 2 Code is amended to read:
- 3 101.7. (a) Notwithstanding any other provision of law, boards
- 4 shall meet at least three times each calendar year. Boards shall

1 meet at least once each calendar year in northern California, once
2 every other calendar year in rural ~~northern~~ California, and once
3 each calendar year in southern California in order to facilitate
4 participation by the public and its licensees.

5 (b) The director at his or her discretion may exempt any board
6 from the requirement in subdivision (a) upon a showing of good
7 cause that the board is not able to meet at least three times in a
8 calendar year.

9 (c) The director may call for a special meeting of the board
10 when a board is not fulfilling its duties.

11 (d) An agency within the department that is required to provide
12 a written notice pursuant to subdivision (a) of Section 11125 of
13 the Government Code, may provide that notice by regular mail,
14 email, or by both regular mail and email. An agency shall give a
15 person who requests a notice the option of receiving the notice by
16 regular mail, email, or by both regular mail and email. The agency
17 shall comply with the requester's chosen form or forms of notice.

18 (e) An agency that plans to Web cast a meeting shall include in
19 the meeting notice required pursuant to subdivision (a) of Section
20 11125 of the Government Code a statement of the board's intent
21 to Web cast the meeting. An agency may Web cast a meeting even
22 if the agency fails to include that statement of intent in the notice.

ASSEMBLY BILL

No. 996

Introduced by Assembly Members Cunningham and Brough

February 16, 2017

An act to add Section 7018.5 to the Business and Professions Code, relating to contractors.

LEGISLATIVE COUNSEL'S DIGEST

AB 996, as introduced, Cunningham. Contractors Licensing Board Web site: search function for workers compensation claims.

Existing law, the Contractors' State License Law, requires the Contractors' State License Board, on or before January 1, 2019, to adopt an enhancement to the current contractor license check search function on its Internet Web site to permit consumers to search for a licensed contractor either by ZIP Code or geographic location.

This bill would require the Contractors' State License Board to adopt an enhancement to the current contractor license check search function on its Internet Web site to permit consumers and licensees to monitor the status and progress of a licensee's application for, or renewal of, a certificate of workers' compensation insurance or certification of self-insurance that is pending before the board, as specified. The bill would also require the Internet Web site to denote that when the application is in the possession of the board past the 30-day deadline, the status would state that the application is pending review and that the failure to have a certificate on file is due to circumstances beyond the control of the licensee.

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 7018.5 is added to the Business and
2 Professions Code, to read:
3 7018.5. On or before January 1, 2020, the board shall adopt
4 an enhancement to the current contractor license check search
5 function on its Internet Web site to permit consumers and licensees
6 to do all of the following:
7 (a) Monitor the status and progress of a successfully filed
8 workers' compensation renewal application being reviewed by the
9 board, including a visual tool that provides the date the application
10 was filed, the status of each of the components of the renewal
11 application that have been filed, and that shows that the review is
12 being reviewed and shown as pending until the final disposition
13 has been approved by the registrar.
14 (b) View the daily record of the average time elapsed from the
15 time the board receives the renewal application until a final
16 disposition has been approved by the registrar.
17 (c) Clearly denote that any application for a certificate of
18 workers' compensation insurance or certification of self-insurance
19 that has been in the possession of the board past the 30-day
20 deadline is pending review and the failure to have a certificate on
21 file is due to circumstances beyond the control of the licensee.

O

CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	AB 1005 (Calderon)
Status/Location:	Amended 5/2/17 – Assembly Appropriations Committee
Sponsor:	None
Subject:	Professions & Vocations: Fines: Relief
Code Section:	Business & Professions Code section 125.9

Summary:

Existing law:

1. Establishes the Department of Consumer Affairs (DCA) and various licensing boards, including the Contractors State License Board (CSLB).
2. Provides that a violation of a regulatory act by a licensee can subject that licensee to discipline, including administrative penalties or citations, license suspension, or license revocation.
3. Authorizes the Registrar of CSLB to issue a citation to a licensee or applicant, if he or she has probable cause to believe that the licensee or applicant has committed any acts or omissions that would be grounds for denial, revocation, or suspension of a license.
4. Requires CSLB to promulgate regulations covering the formulation of an order of correction that gives due consideration to the time required to make the correction and its practical feasibility.

This bill:

1. For non-healing arts boards within DCA, provides that a citation containing an order of abatement to pay an administrative fine shall contain the following:
 - a) Fixing a period of no less than 30 days for abatement of the violation before the administrative fine becomes effective.
 - b) If the licensee successfully abates the violation within the 30-day period, the licensee shall not be responsible for payment of the administrative fine.
 - c) If the licensee fails to abate the violation within the 30-day period, the licensee shall pay the administrative fine.
2. Specifies that any person issued a fix-it ticket in lieu of a citation and fine shall have 30 days in which to correct the violation before being issued a fine.

Comments:

The bill author states:

“According to the US Small Business Administration, California has over 3.7 million small businesses, which is 1.3 million more than any other state, that also employ half the state’s private workforce. . . . In order to ease the burden of

excessive fines on businesses whose goal is to achieve a regulatory safe environment, this bill seeks to have investigative agencies offer a correctable citation should a business be found with non-serious violations before being fined. This solution is a way California can move in the right direction to spur economic growth and create jobs.”

Implementation Concerns:

This bill previously authorized the issuance of a fix-it ticket in lieu of a citation. The Assembly Business & Professions Committee amended it to apply only to non-healing arts boards and, rather than create a fix-it ticket to, instead, require all citations to contain an abatement period during which the licensee has the opportunity to correct the violation before being required to pay a fine.

These provisions would be difficult to implement. When CSLB issues a citation it is generally well after the misconduct occurred. For instance, if CSLB receives a consumer complaint alleging a contractor took an excessive down payment, CSLB reviews the complaint and contacts the licensee and the consumer to begin investigating. By the time CSLB determines the contractor was at fault and can issue a citation in response to such a complaint the financial harm has already occurred. There is nothing to abate. If the licensee cannot abate the behavior, this bill would appear to simply impose a 30-day period before a citation is official. The bill also states that if a licensee does not abate the violation within the 30-day period, he or she shall pay the fine. Does this mean a licensee does not have the ability to appeal a fine issued under these circumstances?

Additionally, Business & Professions Code section 7088 authorizes CSLB to issue a citation, and allows each citation to contain an order of correction fixing a reasonable time for correction of the violation of an order. That authority seems to address the author’s stated concern – to allow correction of non-serious violations.

Because CSLB has its own statute and regulation establishing its citation and fine program, it may be preferable for the author to exempt CSLB from the requirements of this bill.

Related Legislation:

CSLB is sponsoring legislation this year, SB 486 (Monning), to allow the Board to issue a letter of admonishment, rather than a citation, in certain circumstances

Fiscal Impact for CSLB:

Pending.

Staff Recommendation and Comments:

OPPOSE. There is no clear demonstrated problem with CSLB’s citation program that this attempts to fix.

Date: May 3, 2017

AMENDED IN ASSEMBLY MAY 2, 2017

AMENDED IN ASSEMBLY APRIL 17, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1005

Introduced by Assembly Member Calderon

February 16, 2017

~~An act to amend Section 12.5 of the Business and Professions Code, relating to professions and vocations. An act to amend Section 125.9 of the Business and Professions Code, relating to professions and vocations.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1005, as amended, Calderon. Professions and vocations: fines: relief.

Under existing law, the Department of Consumer Affairs is under the control of the Director of Consumer Affairs and is comprised of various ~~boards, bureaus, commissions, committees, and similarly constituted agencies~~ *boards* that license and regulate the practice of various professions and vocations. A violation of a regulatory act by a licensee can subject a licensee to discipline, including administrative penalties or citations, suspension, or revocation of the license. Existing law specifies that whenever any provision of law governing businesses and professions grants authority to issue a citation for a violation of a code provision, that authority also includes the authority to issue a citation for the violation of any regulation adopted pursuant to code.

~~This bill would authorize boards, bureaus, commissions, committees, and similarly constituted agencies that license and regulate professions and vocations, when granted the authority to issue a citation, to instead~~

~~issue a fix-it ticket in lieu of a fine. The bill would specify that any person who is issued a fix-it ticket in lieu of a citation would have 30 days in which to correct the violation before being issued the fine.~~

Under existing law, any board within the Department of Consumer Affairs, the board created by the Chiropractic Initiative Act, and the Osteopathic Medical Board of California, is authorized to 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 where the licensee is in violation of the applicable law. Existing law requires the system, whenever appropriate, to include a provision requiring the citation to contain an order of abatement fixing a reasonable time for abatement of the violation.

This bill, except with regard to healing arts licensees, would instead require a citation containing an order to pay an administrative fine to contain an order of abatement fixing a period of no less than 30 days for abatement of the violation before the administrative fine becomes effective, as provided.

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 125.9 of the Business and Professions
- 2 Code is amended to read:
- 3 125.9. (a) Except with respect to persons regulated under
- 4 Chapter 11 (commencing with Section 7500), any board, bureau,
- 5 or commission within the department, the board created by the
- 6 Chiropractic Initiative Act, and the Osteopathic Medical Board of
- 7 California, may establish, by regulation, a system for the issuance
- 8 to a licensee of a citation which may contain an order of abatement
- 9 or an order to pay an administrative fine assessed by the board,
- 10 bureau, or commission where the licensee is in violation of the
- 11 applicable licensing act or any regulation adopted pursuant thereto.
- 12 (b) The system shall contain the following provisions:
- 13 (1) Citations shall be in writing and shall describe with
- 14 particularity the nature of the violation, including specific reference
- 15 to the provision of law determined to have been violated.
- 16 (2) ~~Whenever~~ Except as provided in paragraph (3), whenever
- 17 appropriate, the citation shall contain an order of abatement fixing
- 18 a reasonable time for abatement of the violation.

1 (3) Notwithstanding paragraph (2), except with respect to
2 healing arts licensees licensed pursuant to Division 2 (commencing
3 with Section 500, the board created by the Chiropractic Initiative
4 Act, and the Osteopathic Medical Board of California, a citation
5 containing an order to pay an administrative fine shall contain
6 the following:

7 (A) An order of abatement fixing a period of no less than 30
8 days for abatement of the violation before the administrative fine
9 becomes effective.

10 (B) If the licensee successfully abates the violation within the
11 30-day period, the licensee shall not be responsible for payment
12 of the administrative fine.

13 (C) If the licensee fails to abate the violation within the 30-day
14 period, the licensee shall pay the administrative fine.

15 ~~(3)~~

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

26 ~~(4)~~

27 (5) A citation or fine assessment issued pursuant to a citation
28 shall inform the licensee that if he or she desires a hearing to
29 contest the finding of a violation, that hearing shall be requested
30 by written notice to the board, bureau, or commission within 30
31 days of the date of issuance of the citation or ~~assessment~~.
32 ~~assessment or the date the administrative fine becomes effective~~
33 ~~pursuant to paragraph (3)~~. If a hearing is not requested pursuant
34 to this section, payment of any fine shall not constitute an
35 admission of the violation charged. Hearings shall be held pursuant
36 to Chapter 5 (commencing with Section 11500) of Part 1 of
37 Division 3 of Title 2 of the Government Code.

38 ~~(5)~~

39 (6) Failure of a licensee to pay a fine within 30 days of the date
40 of ~~assessment~~, ~~assessment or the date the administrative fine~~

1 *becomes effective pursuant to paragraph (3) unless the citation is*
2 *being appealed, may result in disciplinary action being taken by*
3 *the board, bureau, or commission. Where a citation is not contested*
4 *and a fine is not paid, the full amount of the assessed fine shall be*
5 *added to the fee for renewal of the license. A license shall not be*
6 *renewed without payment of the renewal fee and fine.*

7 (c) The system may contain the following provisions:

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

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

12 (d) Notwithstanding any other ~~provision of law~~, if a fine is paid
13 to satisfy an assessment based on the finding of a violation,
14 payment of the fine shall be represented as satisfactory resolution
15 of the matter for purposes of public disclosure.

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

19 ~~SECTION 1. Section 12.5 of the Business and Professions~~
20 ~~Code is amended to read:~~

21 ~~12.5. (a) Whenever any provision of this code grants authority~~
22 ~~to issue a citation for a violation of any provision of this code, that~~
23 ~~authority also includes the authority to issue a citation for the~~
24 ~~violation of any regulation adopted pursuant to any provision of~~
25 ~~this code.~~

26 ~~(b) The authority to issue a citation for a violation of any~~
27 ~~provision of this code also includes the authority to issue a fix-it~~
28 ~~ticket, in lieu of a fine. Any person who is issued a fix-it ticket in~~
29 ~~lieu of a citation and fine shall have 30 days in which to correct~~
30 ~~the violation before being issued the fine.~~

CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	AB 1070 (Gonzalez Fletcher)
Status/Location:	Amended 5/2/17 – Assembly Committee on Appropriations
Sponsor:	None
Subject:	Solar Energy Systems: Contracts: Disclosures
Code Section:	Business & Professions 7169 & 7170; Civil Code 1882.7; Public Utilities 2854.6

Summary:

Existing law: defines a solar energy system as either: (1) any solar collector or other solar energy device, whose primary purpose is to provide for the collection, storage, and distribution of solar energy for space heating, space cooling, electric generation, or water heating; or (2) any structural design feature of a building, whose primary purpose is to provide for the collection, storage, and distribution of solar energy for electricity generation, space heating or cooling, or for water heating.

This bill requires:

1. By July 1, 2018, requires the Contractors State License Board (CSLB) to develop and make available online a “solar energy system disclosure contract” that a solar energy systems company must provide to a consumer prior to completing the sale, financing, or leasing of a solar energy system, which shall contain the following:
 - (a) The amounts and sources of financing obtained.
 - (b) The total cost and payments for the system, including financing costs.
 - (c) The calculations used by the home improvement salesperson to determine how many panels the homeowner needs to install.
 - (d) The calculations used by the home improvement salesperson to determine how much energy the panels will generate.
 - (e) Any additional monthly fees the homeowner’s electric company may charge, any turn-on charges, and any fees added for the use of an Internet monitoring system of the panels or inverters.
 - (f) The terms and conditions of any guaranteed rebate.
 - (g) The final contract price, without the inclusion of possible rebates.
 - (h) The solar energy system company’s contractor license number.
 - (i) The impacts of solar energy system installations not performed to code.
 - (j) Types of solar energy system malfunctions.
 - (k) Information about the difference between a solar energy system lease and a solar energy system purchase.
 - (l) Information on how and to whom consumers may provide complaints.

- (m) The consumer's right to a cooling off period of three days.
 - (n) The affects that the financing options, lease agreement terms, or contract terms will have on the future sale of the consumer's home, including any balloon payments or solar energy system relocation that may be required if the contract is not assigned to the new homeowner.
2. That the contract for sale, financing, or lease of a solar energy system, and the disclosure documents shall be written in the same language as was principally used in the oral sale presentation made to the consumer or the printout of digital marketing material given to the consumer.
 3. Defines, "solar energy system" as a solar energy device with 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 5 mw, alternating current rated peak electricity, and that meets or exceeds the eligibility criteria established pursuant to the Public Resources Code.
 4. The Department of Consumer Affairs (DCA) shall receive and resolve complaints and consumer questions regarding solar energy systems companies and solar contractors.
 5. That DCA additionally receive complaints received from state agencies regarding solar energy systems companies and solar contractors.
 6. DCA to annually compile a report documenting consumer complaints relating to solar energy systems companies and solar contractors, which shall include:
 - (a) The name of the solar company or contractor;
 - (b) The number and type of complaints for each business; and
 - (c) The zip code where the consumer complaint originated.
 7. That a consumer who enters into a contract for sale, financing, or lease of a solar energy system shall be afforded a period of no more than three days in which to cancel the contract.
 8. The Public Utilities Commission (PUC) to develop a standard methodology for use in the calculation and presentation of electric utility bill savings a consumer can expect by using a solar energy system by vendors, installers, or financing entities.

Background:

According to the author:

"Californians are committed to aggressive action to address the ongoing threats of climate change, including the adoption of aggressive goals for renewable energy production. These benchmarks serve as a model for the entire world and continue to motivate entire countries to take stronger steps of their own. Essential to achieving these goals and mitigating the dangerous impact people are having on our climate is ongoing investment in home solar systems. To their credit, Californians across the state have embraced this challenge enthusiastically, leading to a major boom in the solar industry. But it's also critical that our oversight and disclosure of the household solar industry keep pace with this emerging industry.

As is too often the case, rapid expansion has led to uncertainty and occasional bad actors in the marketplace, where multiple incentive programs have presented the general public with unprecedented options but often without the levels of clarity or disclosure that other large-scale financial products carry. As a result, many consumers have been surprised by long-term financial impacts, often hindering their ability to stay in or sell their homes. Complaints have been lodged nationwide over the lack of clear disclosures, prompting widespread efforts to improve consumer protections.

We can't rely on commission-driven salespeople in an under-regulated industry to ensure that all customers reliably receive all the information they need to make informed, responsible decisions. California has wisely used its legislative influence to help spur the growth of the home solar market. Now, the Legislature has an obligation to ensure that home solar customers receive accurate, clear and concise information about the installation of home solar systems.”

Implementation Issues:

AB 1070 requires that DCA receive and investigate solar complaints. As CSLB already performs this function, it would be more appropriate to designate CSLB, rather than DCA, as the entity to receive and investigate complaints.

The bill also requires that DCA annually compile a publicly available report documenting consumer complaints related to solar energy systems companies and solar contractors. This constitutes a different complaint disclosure policy than that for all other complaints that CSLB receives against licensed contractors. It is not clear why there should be a separate disclosure standard for one industry over others.

Industry Concerns:

The California Solar Energy Industry Association opposes this bill unless it is amended. They would like some changes to the required disclosure document, and object to the separate disclosure policy for complaints related to solar.

Prior Legislation:

AB 2699 (Gonzalez, 2016) contained similar requirements for a solar energy systems disclosure document, and additionally required contractors who install these systems to hold a blanket bond. This bill was held in the Assembly Appropriations Committee.

Fiscal Impact for CSLB:

Enforcement Staff (initial & ongoing) –The CSLB Enforcement division anticipates that the provisions of this bill would result in a substantial workload, since solar complaints continue to rise annually. In 2016, CSLB received 449 solar complaints – a 61 percent increase over 2015 – and closed 597 solar complaints over the last two years. Of these complaints, 48 percent were charged with a Business and Professions Code section 7159 contract violation. In the first quarter of 2017, CSLB has already received 200 solar complaints, double the number received for the first quarter of 2016.

Staff would have to handle consumer complaints and take legal action against licensees that neglect to provide the “Solar Energy System Disclosure Document” to their customers. This work would be performed full-time by one staff person in the Enforcement Representative II (ERII) classification. Total ongoing costs with benefits (assumed at the 42 percent) would be \$97,470 (2080 hours x \$33/hour x 1.42 benefits rate).

Programming/Web Services (initial) – The CSLB IT division estimates that it would take approximately 40 hours to develop the online disclosure form (Solar Energy Disclosure Document) and make it available on the CSLB website for use by solar companies. A Senior Programmer Analyst would perform this work. Total cost with benefits (assumed at the 42 percent) would be \$2,272 (40 hours x \$40/hour x 1.42 benefits rate).

Executive Staff (initial) – The CSLB Executive division estimates that it would take approximately four months (about 700 hours) to develop the language for the “Solar Energy Disclosure Document” and adopt regulations, which would require working with internal and external staff, PUC, DCA Legal, and stakeholders. A Staff Services Manager I (Specialist) would perform this work. Total cost with benefits (assumed at the 42 percent) would be \$39,760 (700 hours x \$40/hour x 1.42 benefits rate).

CSLB total cost: approximately \$140,000 (initially) and \$100,000 (ongoing).

Staff Recommendation and Comments:

WATCH This bill will provide consumers additional information before entering into contracts for a solar energy system. As CSLB has received an increasing number of complaints related to solar over the last few years, there appears to be a need for better consumer education. However, this bill also creates a different disclosure standard for complaints against solar contractors, which conflicts with CSLB’s existing statutory complaint disclosure requirements. This new disclosure standard could discourage settlement of complaints, since all complaints would be disclosed.

Date: May 2, 2017

AMENDED IN ASSEMBLY MAY 2, 2017
AMENDED IN ASSEMBLY APRIL 17, 2017
AMENDED IN ASSEMBLY MARCH 30, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1070

Introduced by Assembly Member Gonzalez Fletcher

February 16, 2017

An act to add Sections 7169 and 7170 to the Business and Professions Code, to add Section 1882.7 to the Civil Code, and to add Section 2854.6 to the Public Utilities Code, relating to solar energy systems.

LEGISLATIVE COUNSEL’S DIGEST

AB 1070, as amended, Gonzalez Fletcher. Solar energy systems: contracts: disclosures.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law, the Contractors’ State License Law, provides for the licensure and regulation of contractors by the Contractors’ State License Board. Existing law requires licensed contractors to be classified and authorizes them to be classified as, among other things, a solar contractor. Under existing law, a solar contractor installs, modifies, maintains, and repairs thermal and photovoltaic solar energy systems. Existing law prohibits a solar contractor from performing building or construction trades, crafts, or skills, except when required to install a thermal or photovoltaic solar energy system.

This bill would require the board, on or before July 1, 2018, to develop and make available on its Internet Web site a specified “solar energy system disclosure document.” The bill would require this disclosure

document to be provided by the solar energy systems company to the consumer prior to completion of a sale, financing, or lease of a solar energy system, *as defined*, and that it, and the contract, be written in the same language as was principally used in the sales presentation and marketing material. The bill would require the department to receive and resolve complaints and consumer questions, and complaints received from state agencies, regarding solar energy systems companies and solar contractors. The bill would require the department annually to compile a report documenting complaints it received relating to solar energy systems companies and solar contractors that it shall make available publicly on the department's and the Public Utilities Commission's Internet Web sites.

Existing law governs certain obligations arising from particular transactions, including consumer contracts.

This bill would afford a consumer who enters into a contract for sale, financing, or lease of a solar energy system a period not exceeding 3 days, during which time he or she may cancel the contract for any reason.

The California Constitution establishes the Public Utilities Commission and authorizes the commission to exercise ratemaking and rulemaking authority over all public utilities, as defined, subject to control by the Legislature.

This bill would require the Public Utilities Commission to develop a standard methodology to be used in the calculation and presentation of electric utility bill savings to a consumer that can be expected by using a solar energy system by vendors, installers, or financing entities and to post the methodology on its Internet Web site. The bill also would require electrical corporations to post the methodology.

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 7169 is added to the Business and
- 2 Professions Code, to read:
- 3 7169. (a) On or before July 1, 2018, the board shall develop,
- 4 and make available on its Internet Web site, a "solar energy system
- 5 disclosure document" that a solar energy system company shall
- 6 provide to a consumer prior to completion of a sale, financing, or

1 lease of a solar energy system. The “solar energy system disclosure
2 document” shall include the following information:

3 (1) The amounts and sources of financing obtained.

4 (2) The total cost and payments for the system, including
5 financing costs.

6 (3) The calculations used by the home improvement salesperson
7 to determine how many panels the homeowner needs to install.

8 (4) The calculations used by the home improvement salesperson
9 to determine how much energy the panels will generate.

10 (5) Any additional monthly fees the homeowner’s electric
11 company may bill, any turn-on charges, and any fees added for
12 the use of an Internet monitoring system of the panels or inverters.

13 (6) The terms and conditions of any guaranteed rebate.

14 (7) The final contract price, without the inclusion of possible
15 rebates.

16 (8) The solar energy system company’s contractor’s license
17 number.

18 (9) The impacts of solar energy system installations not
19 performed to code.

20 (10) Types of solar energy system malfunctions.

21 (11) Information about the difference between a solar energy
22 system lease and a solar energy system purchase.

23 (12) Information on how and to whom consumers may provide
24 complaints.

25 (13) The consumer’s right to a cooling off period of three days
26 pursuant to Section 1882.7 of the Civil Code.

27 (14) The impacts that the financing options, lease agreement
28 terms, or contract terms will have on the sale of the consumer’s
29 home, including any balloon payments or solar energy system
30 relocation that may be required if the contract is not assigned to
31 the new owner of the home.

32 (b) A contract for sale, financing, or lease of a solar energy
33 system and the solar energy system disclosure document shall be
34 written in the same language as was principally used in the oral
35 sales presentation made to the consumer or the print or digital
36 marketing material given to the consumer.

37 (c) *For purposes of this section, “solar energy system” means*
38 *a solar energy device that has the primary purpose of providing*
39 *for the collection and distribution of solar energy for the generation*
40 *of electricity, that produces at least one kW, and not more than*

1 *five MW, alternating current rated peak electricity, and that meets*
2 *or exceeds the eligibility criteria established pursuant to Section*
3 *25782 of the Public Resources Code.*

4 SEC. 2. Section 7170 is added to the Business and Professions
5 Code, to read:

6 7170. (a) The Department of Consumer Affairs shall receive
7 and resolve complaints and consumer questions regarding solar
8 energy systems companies and solar contractors. The department
9 shall also receive complaints received from state agencies regarding
10 solar energy systems companies and solar contractors.

11 (b) The department annually shall compile a report documenting
12 consumer complaints relating to solar energy systems companies
13 and solar contractors. The report shall be made available publicly
14 on the department's and the Public Utilities Commission's Internet
15 Web sites. The report shall contain all of the following:

16 (1) The name of the solar energy system company or solar
17 contractor.

18 (2) The number and types of complaints for each business.

19 (3) The Zip Code where the consumer complaint originated.

20 (c) *For purposes of this section, "solar energy system" means*
21 *a solar energy device that has the primary purpose of providing*
22 *for the collection and distribution of solar energy for the generation*
23 *of electricity, that produces at least one kW, and not more than*
24 *five MW, alternating current rated peak electricity, and that meets*
25 *or exceeds the eligibility criteria established pursuant to Section*
26 *25782 of the Public Resources Code.*

27 SEC. 3. Section 1882.7 is added to the Civil Code, to read:

28 1882.7. (a) A consumer who enters into a contract for sale,
29 financing, or lease of a solar energy system shall be afforded a
30 period not exceeding three days, during which time he or she may
31 cancel the contract for any reason.

32 (b) ~~For purposes of this section, "solar energy system" means~~
33 ~~a device the primary purpose of which is to provide for the~~
34 ~~collection, storage, or distribution of solar energy for space heating,~~
35 ~~space cooling, electric generation, or water heating. solar energy~~
36 ~~device that has the primary purpose of providing for the collection~~
37 ~~and distribution of solar energy for the generation of electricity,~~
38 ~~that produces at least one kW, and not more than five MW,~~
39 ~~alternating current rated peak electricity, and that meets or exceeds~~

1 *the eligibility criteria established pursuant to Section 25782 of the*
2 *Public Resources Code.*

3 SEC. 4. Section 2854.6 is added to the Public Utilities Code,
4 to read:

5 2854.6. (a) The commission shall develop a standard
6 methodology to be used in the calculation and presentation of
7 electric utility bill savings to a consumer that can be expected by
8 using a solar energy system by vendors, installers, or financing
9 entities. This methodology shall be posted by the commission and
10 each electrical corporation on their Internet Web sites.

11 (b) *For purposes of this section, "solar energy system" means*
12 *a solar energy device that has the primary purpose of providing*
13 *for the collection and distribution of solar energy for the generation*
14 *of electricity, that produces at least one kW, and not more than*
15 *five MW, alternating current rated peak electricity, and that meets*
16 *or exceeds the eligibility criteria established pursuant to Section*
17 *25782 of the Public Resources Code.*

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CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	AB 1162 (Bocanegra)
Status/Location:	Amended March 21, 2017 – Assembly Committee on Business & Professions
Sponsor:	None
Subject:	Electrical Contractors
Code Section:	Business & Professions Code section 7031.5

Summary:

Existing law (Business & Professions Code) requires a county or city that requires issuance of a permit for the construction, alteration, improvement, demolition, or repair of any building or structure to require the applicant for a permit to file a statement regarding contractor license status.

Existing law (Labor Code Section 108.2) requires persons who perform work as electricians to be certified by the Division of Labor Standards Enforcement (DSLE). “Electricians” includes all persons licensed pursuant to Business & Professions Code section 7058, specifically those classified as electrical contractors according to the rules and regulations of CSLB. This definition does not apply to electrical connections under 100 volt-amperes.

This bill requires a contractor licensed with CLSB as C-10 Electrical to include a statement when applying for a building permit that he or she is in compliance with, and there are no grounds for disciplinary proceedings under, Section 108.2 of the Labor Code.

Background:

According to the author:

“Assembly Bill 1162 would enhance the electrical certification requirements by requiring C-10 contractors when applying for a building permit to certify with the application that they understand and are in compliance with the state’s electrical certification law.

By adding a penalty for not complying, this bill will incentivize contractors to employ qualified workers, ensuring that permitted work is being done properly by certified electricians. This bill will positively affect people contracting for work and contractors themselves because it encourages compliance with the law and the employment of qualified workers.”

Fiscal Impact for CSLB:

None.

Staff Recommendation and Comments:

WATCH. This bill does not directly affect CSLB. However, the process for its implantation is not clear. A licensee would need to state in a permit application that there are no grounds for disciplinary action for violations of the electrician certification requirement. DLSE is the entity that would determine whether or not there are grounds for disciplinary proceedings for a violation of the certification requirement, not the licensee.

The Western Electrical Contractors Association suggested that the phrase, “to the best of their knowledge,” be added to the bill language regarding pending disciplinary action. The Assembly Business & Professions Committee analysis notes that that phrase may not create an enforceable standard, but suggests the author continue to work on language.

Date: May 2, 2017

AMENDED IN ASSEMBLY MARCH 21, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1162

Introduced by Assembly Member Bocanegra

February 17, 2017

An act to amend Section ~~408~~ 7031.5 of the ~~Labor Business and Professions Code~~, relating to ~~labor standards enforcement~~ *contractors*.

LEGISLATIVE COUNSEL'S DIGEST

AB 1162, as amended, Bocanegra. ~~Labor standards enforcement. Electrical contractors: local permits: use of certified electricians.~~

The Contractors' State License Law provides for the licensure and regulation of contractors by the Contractors' State License Board. That law requires a county or city that requires the issuance of a permit for the construction, alteration, improvement, demolition, or repair of any building or structure to require the applicant for a permit to file a specified statement.

This bill would require a specified licensed electrical contractor to include in this statement an additional statement regarding its licensure.

~~Existing law creates the Division of Labor Standards Enforcement in the Department of Industrial Relations. Existing law prescribes various duties for the division, including maintaining minimum standards for the competency and training of electricians through a system of testing and certification.~~

~~This bill would make a nonsubstantive change in these provisions.~~

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

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

1 SECTION 1. *Section 7031.5 of the Business and Professions*
2 *Code is amended to read:*

3 7031.5. ~~Each~~ (a) A county or city ~~which~~ that requires the
4 issuance of a permit as a condition precedent to the construction,
5 alteration, improvement, ~~demolition~~ *demolition*, or repair of any
6 building or structure shall also require that ~~each~~ an applicant for
7 such a permit file as a condition precedent to the issuance of ~~a~~ the
8 permit a statement ~~which~~ that he or she has prepared and signed
9 stating that the applicant is licensed under the provisions of this
10 chapter, giving the number of the license and stating that it is in
11 full force and effect, or, if the applicant is exempt from the
12 provisions of this chapter, the basis for the alleged exemption.

13 (b) *A contractor licensed as a Class C-10 electrical contractor*
14 *with the Contractors' State License Board shall include a further*
15 *statement that he or she is in compliance with, and there are no*
16 *grounds for disciplinary proceedings under, Section 108.2 of the*
17 *Labor Code in the statement required pursuant to subdivision (a).*

18 ~~Any~~

19 (c) Any violation of this section by any applicant for a permit
20 shall be subject to a civil penalty of not more than five hundred
21 dollars (\$500).

22 SECTION 1. ~~Section 108 of the Labor Code is amended to~~
23 ~~read:~~

24 108. (a) ~~The Division of Labor Standards Enforcement shall~~
25 ~~do the following:~~

26 (1) ~~Maintain minimum standards for the competency and~~
27 ~~training of electricians through a system of testing and certification.~~

28 (2) ~~Maintain an advisory committee and panels as necessary to~~
29 ~~carry out the functions under this section. There shall be contractor~~
30 ~~representation from both joint apprenticeship programs and~~
31 ~~unilateral nonunion programs in the electrical contracting industry.~~

32 (3) ~~Establish and collect fees necessary to implement this~~
33 ~~section.~~

34 (4) ~~Carry out the responsibilities of the Division of~~
35 ~~Apprenticeship Standards that are specified in Subchapter 4~~
36 ~~(commencing with Section 290) of Chapter 2 of Division 1 of Title~~
37 ~~8 of the California Code of Regulations. The Labor Commissioner~~
38 ~~may amend or repeal existing regulations or adopt new regulations~~

1 as necessary to enforce this section. Pending amendments to
2 conform to this section, any reference within the Subchapter 4
3 regulations to the Chief of the Division of Apprenticeship
4 Standards is deemed a reference to the Labor Commissioner, and
5 references to prior statutory sections are deemed to refer to current
6 statutory language as follows:

7 (A) References to former Section 3099 refer to current Section
8 108.

9 (B) References to former Section 3099.2 refer to current Section
10 108.2.

11 (C) References to former Section 3099.3 refer to current Section
12 108.3.

13 (D) References to former Section 3099.4 refer to current Section
14 108.4.

15 (E) References to former Section 3099.5 refer to current Section
16 108.5.

17 (5) Issue certification cards to electricians who have been
18 certified pursuant to this section. Notwithstanding Section 13340
19 of the Government Code, fees collected pursuant to paragraph (3)
20 are continuously appropriated in an amount sufficient to pay the
21 costs of issuing certification cards, and that amount may be
22 expended for that purpose by the division.

23 (6) Maintain an electrical certification curriculum committee
24 comprised of representatives of the State Department of Education,
25 the California Community Colleges, and the division. The electrical
26 certification curriculum committee shall do all of the following:

27 (A) Establish written educational curriculum standards for
28 enrollees in training programs established pursuant to Section
29 108.4.

30 (B) If an educational provider's curriculum meets the written
31 educational curriculum standards established in accordance with
32 subparagraph (A), designate that curriculum as an approved
33 curriculum of classroom instruction.

34 (C) At the committee's discretion, review the approved
35 curriculum of classroom instruction of any designated educational
36 provider. The committee may withdraw its approval of the
37 curriculum if the educational provider does not continue to meet
38 the established written educational curriculum standards.

39 (D) Require each designated educational provider to submit an
40 annual notice to the committee stating whether the educational

1 provider is continuing to offer the approved curriculum of
2 classroom instruction and whether any material changes have been
3 made to the curriculum since its approval.

4 (b) There shall be no discrimination for or against any person
5 based on membership or nonmembership in a union.

6 (c) As used in this section, “electricians” includes all persons
7 who engage in the connection of electrical devices for electrical
8 contractors licensed pursuant to Section 7058 of the Business and
9 Professions Code, specifically, contractors classified as electrical
10 contractors in the Contractors’ State License Board Rules and
11 Regulations. This section does not apply to electrical connections
12 under 100 volt amperes. This section does not apply to persons
13 performing work to which Section 7042.5 of the Business and
14 Professions Code is applicable, or to electrical work ordinarily and
15 customarily performed by stationary engineers. This section does
16 not apply to electrical work in connection with the installation,
17 operation, or maintenance of temporary or portable electrical
18 equipment performed by technicians in the theatrical, motion
19 picture production, television, hotel, exhibition, or trade show
20 industries.

CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	AB 1190 (Obernolte)
Status/Location:	Amended 05/02/17 – Assembly Appropriations Committee
Sponsor:	None
Subject:	BreEZe: Annual Report
Code Section:	Business & Professions Code section 210.5

Summary:

This bill requires the Department of Consumer Affairs to post quarterly on its website the following information:

1. The estimated start and completion dates of the Department of Technology's Project Approval Lifecycle (PAL) process for the programs that were previously scheduled for the third release phase of BreEZe.
2. The status of the programs that have started the project approval process, including their current stage in the process.
3. The results and recommendation made for each program that has completed the PAL process, including the analysis of potential alternatives and cost-benefits made during stage two of the process.

Comments:

According to the Assembly Business & Professions Committee analysis, the Department of Consumer Affairs provided the following update to the Legislature earlier in 2017:

“The Department has learned many lessons from Release one (eight programs) and Release two (ten programs) of the BreEZe system. Going forward, programs that were previously scheduled for the third release of BreEZe will be utilizing the Department of Technology's Project Approval Lifecycle process to determine what IT solution best meets their individual business needs.

The objective of the Department of Technology's four-step process is to match an entity's organizational readiness and business needs with the most appropriate IT solution. In the State Auditor's report regarding BreEZe a recommendation was made that in order to ensure each of the remaining boards and bureaus receives an IT update that addresses their business needs, a cost benefit analysis should be completed. The Department has identified that the best approach to achieving this mandate is during the second stage of the Department of Technology process for each individual board.

The Department's expectation is that in some cases, the process will determine that BreEZe is the best solution. In other cases, such as the Bureau of Medical Cannabis Regulation, a different platform may better meet the business needs. However, the resources that each of these programs has already committed to this effort will still provide value regardless of which IT solution is ultimately implemented. This includes staff training, documentation of business processes, and general expertise and knowledge of the process of transitioning into a new system. For example, the Department's training division, SOLID, which actively worked with programs in earlier releases, will continue to provide support to boards as they transition into new IT systems. Ultimately, the lessons and experiences of the first two releases will benefit the remaining boards and bureaus and their licensees regardless of which IT solution it chooses."

Fiscal Impact for CSLB:

No impact from this bill. By the end of the 2017-18 fiscal year, CSLB is projected to have spent approximately \$4.25 million on BreEZe.

Staff Recommendation and Comments:

WATCH. CSLB is one of 19 regulatory entities within DCA's Phase 3 of BreEZe implementation. CSLB is currently documenting its "as is" processes in order to prepare for a cost benefit analysis with the DCA. In February 2015, the State Auditor released an audit of the BreEZe System, which found that inadequate planning and oversight led to implementation of the system at a significantly higher cost than originally estimated and to a reduced number of boards. Among the Auditor's recommendations is the type of report required by this bill.

Date: May 3, 2017

AMENDED IN ASSEMBLY MAY 2, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1190

Introduced by Assembly Member Obernolte

February 17, 2017

An act to add Section 210.5 to the Business and Professions Code, relating to consumer affairs.

LEGISLATIVE COUNSEL’S DIGEST

AB 1190, as amended, Obernolte. Department of Consumer Affairs: ~~BreEZe system; annual report. system.~~

Existing law authorizes the Department of Consumer Affairs to enter into a contract with a vendor for the licensing and enforcement of the BreEZe system, which is a specified integrated, enterprisewide enforcement case management and licensing system, no sooner than 30 days after written notification to certain committees of the Legislature. Existing law requires the amount of contract funds for the system to be consistent with costs approved by the Department of Technology, formerly known as the office of the State Chief Information Officer, based on information provided by the department in a specified manner.

~~This bill on and after July 1, 2018, would require the department to submit an annual report to the Legislature that includes, among other things, the department’s plans for implementing the BreEZe system at specified regulatory entities included in the department’s 3rd phase of the BreEZe implementation project, including, but not limited to, a timeline for the implementation.~~

This bill would require the Department of Consumer Affairs to publish, a minimum of once quarterly, prescribed information relating

to BreEZe on its Internet Web site, including the estimated start and completion date of the Department of Technology's Project Approval Lifecycle (PAL) process for programs that were previously scheduled for the 3rd release of BreEZe, the status of programs that have started the process, and the results and recommendations made for each program that has completed the PAL process.

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 210.5 is added to the Business and
2 Professions Code, to read:

3 210.5. (a) In connection with the department's ongoing
4 commitment to provide quarterly and monthly updates to the
5 Legislature on the entities that were previously scheduled for the
6 third release of BreEZe, the department shall publish on its Internet
7 Web site the following:

8 (1) The estimated start and completion date of the Department
9 of Technology's Project Approval Lifecycle process for the
10 programs that were previously scheduled for the third release of
11 BreEZe.

12 (2) The status of the programs that have started the project
13 approval process, including the programs' current stage in the
14 process.

15 (3) The results and recommendations made for each program
16 that has completed the Department of Technology's Project
17 Approval Lifecycle process, including the results of the alternatives
18 and cost-benefit analyses made during Stage 2 of the process.

19 (b) The department shall publish the information specified in
20 subdivision (a) a minimum of once quarterly.

21 ~~SECTION 1. Section 210.5 is added to the Business and~~
22 ~~Professions Code, immediately following Section 210, to read:~~

23 ~~210.5. (a) On or before July 1 of each year, commencing July~~
24 ~~1, 2018, the department shall submit an annual report to the~~
25 ~~Legislature that includes all of the following:~~

26 ~~(1) The department's plan for implementing the BreEZe system~~
27 ~~at the regulatory entities in the department's third phase of the~~
28 ~~implementation project, including, but not limited to, a timeline~~
29 ~~for implementation.~~

1 ~~(2) The total estimated costs of implementation of the BreEZe~~
2 ~~system at the regulatory entities in the department's third phase~~
3 ~~of the implementation project and the results of any cost-benefit~~
4 ~~analysis the department conducted for the third phase of the~~
5 ~~implementation project.~~

6 ~~(3) A description of whether and to what extent the BreEZe~~
7 ~~system will achieve any operational efficiencies resulting from~~
8 ~~implementation by the boards and regulatory entities within the~~
9 ~~department's jurisdiction.~~

10 ~~(b) The report described in subdivision (a) shall be submitted~~
11 ~~in compliance with Section 9795 of the Government Code.~~

12 ~~(c) For purposes of this section, "the regulatory entities in the~~
13 ~~department's third phase of the implementation project" includes~~
14 ~~all of the following:~~

15 ~~(1) Acupuncture Board.~~

16 ~~(2) Board for Professional Engineers, Land Surveyors, and~~
17 ~~Geologists.~~

18 ~~(3) Bureau of Automotive Repair.~~

19 ~~(4) Bureau of Electronic and Appliance Repair, Home~~
20 ~~Furnishings, and Thermal Insulation.~~

21 ~~(5) Bureau for Private Postsecondary Education.~~

22 ~~(6) California Architects Board.~~

23 ~~(7) California Board of Accountancy.~~

24 ~~(8) California State Board of Pharmacy.~~

25 ~~(9) Cemetery and Funeral Bureau.~~

26 ~~(10) Contractors' State License Board.~~

27 ~~(11) Court Reporters Board of California.~~

28 ~~(12) Landscape Architects Technical Committee.~~

29 ~~(13) Professional Fiduciaries Bureau.~~

30 ~~(14) Speech-Language Pathology and Audiology and Hearing~~
31 ~~Aid Dispensers Board.~~

32 ~~(15) State Athletic Commission.~~

33 ~~(16) State Board of Chiropractic Examiners.~~

34 ~~(17) State Board of Guide Dogs for the Blind.~~

35 ~~(18) Structural Pest Control Board.~~

36 ~~(19) Telephone Medical Advice Services Bureau.~~

CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	AB 1278 (Low)
Status/Location:	Amended 05/01/17 – Assembly Appropriations Committee
Sponsor:	California State Council of Laborers
Subject:	Judgments – License Suspension
Code Section:	Business & Professions Code section 7071.17

Summary:

Existing law:

1. Requires a licensee of the Contractors State License Board (CSLB) to report a construction-related civil judgment to CSLB within 90 days of the judgment date.
2. Requires a licensee to comply with the final judgment within 90 days.
3. Provides that if the judgment is not satisfied after 90 days, the license is suspended.
4. Further provides that if a licensee does not report a final judgment, and another party informs CSLB of the final judgment, the license shall be suspended once the Registrar is made aware of the unsatisfied final judgment.
5. Provides that the license remain suspended until CSLB receives proof of satisfaction of the judgment.

This bill:

1. Provides that a license suspension shall be removed if the licensee provides proof that the judgment is under appeal by a court of competent jurisdiction.
2. Provides that if a judgment is entered against a qualifying person (qualifier) or a personnel of record of the licensee (personnel) the qualifier or personnel in question shall automatically be prohibited from serving as a qualifier or personnel on another license until the judgment is satisfied.
3. Specifies that the prohibition above does not apply if the qualifier or personnel provide proof that the judgment is under appeal by a court of competent jurisdiction. However, if the qualifier or personnel was listed on the license subject to the final judgment, a license of the qualifier or personnel shall be suspended.

Background:

Under CSLB's current practice, the person requesting the license suspension has the burden of proving that the judgment is truly final. Under this bill, the licensee would have to provide evidence of an appeal to have a suspension lifted.

Existing law related to reporting of judgments and license suspension for unsatisfied final judgments has been in place for some time. Previously, CSLB would record a

judgment and suspend a license before determining if the appeal process was completed. CSLB would allow a licensee to submit evidence of the appeal, and would then lift the suspension during the appeal process. A licensee, whose license was suspended, sued CSLB and argued that CSLB violated his due process rights by suspending his license before the judgment was final. In response, CSLB reviewed its practices and existing law, and determined that it needed to wait until a judgment is final and that all time for appeal has passed before suspending a license. This has been CSLB policy since early 2016.

Amendments:

The sponsor believes that, at times, personnel associated with a license choose to disassociate before a judgment is final, so that they are not affected by the license suspension. Under existing law, the qualifying person and any partner of the licensee or personnel named as a debtor in an unsatisfied final judgment are prohibited from serving in any position of record on another license. The sponsor would like the suspension provisions to apply to personnel associated with the license at the time of the act or omission occurred that led to the judgment.

Fiscal Impact for CSLB:

Minor and absorbable.

Staff Recommendation and Comments:

SUPPORT IF AMENDED. This bill would primarily affect licensees, who could face suspension, and its consequences, sooner and potentially before they have exercised their appeal rights. Staff believes that this bill should be amended to: 1) retain existing practice, which is to only suspend a license once the judgment is final and can no longer be appealed; and 2) provide for the suspension of any associated licenses of the qualifier of the license subject to the final judgment, regardless of whether or not that qualifier disassociated prior to the license suspension. This would clarify that the judgment covers the timeframe of the contracting activity at issue, rather than when the related civil judgment is finalized. As a result, a qualifier on the license at the time of the act or misconduct subject to the judgment would be prohibited from serving in any official capacity on another license until the judgment is satisfied, irrespective of whether or not they are associated with the license when the judgment becomes final.

Date: May 2, 2017

AMENDED IN ASSEMBLY MAY 1, 2017

AMENDED IN ASSEMBLY APRIL 3, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1278

Introduced by Assembly Member Low

February 17, 2017

An act to amend Section 7071.17 of the Business and Professions Code, relating to contractors.

LEGISLATIVE COUNSEL'S DIGEST

AB 1278, as amended, Low. Contractor licensing: judgment debtor prohibition: final judgment: definition.

Existing law, the Contractors' State License Law, provides for licensing and regulation of contractors by the Contractors' State License Board. That law requires the board, with the approval of the Director of Consumer Affairs, to appoint a registrar of contractors to serve as the executive officer and secretary of the board.

That law directs the board to require, as a condition precedent to accepting an application for licensure, renewal, reinstatement, or to change officers or other personnel of record, that an applicant for a license, previously found to have failed or refused to pay a contractor, subcontractor, consumer, materials supplier, or employee based on a specified unsatisfied final judgment, to file or have on file with the board a bond sufficient to guarantee payment of an amount equal to the unsatisfied judgment or judgments, as specified. That law requires a licensee to notify the registrar in writing of a specified unsatisfied final judgment imposed on the licensee within 90 days of the imposition, and to file or have on file with the board a bond sufficient to guarantee

payment of an amount equal to specified unsatisfied judgments within 90 days from date of notification. That law requires the license of a licensee who does not comply with these requirements to be automatically suspended. That law *also prohibits the suspension from being removed until proof of satisfaction of the judgment, or in lieu thereof, a notarized copy of an accord, is submitted to the registrar.*

This bill would require the suspension to be removed if the licensee provides proof that the judgment is under appeal in a court of competent jurisdiction.

The Contractors' State License Law also requires the qualifying person and any partner of the licensee or personnel of the licensee named as a judgment debtor in an unsatisfied final judgment to be automatically prohibited from serving as an officer, director, associate, partner, owner, manager, qualifying individual, or other personnel of record of another licensee. That law requires the license of any other existing renewable licensed entity with any of the same personnel of record as the judgment debtor licensee to be suspended until the license of the judgment debtor is reinstated or until those same personnel of record disassociate themselves from the renewable licensed entity.

This bill would define "final judgment" for these purposes as a judgment that is enforceable under the law applicable to the court that entered the judgment and for which no stay of enforcement is in effect. The bill would impose on the licensee the burden of proving that a stay of enforcement is in effect from certified records of the court which issued the stay of enforcement. instead would require a qualifying person or personnel of record to be automatically prohibited from serving as a qualifying individual or other personnel of record of another licensee if any judgment is entered against the qualifying person or the personnel of record of the licensee, until the judgment is satisfied. The bill would require that this prohibition not apply if the qualifying person or personnel of record provides proof that the judgment is under appeal in a court of competent jurisdiction, but would require the license of the qualifying person or personnel of record to be suspended if the qualifying person or personnel of record was listed on the license subject to the final judgment.

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 7071.17 of the Business and Professions
2 Code is amended to read:

3 7071.17. (a) Notwithstanding any other provision of law, the
4 board shall require, as a condition precedent to accepting an
5 application for licensure, renewal, reinstatement, or to change
6 officers or other personnel of record, that an applicant, previously
7 found to have failed or refused to pay a contractor, subcontractor,
8 consumer, materials supplier, or employee based on an unsatisfied
9 final judgment, file or have on file with the board a bond sufficient
10 to guarantee payment of an amount equal to the unsatisfied final
11 judgment or judgments. The applicant shall have 90 days from the
12 date of notification by the board to file the bond or the application
13 shall become void and the applicant shall reapply for issuance,
14 reinstatement, or reactivation of a license. The board may not issue,
15 reinstate, or reactivate a license until the bond is filed with the
16 board. The bond required by this section is in addition to the
17 contractor's bond. The bond shall be on file for a minimum of one
18 year, after which the bond may be removed by submitting proof
19 of satisfaction of all debts. The applicant may provide the board
20 with a notarized copy of any accord, reached with any individual
21 holding an unsatisfied final judgment, to satisfy a debt in lieu of
22 filing the bond. The board shall include on the license application
23 for issuance, reinstatement, or reactivation, a statement, to be made
24 under penalty of perjury, as to whether there are any unsatisfied
25 judgments against the applicant on behalf of contractors,
26 subcontractors, consumers, materials suppliers, or the applicant's
27 employees. Notwithstanding any other provision of law, if it is
28 found that the applicant falsified the statement then the license
29 will be retroactively suspended to the date of issuance and the
30 license will stay suspended until the bond, satisfaction of judgment,
31 or notarized copy of any accord applicable under this section is
32 filed.

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

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

4 (B) *Notwithstanding subparagraph (A), the suspension shall be*
5 *removed if the licensee provides proof that the judgment is under*
6 *appeal in a court of competent jurisdiction.*

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

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

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

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

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

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

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

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

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

8 (j) ~~A person who was the qualifying person, a partner, or~~
9 ~~personnel of a licensee being named as a judgment debtor in an~~
10 ~~unsatisfied final judgment (1) If a judgment is entered against a~~
11 ~~qualifying person or a personnel of record of the licensee, the~~
12 ~~qualifying person or personnel of record shall be automatically~~
13 ~~prohibited from serving as an officer, director, associate, partner,~~
14 ~~owner, manager, a qualifying individual, individual or other~~
15 ~~personnel of record on another license. This license until the~~
16 ~~judgment is satisfied.~~

17 (2) *The prohibition described in paragraph (1) shall not apply*
18 *if the qualifying person or personnel of record provides proof that*
19 *the judgment is under appeal in a court of competent jurisdiction.*
20 *However, if the qualifying person or personnel of record was listed*
21 *on the license subject to the final judgment, a license of the*
22 *qualifying person or personnel of record shall be suspended.*

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

29 (k) For purposes of this section, a cash deposit may be submitted
30 in lieu of the bond.

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

34 (m) ~~For purposes of this section, "final judgment" shall mean~~
35 ~~the judgment is enforceable under the law applicable to the court~~
36 ~~that entered the judgment and for which no stay of enforcement~~
37 ~~is in effect. The licensee shall have the burden to prove that a stay~~

- 1 of enforcement is in effect from certified records of the court that
- 2 issued the stay of enforcement.

O

CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	AB 1357 (Chu)
Status/Location:	Amended 5/2/17 – Assembly Appropriations Committee
Sponsor:	HomeGuard Incorporated
Subject:	Roofing Contractors: Roof Inspections
Code Section:	Business & Professions Code section 7197

Summary:

Existing Law:

1. Regulates a person who performs certain home inspections for a fee.
2. Provides that it is an unfair business practice for a home inspector, a company that employs the inspector, or a company that is controlled by a company with a financial interest in a company employing a home inspector, to engage in various acts, including performing or offering to perform, for an additional fee, any repairs to a structure for which the inspector, or the inspector's company, has prepared a home inspection report in the past 12 months.

This Bill:

1. Provides that the existing prohibition does not affect the ability of a roofing contractor who holds a C-39 license to perform repairs pursuant to his or her inspection of a roof for the specific purpose of providing a roof certification, if all of the following conditions are met:
 - (a) Different employees perform the home inspection and the roof inspection.
 - (b) The offer to repair the roof is accepted before the home inspection is started.
 - (c) The consumer is provided a disclosure before he or she authorizes the home inspection that includes all of the following:
 - 1) The same company that performs the roof inspection and roof repairs will perform the home inspection on the same property.
 - 2) Any repairs authorized by the consumer are for those identified in the roofing contractor's roof inspection report and that no repairs identified in the home inspection are authorized or allowed.
 - 3) The consumer has the right to seek a second opinion.
2. Defines "roof certification" to mean a written statement by any licensed C-39 roofing contractor who has performed a roof inspection, made any necessary repairs, and determines that the roof is free of visible defects at the time he or she issues the certification and should perform as designed for the specified term of the certification.

Background:

According to the author:

"[This bill] seeks to add clarifying language to the law, similar to what has been in law for over a decade for pest inspectors, providing licensed roof inspectors the ability to make roof repair to homes they have inspected, even if the same company has also performed a home inspection on the same property. [This bill] provides consumers with the option to hire the same licensed roofing contractor who has identified the needed roof repairs. Currently, if a consumer has had a home inspection and a roof inspection performed by the same company, they would need to search for another roofing contractor to make repairs identified in the roof inspection. [This bill] enhances consumer choice while maintaining the same consumer protections provided by the [CSLB] for licensed roofing contractors."

The California Association of Realtors opposes this bill, stating that it allows conflicts of interest in home inspections.

Fiscal Impact for CSLB:

None.

Staff Recommendation and Comments:

WATCH. This bill does not directly impact CSLB, as CSLB does not enforce or administer the provisions of law relating to home inspections.

Date: May 3, 2017

AMENDED IN ASSEMBLY MAY 2, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1357

Introduced by Assembly Member Chu

February 17, 2017

An act to amend Section 7197 of the Business and Professions Code, relating to home inspectors.

LEGISLATIVE COUNSEL’S DIGEST

AB 1357, as amended, Chu. Home inspectors: roofing contractors: roof inspections.

Existing law regulates a person who performs certain home inspections for a fee. Existing law provides that it is an unfair business practice for a home inspector, a company that employs the inspector, or a company that is controlled by a company that also has a financial interest in a company employing a home inspector, to do various acts, including performing or offering to perform, for an additional fee, any repairs to a structure on which the inspector, or the inspector’s company, has prepared a home inspection report in the past 12 months.

This bill would exempt from these provisions a licensed roofing contractor that performs repairs pursuant to his or her inspection of a roof and ~~would prohibit a home inspector from performing a roof, inspection on the same home upon which the home inspector performed an inspection.~~ *roof for the specific purpose of providing a roof certification, as defined, if specified conditions are met.*

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

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

SECTION 1. Section 7197 of the Business and Professions Code is amended to read:

7197. (a) It is an unfair business practice for a home inspector, a company that employs the inspector, or a company that is controlled by a company that also has a financial interest in a company employing a home inspector, to do any of the following:

(1) To perform or offer to perform, for an additional fee, any repairs to a structure on which the inspector, or the inspector's company, has prepared a home inspection report in the past 12 months.

(2) Inspect for a fee any property in which the inspector, or the inspector's company, has any financial interest or any interest in the transfer of the property.

(3) To offer or deliver any compensation, inducement, or reward to the owner of the inspected property, the broker, or agent, for the referral of any business to the inspector or the inspection company.

(4) Accept an engagement to make an inspection or to prepare a report in which the employment itself or the fee payable for the inspection is contingent upon the conclusions in the report, preestablished findings, or the close of escrow.

~~(5) To perform a roof inspection on the same home upon which the home inspector performed an inspection.~~

(b) A home protection company that is affiliated with or that retains the home inspector does not violate this section if it performs repairs pursuant to claims made under the home protection contract.

(c) This section shall not affect the ability of a structural pest control operator to perform repairs pursuant to Section 8505 as a result of a structural pest control inspection.

~~(d) This section does Paragraph (1) of subdivision (a) shall not affect the ability of a roofing contractor who holds a C-39 license, as defined in Section 832.39 of Title 16 of the California Code of Regulations, to perform repairs pursuant to his or her inspection of a roof. the contractor's inspection of a roof for the specific purpose of providing a roof certification if all of the following conditions are met:~~

1 (1) Different employees perform the home inspection and the
2 roof inspection.

3 (2) The offer to repair the roof is accepted before the home
4 inspection is started.

5 (3) The consumer is provided a consumer disclosure before he
6 or she authorizes the home inspection that includes all of the
7 following:

8 (A) The same company that performs the roof inspection and
9 roof repairs will perform the home inspection on the same property.

10 (B) Any repairs that are authorized by the consumer are for the
11 repairs identified in the roofing contractor's roof inspection report
12 and no repairs identified in the home inspection are authorized or
13 allowed.

14 (C) The consumer has the right to seek a second opinion.

15 (4) For purposes of this subdivision, "roof certification" means
16 a written statement by a licensed C-39 Roofing Contractor who
17 has performed a roof inspection, made any necessary repairs, and
18 warrants that the roof is free of visible defects at the time that the
19 certification is issued and should perform as designed for the
20 specified term of the certification.

O

CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	SB 27 (Morrell)
Status/Location:	Amended 4/17/17– Senate Appropriations Committee
Sponsor:	None
Subject:	Licenses: Military Service
Code Section:	Business & Professions Code section 114.6

Summary:

Existing law requires boards within the Department of Consumer Affairs (DCA) to provide information and assistance to applicants that have served on active duty in the armed forces, and were honorably discharged.

This bill:

1. Requires every board within DCA to grant a fee waiver for the application and issuance of an initial license to an applicant who supplies satisfactory evidence that he or she served on active duty in the California National Guard or U.S. armed forces, and was honorably discharged.
2. Defines “satisfactory evidence.”
3. Specifies that a veteran shall be granted only one fee waiver; however, if the board charges separate application and issuance fees, both fees can be waived one time.
4. Specifies that the waiver shall only apply to an individual license, and not to a license issued to an individual veteran on behalf of a business or other entity.

Comments:

SB 1155 (Morrell, 2016) was substantially similar to this bill. CSLB supported SB 1155, which was held in the Senate Appropriations Committee last year.

SB 27 specifies that the waiver only applies to an individual license. Home Improvement Salesperson (HIS) registrations are issued to individuals; a contractor’s license is issued to a business entity. CSLB could consider applying these provisions to sole owner licenses, which constitute the majority of licenses.

Fiscal Impact for CSLB:

CSLB assumes this would apply to approximately 100 veteran applications annually. This equates to a revenue loss of approximately \$53,000 (\$530 initial app + license fee x 100 applicants) annually.

Staff Recommendation and Comments:

SUPPORT. This bill could make it easier for some veterans to enter into the construction industry, and it should not result in a significant financial burden to CSLB.

Date: April 27, 2017

AMENDED IN SENATE APRIL 17, 2017

SENATE BILL

No. 27

Introduced by Senator Morrell

(Coauthors: Senators Bates, Berryhill, Nguyen, and Wilk)

*(Coauthors: Assembly Members Acosta, Baker, Chávez, Cunningham,
Lackey, Mathis, and Patterson)*

December 5, 2016

An act to add Section 114.6 to the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

SB 27, as amended, Morrell. Professions and vocations: licenses: military service.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law authorizes any licensee or registrant whose license expired while he or she was on active duty as a member of the California National Guard or the United States Armed Forces to reinstate his or her license or registration without examination or penalty if certain requirements are met. Existing law also requires the boards to waive the renewal fees, continuing education requirements, and other renewal requirements, if applicable, of any licensee or registrant called to active duty as a member of the United States Armed Forces or the California National Guard, if certain requirements are met. Existing law requires each board to inquire in every application if the individual applying for licensure is serving in, or has previously served in, the military. Existing law requires a board within the Department of Consumer Affairs to expedite, and authorizes a board to assist with, the initial licensure

process for an applicant who has served as an active duty member of the United States Armed Forces and was honorably discharged.

This bill would require every board within the Department of Consumer Affairs to grant a fee waiver for the application for and the issuance of an initial license to an applicant who supplies satisfactory evidence, as defined, to the board that the applicant has served as an active duty member of the California National Guard or the United States Armed Forces and was honorably discharged. The bill would require that a veteran be granted only one fee waiver, except as specified.

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

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

1 SECTION 1. Section 114.6 is added to the Business and
2 Professions Code, to read:

3 114.6. (a) (1) Notwithstanding any other law, every board
4 within the department shall grant a fee waiver for the application
5 for and issuance of an initial license to an applicant who supplies
6 satisfactory evidence to the board that the applicant has served as
7 an active duty member of the California National Guard or the
8 United States Armed Forces and was honorably discharged.

9 (2) For purposes of this section, "satisfactory evidence" means
10 a completed "Certificate of Release or Discharge from Active
11 Duty" (DD Form 214).

12 (b) (1) A veteran shall be granted only one fee waiver, except
13 as specified in paragraph (2). After a fee waiver has been issued
14 by ~~any~~ a board within the department, the veteran is no longer
15 eligible for a waiver.

16 (2) If a board charges a fee for the application for a license and
17 another fee for the issuance of a license, the veteran shall be granted
18 fee waivers for both the application for and issuance of a license.

19 (3) The fee waiver shall apply only to an application of and a
20 license issued to an individual veteran and not to an application
21 of or a license issued to an individual veteran on behalf of a
22 business or other entity.

23 (4) A fee waiver shall not be issued for any of the following:

24 (A) Renewal of a license.

- 1 (B) The application for and issuance of an additional license, a
- 2 certificate, a registration, or a permit associated with the initial
- 3 license.
- 4 (C) The application for an examination.

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CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	SB 486 (Monning)
Status/Location:	Amended 4/20/17 – Senate Appropriations Committee
Sponsor:	Contractors State License Board
Subject:	Letter of Admonishment
Code Section:	Business & Professions Code sections 7099.2 & 7124.6

Summary:

Existing law authorizes the CSLB Registrar, if there is probable cause to believe that a licensee or applicant has committed any acts or omissions that are grounds for suspension, revocation, or denials of a license, to issue a citation to the licensee or applicant.

This Bill:

1. Authorizes the CSLB Registrar to issue a letter of admonishment in lieu of a citation.
2. Requires that the letter of admonishment be in writing and describe the nature and facts of the violation, and inform the licensee or applicant that within 30 days the license or applicant may do either of the following:
 - a) Submit to the Registrar a written request for an office conference to contest the letter of admonishment. Specifies that the office conference is an informal process not subject to the Administrative Procedure Act. Provides that the Registrar may then affirm, modify, or withdraw the letter of admonishment.
 - b) 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, specifies that compliance with the letter of admonishment does not constitute an admission of the violation.
3. Provides that this authority does not in any way limit the ability to issue a citation or institute disciplinary proceedings.
4. Specifies that the letter of admonishment shall not be construed as a disciplinary action.
5. Prohibits the issuance of a letter of admonishment when any one of the following factors is present:
 - a) The licensee, registrant, or applicant was unlicensed at the time of the violation.
 - b) Multiple violations have been established.
 - c) The licensee, registrant, or applicant has a history of the same or similar violations.
 - d) The violation resulted in financial harm to another.

- e) The victim is an elder or dependent adult.
 - f) The violation is related to the repair of damage created by a natural disaster.
6. Provides that a letter of admonishment shall be publicly disclosed for one year.

Fiscal Impact for CSLB:

Absorbable.

Board Position and Comments:

SUPPORT. CSLB currently has authority to issue a citation to a licensee or applicant for a violation of contractors' state license law. The existing citation program works well, however, it has become costly to operate. As a citation affords the same right to appeal as an accusation, there is no shortage of appealed citations every year. The average cost to CSLB for an appeal is \$9,860, whether or not the respondent appears at the hearing. CSLB believes that this letter of admonishment will increase opportunities to settle offenses before they are appealed, while still providing correction of the offending behavior. It will also provide for public disclosure, by posting the issuance of a letter of admonishment online for one year.

Date: May 3, 2017

AMENDED IN SENATE APRIL 20, 2017

AMENDED IN SENATE MARCH 28, 2017

SENATE BILL

No. 486

**Introduced by Senator Monning
(Coauthors: Senators Berryhill, Hill, and Moorlach)**

February 16, 2017

An act to amend Sections 7099.2 and 7124.6 of the Business and Professions Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

SB 486, as amended, Monning. Contractors' State License Law: letter of admonishment.

(1) Existing law, the Contractors' State License Law, provides for the licensure and regulation of contractors by the Contractors' State License Board. Existing law also provides for the registration and regulation of home improvement salespersons by the board. Existing law requires the board to appoint a registrar of contractors who is the executive officer and secretary of the board and is responsible for carrying out specified administrative duties. If, upon investigation, the registrar has probable cause to believe that a licensee or an applicant for a license under existing law has committed any acts or omissions that are grounds for denial, revocation, or suspension of license, he or she, in lieu of a specified proceeding, may issue a citation to the licensee or applicant.

This bill would authorize the registrant to issue a written and detailed letter of admonishment to an applicant, licensee, or registrant instead of issuing a citation 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 bill would require the letter to inform the applicant, licensee, or registrant that he or she may submit a written request for an office conference to contest the letter of admonishment, subject to specified procedures, including a process to appeal a decision, or comply with the letter, as provided. *The bill would prohibit the board from issuing a letter of admonishment when specified factors are present. The bill would authorize the board to adopt regulations to further define the circumstances under which a letter of admonishment may be issued.*

Existing law requires the registrar to make available to members of the public the date, nature, and status of all complaints on file against a licensee that meet specific qualifications. Under existing law, complaints resolved in favor of the contractor are not subject to disclosure.

The bill would distinguish a letter of admonishment from a complaint resolved in favor of the contractor and would require a letter of admonishment to be disclosed for a year.

(2) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

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. It is the intent of the Legislature that the
2 Contractors' State License Board only issue letters of
3 admonishment to applicants, licensees, or registrants for minor
4 violations that do not involve financial harm to the consumer and
5 do not result in serious illness or injury.

6 SEC. 2. Section 7099.2 of the Business and Professions Code
7 is amended to read:

8 7099.2. (a) The board shall promulgate regulations covering
9 the assessment of civil penalties under this article that give due
10 consideration to the appropriateness of the penalty with respect to
11 the following factors:

12 (1) The gravity of the violation.

1 (2)The good faith of the licensee or applicant for licensure
2 being charged.

3 (3)The history of previous violations.

4 (b)Except as otherwise provided by this chapter, no civil penalty
5 shall be assessed in an amount greater than five thousand dollars
6 (\$5,000). Notwithstanding Section 125.9, a civil penalty not to
7 exceed fifteen thousand dollars (\$15,000) may be assessed for a
8 violation of Section 7114 or 7118.

9 (c) If, upon investigation, the registrar has probable cause to
10 believe that a licensee, registrant, or applicant has committed acts
11 or omissions that are grounds for denial, suspension, or revocation
12 of a license or registration, the registrar, or his or her designee,
13 may issue a letter of admonishment to an applicant, licensee, or
14 registrant in lieu of issuing a citation. Nothing in this article shall
15 in any way limit the registrar's discretionary authority or ability
16 to issue a letter of admonishment as prescribed by this subdivision.

17 (1) The letter of admonishment shall be in writing and shall
18 describe in detail the nature and facts of the violation, including a
19 reference to the statutes or regulations violated. The letter of
20 admonishment shall inform the licensee, registrant, or applicant
21 that within 30 days of service of the letter of admonishment the
22 licensee, registrant, or applicant may do either of the following:

23 (A) Submit a written request for an office conference to the
24 registrar to contest the letter of admonishment. Upon a timely
25 request, the registrar, or his or her designee, shall hold an office
26 conference with the licensee, registrant, or applicant and, if
27 applicable, his or her legal counsel or authorized representative.

28 (i) No individual other than the legal counsel or authorized
29 representative of the licensee, registrant, or applicant may
30 accompany the licensee, registrant, or applicant to the office
31 conference.

32 (ii) Prior to or at the office conference, the licensee, registrant,
33 or applicant may submit to the registrar declarations and documents
34 pertinent to the subject matter of the letter of admonishment.

35 (iii) The office conference is intended to be informal and shall
36 not be subject to the Administrative Procedure Act (Chapter 4.5
37 (commencing with Section 11400) or Chapter 5 (commencing with
38 Section 11500) of Part 1 of Division 3 of Title 2 of the Government
39 Code).

(iv) After the office conference, the registrar, or his or her designee, may affirm, modify, or withdraw the letter of admonishment. Within 14 calendar days from the date of the office conference, the registrar, or his or her 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.

(v) 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.

(B) 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.

(2) The letter of admonishment shall be served upon the licensee, registrant, or applicant personally or by certified mail at his or her 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.

(3) 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.

(4) Nothing in this subdivision shall in any way limit the board's authority or ability to do either of the following:

(A) Issue a citation pursuant to Section 125.9, 148, or 7099.

(B) Institute disciplinary proceedings pursuant to this article.

(5) 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.

(6) The board shall not issue a letter of admonishment when any one of the following factors is present:

1 (A) The licensee, registrant, or applicant was unlicensed at the
2 time of the violation.

3 (B) Multiple violations have been established.

4 (C) The licensee, registrant, or applicant has a history of the
5 same or similar violations.

6 (D) The violation resulted in financial harm to another.

7 (E) The victim is an elder or dependent adult as defined in
8 Section 368 of the Penal Code.

9 (F) The violation is related to the repair of damage caused by
10 a natural disaster.

11 (7) The board may adopt regulations to further define the
12 circumstances under which a letter of admonishment may be issued.

13 SEC. 3. Section 7124.6 of the Business and Professions Code
14 is amended to read:

15 7124.6. (a) The registrar shall make available to members of
16 the public the date, nature, and status of all complaints on file
17 against a licensee that do either of the following:

18 (1) Have been referred for accusation.

19 (2) Have been referred for investigation after a determination
20 by board enforcement staff that a probable violation has occurred,
21 and have been reviewed by a supervisor, and regard allegations
22 that if proven would present a risk of harm to the public and would
23 be appropriate for suspension or revocation of the contractor's
24 license or criminal prosecution.

25 (b) The board shall create a disclaimer that shall accompany
26 the disclosure of a complaint that shall state that the complaint is
27 an allegation. The disclaimer may also contain any other
28 information the board determines would be relevant to a person
29 evaluating the complaint.

30 (c) (1) A complaint resolved in favor of the contractor shall not
31 be subject to disclosure.

32 (2) A complaint resolved by issuance of a letter of
33 admonishment pursuant to Section 7099.2 shall not be deemed
34 resolved in favor of the contractor for the purposes of this section.
35 A letter of admonishment issued to a licensee shall be disclosed
36 for a period of one year from the date described in paragraph (2)
37 of subdivision (c) of Section 7099.2.

38 (d) Except as described in subdivision (e), the registrar shall
39 make available to members of the public the date, nature, and
40 disposition of all legal actions.

(e) Disclosure of legal actions shall be limited as follows:

(1) (A) Citations shall be disclosed from the date of issuance and for five years after the date of compliance if no additional disciplinary actions have been filed against the licensee during the five-year period. If additional disciplinary actions were filed against the licensee during the five-year period, all disciplinary actions shall be disclosed for as long as the most recent disciplinary action is subject to disclosure under this section. At the end of the specified time period, those citations shall no longer be disclosed.

(B) Any disclosure pursuant to this paragraph shall also appear on the license record of any other license identified as a qualifier as defined in Section 7025 who is listed in the members of the personnel of record as defined in Section 7025 of the license that was issued the citation.

(C) The disclosure described in subparagraph (B) shall be for the period of disclosure of the citation.

(2) Accusations that result in suspension, stayed suspension, or stayed revocation of the contractor's license shall be disclosed from the date the accusation is filed and for seven years after the accusation has been settled, including the terms and conditions of probation if no additional disciplinary actions have been filed against the licensee during the seven-year period. If additional disciplinary actions were filed against the licensee during the seven-year period, all disciplinary actions shall be posted for as long as the most recent disciplinary action is subject to disclosure under this section. At the end of the specified time period, those accusations shall no longer be disclosed.

(3) All revocations that are not stayed shall be disclosed indefinitely from the effective date of the revocation.

SEC. 4. The Legislature finds and declares that Section 3 of this act, which amends Section 7124.6 of the Business and Professions Code, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to allow the Contractors' State License Board to fully accomplish its regulatory and disciplinary goals for minor

1 violations, it is necessary to limit access to the letters of
2 admonishment.

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CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	SB 715 (Newman)
Status/Location:	Amended 4/25/17 – Senate Business, Professions and Economic Development Committee
Sponsor:	None
Subject:	Regulatory Boards: Removal of Board Members
Code Section:	Business & Professions Code section 106

Summary:

Existing law authorizes the Governor to remove from office any board member in the Department of Consumer Affairs (DCA) appointed by him or her, on specific grounds, including continued neglect of duties.

This bill includes the failure to attend board meetings as a cause for removing a board member from office.

Background:

According to the author:

“Discretion for the removal of board members for instances of absences is a good government approach to ensuring the effectiveness and efficiency of the important regulatory boards within the DCA. Member absences can impact the professions and public alike, as key decisions are made and votes taken at board meetings directly related to oversight of licensees. The Governor should have authority to remove board members from their position when their absences impact their ability to successfully serve.”

Prior Legislation:

SB 496 (De Leon) as introduced contained identical language, though that bill has since been amended to address a different subject.

Fiscal Impact for CSLB:

None.

Staff Recommendation and Comments:

Watch. This bill does not directly affect CSLB. It also does not appear to provide the Governor any new authority, as failure to attend board meetings could be considered neglect of duties, which is already a factor that can inform the decision to remove a board member from office.

Date: May 2 2017

AMENDED IN SENATE APRIL 25, 2017

SENATE BILL

No. 715

Introduced by Senator Newman

February 17, 2017

~~An act to amend Section 5503 of the Public Resources Code, relating to park districts. An act to amend Section 106 of the Business and Professions Code, relating to consumer affairs.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 715, as amended, Newman. ~~Park and open-space districts. Department of Consumer Affairs: regulatory boards: removal of board members.~~

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law authorizes the Governor to remove from office any member of any board within the department appointed by him or her, on specific grounds, including continued neglect of duties required by law.

This bill would specifically include the failure to attend meetings of the board as one example of continued neglect of duties required by law that the Governor can use as a reason to remove a member from a board.

~~Existing law provides a procedure for the formation of a regional park district, regional park and open-space district, or a regional open-space district.~~

~~This bill would make nonsubstantive changes to one of those provisions.~~

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

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

1 SECTION 1. Section 106 of the Business and Professions Code
2 is amended to read:

3 106. The Governor has power to remove from office at any
4 time, any member of any board appointed by him *or her* for
5 continued neglect of duties required by law, *which may include*
6 *the failure to attend board meetings*, or for incompetence, or
7 unprofessional or dishonorable conduct. Nothing in this section
8 shall be construed as a limitation or restriction on the power of the
9 Governor, conferred on him *or her* by any other ~~provision of law~~,
10 to remove any member of any board.

11 ~~SECTION 1. Section 5503 of the Public Resources Code is~~
12 ~~amended to read:~~

13 ~~5503. Whenever it is desired to form a district under this article,~~
14 ~~a petition requesting the creation and maintenance of a district,~~
15 ~~and describing the exterior boundaries of the proposed district~~
16 ~~shall be signed by at least 5,000 electors residing within the~~
17 ~~territory proposed to be included in the district. The petition shall~~
18 ~~be presented to the board of supervisors of the county containing~~
19 ~~the largest area within the proposed district.~~

CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	SB 721 (Hill)
Status/Location:	Amended 4/27/17 - Senate Appropriations Committee
Sponsor:	None
Subject:	Contractors: Deck Inspections
Code Section:	Business & Professions Code 7071.20

Summary:

Existing law provides authority for an enforcement agency to enter and inspect any buildings or premises whenever necessary to secure compliance with or prevent a violation of the building standards published in the California Building Standards Code and other rules and regulations that the enforcement agency has the power to enforce.

This bill:

1. Requires all buildings be inspected that contain three or more multifamily dwelling units, any units that have an existing balcony or other elevated walking surface exposed to water, including, but not limited to, rain, snow, or irrigation, with structural framing that is protected by an impervious moisture barrier.
2. Requires that a licensed general contractor, structural pest control licensee, licensed architect, licensed engineer, a certified construction inspector, or building official perform the inspection.
3. Specifies that the purpose of the inspection is to verify that all of the balconies and other elevated walking surfaces covered by this section are in generally safe condition, adequate working order, and free from hazardous dry rot, fungus, deterioration, decay, or improper alteration to the extent that the life, limb, health, property, safety, or welfare of the public or occupant is not endangered.
4. Requires building elements, including the walking surface, structural frame and connector hardware, weatherproofing, landings, stairway systems, guardrails, handrails, and any other elements critical to the safety of the balcony or elevated walking surface, found to be in need of repair or replacement, hazardous, structurally deficient, or noncompliant shall, upon determination by the inspector, be immediately corrected by the property owner or individual person or company responsible for management or operation on the building.
5. Specifies that if corrective work is required, a property shall apply for a permit within 60 days of receipt of the inspection report.
6. Once the permit is approved, requires the owner or designated agent to make the repairs within 90 days.
7. Provides that all necessary permits for repair or replacement of exterior balconies and elevated walking surfaces be obtained from the local jurisdiction.

8. Requires all repair work be performed in compliance with manufacturer's instructions, the latest edition of the California Building Standards Code, and all local jurisdictional requirements.
9. Provides that the property owner shall be responsible for compliance with the bill's requirements.
10. Requires that the inspections be completed by January 1, 2021, and every five years after.
11. Requires the inspector to produce an initial report that states the condition of the building features and recommendations for repair, conditioning, or replacement and a final report indicating that all of the required repairs have been made.
12. Requires a copy of the report be submitted to the county recorder for recordation.
13. Provides that multifamily buildings of three or more units for which a building permit has been submitted on or after February 1, 2017, are exempt from the inspection requirements for five years after the certificate of occupancy is issued.
14. Specifies that the continued and ongoing maintenance of balconies and elevated walking surfaces shall be the responsibility of the property owner or the designated agent.
15. Grants the enforcement agency the ability to require re-inspection of those structures to determine ongoing compliance.
16. Provides that local enforcement agencies shall have the ability to recover enforcement costs.
17. Provides that a property owner or designated agent shall not be required to produce a new inspection report of the multifamily building if both of the following occur:
 - a) The building was inspected within three years prior to January 2, 2018.
 - b) An authorized inspector performs the inspection and the report states that the elements do not pose a threat.
18. Provides that if an owner or agent does not comply with the inspection or repair requirements after 60 days, the enforcement agency shall send a 30 day corrective notice. If the inspection or repair are still not completed within 30 days of the notice, the owner shall be assessed a daily civil penalty of \$100 per day until the repairs are completed.

Background:

According to the author, this bill is a follow up to SB 465 (Hill, 2016), which required that the Building Standards Commission study recent balcony failures in the state and submit a report to the Legislature of findings and recommendations. That bill was a response to the Berkeley balcony collapse in 2015 that killed six and injured seven. In addition to the deadly Berkeley balcony collapse, a stairwell at an apartment building in the City of Folsom collapsed in 2015, killing a Cal Poly graduate student. The author states that wood rot, resulting from poor building maintenance, caused both the Berkeley and Folsom collapses. Current law does not require all local governments to inspect apartment and multi-dwelling structures or require inspections from other licensed entities. Each city decides if it wants to inspect multi-family structures for maintenance and safety.

Berkeley Ordinance:

On July 14, 2015, the Berkeley City Council unanimously passed Ordinance No.7,431-N.S. adding Section 601.4 to the Berkeley Housing Code requiring inspection of weather-exposed, exterior, elevated elements of buildings. The ordinance requires inspection of exterior elevated elements (EEEs), such as balconies, decks, and stairs every three years, and it applies to temporary and permanent residences such as hotels and apartments. The EEE inspection program applies to all such buildings regardless of their original construction date. The ordinance required the initial inspection within six months of its passage and required inspections every three years thereafter.

Building Standards Commission (BSC):

On January 27, 2017, the BSC passed emergency regulations to address the safety of elevated elements exposed to water from rain, snow, or irrigation. The regulations were modeled after a proposal by the International Code Council (ICC) to amend the International Building Code (IBC) and the International Existing Building Code (IEBC). For new construction, the IBC-modeled regulations require the inclusion of a manufacturer's installation instructions of the structure's impervious moisture barrier system in the construction documents and require the inspection and approval of this barrier before sealing. They also increase the minimum uniform load requirements for balconies and decks and require ventilation below balconies or elevated walking surfaces exposed to water. For existing buildings, the IEBC-modeled regulations require the maintenance of buildings and structures in safe and sanitary conditions.

Support:

Consumer Attorneys of California
Center for Public Interest Law
City of Berkeley

Opposition:

California Apartment Association
California Association of Realtors
California Building Industry Associations
California Building Officials
California Land Title Association

Fiscal Impact for CSLB:

This bill makes some changes to existing statute for the benefit of local enforcement agencies. It does not require CSLB to do any additional work; therefore, this bill would have no fiscal impact on CSLB.

Staff Recommendation and Comments:

WATCH. While the bill places its requirements within the contractors' state license law, it does not impose any requirements on CSLB. Staff believes it would be preferable to place the requirements in the Health & Safety Code. It does authorize general contractors to perform these inspections; CSLB understands that to mean that an "A" or

a “B” licensee could perform these inspections, within the existing classification limitations.

Date: May 2, 2017

AMENDED IN SENATE APRIL 27, 2017
AMENDED IN SENATE APRIL 17, 2017
AMENDED IN SENATE MARCH 27, 2017

SENATE BILL

No. 721

**Introduced by Senator Hill
(Coauthor: Senator Skinner)**

February 17, 2017

An act to add Section 7071.20 to the Business and Professions Code, and to add Section 4776 to the Civil Code, relating to contractors.

LEGISLATIVE COUNSEL'S DIGEST

SB 721, as amended, Hill. Contractors: decks and balconies: inspection.

(1) Existing law provides authority for an enforcement agency to enter and inspect any buildings or premises whenever necessary to secure compliance with or prevent a violation of the building standards published in the California Building Standards Code and other rules and regulations that the enforcement agency has the power to enforce.

This bill would require a property owner to conduct an inspection of decks, balconies, and elevated walkways more than 6 feet above ground level in a building containing 3 or more multifamily units by utilizing a person licensed to perform these inspections by the Department of Consumer Affairs. The bill would require the inspections and any necessary repairs to be completed by January 1, 2021, with certain exceptions, and would require subsequent inspections every 5 years, except as specified. The bill would require a copy of the inspection report to be filed with the county recorder and made available, as specified. The repairs made under these provisions would be required

to comply with the latest edition of the California Building Standards Code and all local jurisdictional requirements. The bill would assess specified civil penalties against a property owner, in the form of a lien against the property, for failure to timely comply with these provisions, as specified. The bill would authorize local enforcement agencies to recover enforcement costs associated with these requirements.

~~This bill would require an inspection of building assemblies, load-bearing components, and associated waterproofing elements, as defined, including decks and balconies by utilizing specified licensed architects, engineers, building inspectors, or a person licensed to perform these inspections by the Department of Consumer Affairs. The bill would require the inspections, including any necessary destructive testing, to be completed by January 1, 2022, with certain exceptions, and would require subsequent inspections every 5 years, except as specified. The bill would require the inspection report to contain specified items and would require that a copy of the inspection report be presented to the owner of the building within 45 days of the completion of the inspection. The bill would require that if the inspection reveals conditions that pose an immediate hazard to the safety of the occupants, the inspection report be delivered to the owner of the building within 15 days and emergency repairs be undertaken, as specified, with notice given to the local enforcement agency. The nonemergency repairs made under these provisions would be required to be completed within 90 days, unless an extension is granted by the local authorities, and would be required to comply with the latest edition of the California Building Standards Code and all local jurisdictional requirements. The bill would authorize local enforcement agencies to recover enforcement costs associated with these requirements. The bill would require the local enforcement agency to send a 30-day corrective notice to the owner of the building if repairs are not completed on time and would provide for specified civil penalties and liens against the property for the owner of the building who fails to comply with these provisions.~~

~~(2) The Davis-Stirling Common Interest Development Act defines and regulates common interest developments, which include community apartment projects, condominium projects, planned developments, and stock cooperatives. The act requires the homeowners association to maintain the common areas of the development.~~

~~This bill would require a homeowners association to conduct an inspection, as specified, by a licensee as specified or by a person approved by the Department of Consumer Affairs, of the load-bearing~~

~~components and associated waterproofing elements of building assemblies, as defined, that the association is obligated to repair, replace, restore, or maintain. The bill would require the inspections, including any necessary destructive testing, to be completed by January 1, 2022, with certain exceptions, and would require subsequent inspections every 5 years, except as specified. The bill would require the inspection reports to contain specified items. The bill would require that the results of the report be used in calculating the reserve study for the development, as specified. The bill would require the inspection report to be presented to the association within 45 days of the completion of the inspection and would require a copy of the report to be maintained in the association's records. The bill would require that if the inspection reveals conditions that pose an immediate hazard to the safety of the occupants, the inspection report be delivered to the association within 15 days and emergency repairs be undertaken, as specified, with notice given to the local enforcement agency. Nonemergency repairs made under these provisions would be required to be completed within 90 days, unless an extension is granted by the local authorities, and would be required to comply with specified requirements, including the latest edition of the California Building Standards Code. The bill would, with regard to a condominium conversion, require an inspection be completed prior to the close of escrow on the first separate interest and would require the disclosure of the results of these inspections to the Bureau of Real Estate prior to the issuance of a final public report. A copy of the report would also be required to be sent to the local jurisdiction in which the property is located prior to the issuing of a final inspection or certificate of occupancy. The bill would authorize a local enforcement agency to recover its costs associated with enforcing these provisions. The bill would provide that its provisions do not apply to those areas constituting an individual owner's separate interest, as defined.~~

~~(3)~~

(2) Because this bill would impose new duties upon local enforcement authorities, it would impose a state-mandated local program.

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.

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

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

1 SECTION 1. Section 7071.20 is added to the Business and
2 Professions Code, to read:
3 7071.20. (a) (1) All buildings containing three or more
4 multifamily dwelling units, any units that have an existing balcony
5 or other elevated walking surface exposed to water, including, but
6 not limited to, rain, snow, or irrigation, with structural framing
7 that is protected by an impervious moisture barrier shall be
8 inspected. For purposes of this section, balconies or other elevated
9 walking surfaces less than six feet above grade are not included.
10 The inspection shall be performed by a licensed general contractor,
11 structural pest control licensee, licensed architect, licensed
12 engineer, a certified construction inspector, or building official
13 as specified in Section 18949.27 of the Health and Safety Code,
14 or other licensee as approved by the Department of Consumer
15 Affairs. The purpose of the inspection is to verify that all of the
16 balconies and other elevated walking surfaces covered by this
17 section are in generally safe condition, adequate working order,
18 and free from hazardous dry rot, fungus, deterioration, decay, or
19 improper alteration to the extent that the life, limb, health,
20 property, safety, or welfare of the public or the occupants is not
21 endangered.
22 (2) Building elements, including the walking surface, structural
23 frame and connector hardware, weatherproofing, landings,
24 stairway systems, guardrails, handrails, and any other elements
25 critical to the safety of the balcony or elevated walking surface,
26 found to be in need of repair or replacement, hazardous,
27 structurally deficient, or noncompliant shall, upon determination
28 by the inspector, be immediately corrected by the property owner
29 or individual person or company responsible for management or
30 operation of the building. All
31 (3) If corrective work is required, a property owner shall apply
32 for a permit within 60 days of receipt of the inspection report.
33 Once the permit is approved, the property owner or owner's
34 designated agent shall have 90 days to make the repairs.

1 (4) All necessary permits for repair or replacement of exterior
2 balconies and elevated walking surfaces shall be obtained from
3 the local jurisdiction. All repair and replacement work, including
4 installation and inspection of impervious moisture barrier systems,
5 must be performed in compliance with manufacturer's instructions,
6 the latest edition of the California Building Standards Code, and
7 all local jurisdictional requirements.

8 (5) The property owner shall be responsible for complying with
9 the requirements of this section. The person or business performing
10 the inspection shall be hired by property owner or by the person
11 or company responsible for the management or operation of the
12 building.

13 (b) The inspection and repairs shall be completed by January
14 1, 2021, and every five years thereafter. The inspector conducting
15 the inspection shall produce an initial report that states the
16 condition of the building features and recommendations for repair,
17 conditioning, or replacement and a final report indicating that all
18 of the required repairs have been completed. A copy of the final
19 report shall be submitted to the county recorder for recordation.
20 Local enforcement agencies may determine the information to be
21 provided in the report and require a copy of the initial or final
22 reports, or both, to be submitted to the local jurisdiction in lieu of
23 recordation.

24 (c) (1) Multifamily buildings of three units or more for which
25 a building permit application has been submitted on or after
26 February 1, 2017, are exempt from the inspection certification
27 requirements for a period of five years following issuance of a
28 certificate of occupancy from the local jurisdiction.

29 (2) These multifamily buildings of three units or more shall
30 comply with the inspection and documentation requirements
31 described in subdivision (b), which shall be completed before the
32 end of the sixth year following the issuance of the certificate of
33 occupancy and every five years thereafter.

34 (d) The continued and ongoing maintenance of balconies and
35 elevated walking surfaces and parts thereof, in a safe and sanitary
36 condition, shall be the responsibility of the property owner or the
37 property owner's designated agent. To determine ongoing
38 compliance with this subdivision, the enforcement agency shall
39 have the authority to require reinspection of those structures.

1 (e) Local enforcement agencies shall have the ability to recover
2 enforcement costs associated with the requirements of this section.

3 (f) (1) A property owner or the owner's designated agent shall
4 not be required to produce a new inspection report of the
5 multifamily building if both of the following are met:

6 (A) The multifamily building was inspected by an inspector, as
7 described in paragraph (1) of subdivision (a), within three years
8 prior to January 1, 2018.

9 (B) The inspection was performed by an inspector, as described
10 in paragraph (1) of subdivision (a), and the inspection report states
11 that the decks, balconies, elevated walkways, or other related
12 exterior elevated elements are in proper working condition and
13 do not pose a threat to the health and safety of the public.

14 (2) If the above requirements are met, a property owner or the
15 property owner's designated agent shall file a copy of the final
16 inspection report to the county recorder. Beginning five years after
17 the completion of the inspection, these multifamily buildings of
18 three units or more shall be reinspected and a new inspection
19 report filed with the county recorder and every five years
20 thereafter.

21 (g) (1) If a property owner or an owner's designated agent
22 does not comply with the inspection or repair requirements after
23 60 days, the enforcement agency shall send a 30-day corrective
24 notice by certified mail to the owner or owner's designated agent.
25 If within 30 days of the date of the notice the inspection is not
26 completed, the owner of the multifamily building shall be assessed
27 a daily civil penalty of one hundred dollars (\$100) per day, which
28 shall constitute a lien against the property, until the inspection is
29 complete.

30 (2) If a corrective notice is sent under this subdivision, the
31 property owner or the owner's designated agent shall have 60
32 days from the completion of the inspection to complete the repairs,
33 unless an extension of time is granted by the local enforcement
34 agency. If the repairs are not completed within the designated
35 time, the property owner shall be assessed a civil penalty of one
36 hundred dollars (\$100) per day, which shall constitute a lien
37 against the property, until the repairs are completed.

38 ~~SECTION 1. Section 7071.20 is added to the Business and~~
39 ~~Professions Code, to read:~~

1 ~~7071.20.— (a) Building assemblies that include load-bearing~~
2 ~~components in all buildings containing three or more multifamily~~
3 ~~dwelling units shall be inspected. The inspection shall be performed~~
4 ~~by an inspector who is a licensed architect, licensed civil engineer,~~
5 ~~licensed structural engineer, a certified construction inspector,~~
6 ~~building official, as described in Section 18949.27 of the Health~~
7 ~~and Safety Code, or other licensee specifically approved by the~~
8 ~~Department of Consumer Affairs as qualified to perform the~~
9 ~~inspection required by this section. The purpose of the inspection~~
10 ~~is to verify that all building assemblies, which include load-bearing~~
11 ~~components and their associated waterproofing elements, are in a~~
12 ~~generally safe condition, adequate working order, and free from~~
13 ~~any hazardous condition caused by fungus, deterioration, decay,~~
14 ~~or improper alteration to the extent that the life, limb, health,~~
15 ~~property, safety, or welfare of the public or the occupants is not~~
16 ~~endangered. The person or business performing the inspection~~
17 ~~shall be hired by the owner of the building.~~

18 ~~(b) For purposes of this section, the following terms have the~~
19 ~~following definitions:~~

20 ~~(1) “Associated waterproofing elements” include, without~~
21 ~~limitation, flashings, membranes, coatings, and sealants that protect~~
22 ~~load-bearing components from exposure to water and the elements.~~

23 ~~(2) “Building assembly” includes, without limitation, any of~~
24 ~~the following: elevated exterior balconies, decks, porches,~~
25 ~~stairways, walkways, entry structures, and their supports and~~
26 ~~railings, carports, or other exterior structures designed for human~~
27 ~~occupancy or use and that rely in whole or in part on wood or~~
28 ~~wood-based products for structural support or stability.~~

29 ~~(3) “Load-bearing components” are those components that~~
30 ~~deliver structural loads from the building, its contents, and its~~
31 ~~occupants to the foundation. Load-bearing components include,~~
32 ~~without limitation, decking, subfloors, beams, joists, girders, posts,~~
33 ~~columns, bearing walls, foundation elements, fasteners, brackets,~~
34 ~~and rods.~~

35 ~~(c) The inspection required by this section shall at a minimum~~
36 ~~include:~~

37 ~~(1) Identification of each building assembly that, if found to be~~
38 ~~defective, decayed, or deteriorated to the extent that it does not~~
39 ~~meet its load requirements, would, in the opinion of the inspector,~~
40 ~~constitute a threat to the health or safety of the occupants.~~

1 ~~(2) Assessment of the load-bearing components and associated~~
2 ~~waterproofing elements of each building assembly by using~~
3 ~~methods that allow for a direct visual evaluation of the physical~~
4 ~~condition of the component.~~

5 ~~(3) For any component of a building assembly that is not directly~~
6 ~~visible or accessible without opening or removing portions of the~~
7 ~~structure to allow a direct visual evaluation, and where there is no~~
8 ~~visible exterior evidence of damage or deterioration, an intrusive~~
9 ~~inspection, that allows a direct visual evaluation of a sample of~~
10 ~~the component that, in the opinion of the inspector, is conducted~~
11 ~~in a sufficient number of locations to allow the inspector to~~
12 ~~extrapolate the findings to all similar locations, may be utilized in~~
13 ~~the evaluation.~~

14 ~~(4) An evaluation of the load-bearing components of each~~
15 ~~building assembly and associated waterproofing elements that~~
16 ~~addresses each of the following as of the date of the evaluation:~~

17 ~~(A) The current condition of the building assembly.~~

18 ~~(B) Whether the current condition of the building assembly~~
19 ~~meets its load requirements.~~

20 ~~(C) Expectations of future performance and projected service~~
21 ~~life.~~

22 ~~(D) Recommendations of any further inspection necessary.~~

23 ~~(E) Recommendations of any necessary repair or replacement.~~

24 ~~(F) An estimate of the cost of any recommended repair or~~
25 ~~replacement.~~

26 ~~(5) A written report of the evaluation stamped and signed by~~
27 ~~the inspector presented to the owner of the building or the owner's~~
28 ~~designated agent within 45 days of completion of the inspection.~~
29 ~~The report shall include photographs, any test results, and narrative~~
30 ~~sufficient to establish a baseline of the condition of the components~~
31 ~~inspected that can be compared to the results of subsequent~~
32 ~~inspections. In addition to the evaluation required by this section,~~
33 ~~the report shall advise which, if any, building assembly poses an~~
34 ~~immediate threat to the safety of the occupants, and whether~~
35 ~~preventing occupant access or conducting emergency repairs,~~
36 ~~including shoring, are necessary.~~

37 ~~(d) The inspection shall be completed by January 1, 2022, and~~
38 ~~by January 1 every five years thereafter. The inspector conducting~~
39 ~~the inspection shall produce an initial report pursuant to paragraph~~
40 ~~(5) of subdivision (c) and a final report indicating that any required~~

1 ~~repairs have been completed. A copy of any report that~~
2 ~~recommends immediate repairs, advises that any building assembly~~
3 ~~poses an immediate threat to the safety of the occupants, or whether~~
4 ~~preventing occupant access or emergency repairs, including~~
5 ~~shoring, are necessary shall be provided by the inspector to the~~
6 ~~owner of the building and to the local enforcement agency within~~
7 ~~15 days of completion of the report. Local enforcement agencies~~
8 ~~may determine whether any additional information is to be~~
9 ~~provided in the report and may require a copy of the initial or final~~
10 ~~reports, or both, be submitted to the local jurisdiction.~~

11 ~~(e) The inspection of buildings for which a building permit~~
12 ~~application has been submitted on or after February 1, 2017, shall~~
13 ~~occur no later than five years following issuance of a certificate~~
14 ~~of occupancy from the local jurisdiction and shall otherwise comply~~
15 ~~with the provisions of this section.~~

16 ~~(f) A building assembly that include load-bearing components~~
17 ~~found to be in need of repair or replacement, hazardous, structurally~~
18 ~~deficient, or noncompliant by the inspector, shall be corrected by~~
19 ~~the owner of the building. All necessary permits for repair or~~
20 ~~replacement shall be obtained from the local jurisdiction. All repair~~
21 ~~and replacement work shall be performed in compliance with all~~
22 ~~of the following:~~

23 ~~(1) The inspector's recommendations, or with alternative~~
24 ~~recommendations by a licensed professional described in~~
25 ~~subdivision (a).~~

26 ~~(2) Any applicable manufacturer's specifications.~~

27 ~~(3) The latest edition of the California Building Standards Code.~~

28 ~~(4) All local jurisdictional requirements.~~

29 ~~(g) (1) A building assembly that the inspector advises poses an~~
30 ~~immediate threat to the safety of the occupants, or finds preventing~~
31 ~~occupant access or emergency repairs, including shoring, or both,~~
32 ~~are necessary, shall be considered an emergency condition and the~~
33 ~~owner of the building shall perform required preventive measures~~
34 ~~immediately. Repairs of emergency conditions shall be inspected~~
35 ~~by the inspector and reported to the local enforcement agency.~~

36 ~~(2) The owner of the building requiring corrective work to a~~
37 ~~load-bearing component that, in the opinion of the inspector, does~~
38 ~~not pose an immediate threat to the safety of the occupants, shall~~
39 ~~apply for a permit within 60 days of receipt of the inspection report.~~
40 ~~Once the permit is approved, the owner of the building shall have~~

1 90 days to make the repairs unless an extension of time is granted
2 by the local enforcement agency.

3 ~~(h) (1) The owner of the building shall be responsible for~~
4 ~~complying with the requirements of this section.~~

5 ~~(2) If the owner of the building does not comply with the repair~~
6 ~~requirements within 90 days, the inspector shall notify the~~
7 ~~enforcement agency, which shall send a 30-day corrective notice~~
8 ~~to the owner of the building or owner's designated agent. If within~~
9 ~~30 days of the date of the notice the repairs are not completed, the~~
10 ~~owner of the building shall be assessed a civil penalty of two~~
11 ~~hundred dollars (\$200) per day until the repairs are completed.~~

12 ~~(3) In the event that a civil penalty is assessed pursuant to this~~
13 ~~section, a building safety lien shall be recorded in the county~~
14 ~~recorder's office by the local jurisdiction in the county in which~~
15 ~~the parcel of land is located and from the date of recording shall~~
16 ~~have the force, effect, and priority of a judgment lien.~~

17 ~~(i) (1) A building safety lien authorized by this section shall~~
18 ~~specify the amount of the lien, the name of the agency on whose~~
19 ~~behalf the lien is imposed, the street address, the legal description~~
20 ~~and assessor's parcel number of the parcel on which the lien is~~
21 ~~imposed, and the name and address of the recorded owner of the~~
22 ~~building.~~

23 ~~(2) In the event that the lien is discharged, released, or satisfied,~~
24 ~~either through payment or foreclosure, notice of the discharge~~
25 ~~containing the information specified in paragraph (1) shall be~~
26 ~~recorded by the governmental agency. A safety lien and the release~~
27 ~~of the lien shall be indexed in the grantor-grantee index.~~

28 ~~(3) A building safety lien may be foreclosed by an action~~
29 ~~brought by the city for a money judgment.~~

30 ~~(4) Notwithstanding any other law, the county recorder may~~
31 ~~impose a fee on the city to reimburse the costs of processing and~~
32 ~~recording the lien and providing notice to the owner of the building.~~
33 ~~A city may recover from the owner of the building any costs~~
34 ~~incurred regarding the processing and recording of the lien and~~
35 ~~providing notice to the owner of the building as part of its~~
36 ~~foreclosure action to enforce the lien.~~

37 ~~(j) The continued and ongoing maintenance of building~~
38 ~~assemblies that include load-bearing components and associated~~
39 ~~waterproofing elements, in a safe, functional, and sanitary~~
40 ~~condition, shall be the responsibility of the owner of the building.~~

1 ~~To determine ongoing compliance with this subdivision, the~~
2 ~~enforcement agency shall have the authority to require reinspection~~
3 ~~of those structures.~~

4 ~~(k) If the property was inspected within three years prior to~~
5 ~~January 1, 2018, by an inspector as described in subdivision (a)~~
6 ~~and a report of that inspector was issued stating that the~~
7 ~~load-bearing components and associated waterproofing elements~~
8 ~~are in proper working condition and do not pose a threat to the~~
9 ~~health and safety of the public, no new inspection pursuant to this~~
10 ~~section shall be required until five years from the date of that~~
11 ~~report.~~

12 ~~(l) Local enforcement agencies shall have the ability to recover~~
13 ~~enforcement costs associated with the requirements of this section.~~

14 ~~(m) This section shall not apply to an association of a common~~
15 ~~interest development, as defined in Sections 4080 and 4100~~
16 ~~respectively, of the Civil Code, that complies with the provisions~~
17 ~~of Section 4776 of the Civil Code.~~

18 SEC. 2. ~~Section 4776 is added to the Civil Code, to read:~~

19 ~~4776. (a) At least once every five years, the board of directors~~
20 ~~of a common interest development shall cause to be conducted a~~
21 ~~reasonably competent and diligent inspection by an inspector who~~
22 ~~is a licensed architect, licensed civil engineer, certified construction~~
23 ~~inspector, licensed structural engineer, building official, as~~
24 ~~described in Section 18949.27 of the Health and Safety Code, or~~
25 ~~other licensee specifically approved by the Department of~~
26 ~~Consumer Affairs as qualified to perform the inspection required~~
27 ~~by this section, of the load-bearing components and associated~~
28 ~~waterproofing elements of building assemblies that the association~~
29 ~~is obligated to repair, replace, restore, or maintain. The purpose~~
30 ~~of the inspection is to verify that all building assemblies, which~~
31 ~~include load-bearing components and their associated~~
32 ~~waterproofing elements, are in a generally safe condition, adequate~~
33 ~~working order, and free from any hazardous condition caused by~~
34 ~~fungus, deterioration, decay, or improper alteration to the extent~~
35 ~~that the life, limb, health, property, safety, or welfare of the public~~
36 ~~or the occupants is not endangered.~~

37 ~~(b) For purposes of this section, the following terms have the~~
38 ~~following definitions:~~

1 ~~(1) “Associated waterproofing elements” include, without~~
2 ~~limitation, flashings, membranes, coatings, and sealants that protect~~
3 ~~load-bearing components from exposure to water and the elements.~~

4 ~~(2) “Building assembly” includes, without limitation, any of~~
5 ~~the following: elevated exterior balconies, decks, porches,~~
6 ~~stairways, walkways, entry structures, and their supports and~~
7 ~~railings, carports, or other exterior structures designed for human~~
8 ~~occupancy or use and that rely in whole or in part on wood or~~
9 ~~wood-based products for structural support or stability.~~

10 ~~(3) “Load-bearing components” are those components that~~
11 ~~deliver structural loads from the building, its contents, and its~~
12 ~~occupants to the foundation. Load-bearing components include,~~
13 ~~without limitation, decking, subfloors, beams, joists, girders, posts,~~
14 ~~columns, bearing walls, foundation elements, fasteners, brackets,~~
15 ~~and rods.~~

16 ~~(c) The inspection required by this section shall at a minimum~~
17 ~~include:~~

18 ~~(1) Identification of each building assembly that, if found to be~~
19 ~~defective, decayed, or deteriorated to the extent that it does not~~
20 ~~meet its load requirements, would, in the opinion of the inspector,~~
21 ~~constitute a threat to the health or safety of the occupants.~~

22 ~~(2) Assessment of the load-bearing components and associated~~
23 ~~waterproofing elements of each building assembly by using~~
24 ~~methods that allow for a direct visual evaluation of the physical~~
25 ~~condition of the component.~~

26 ~~(3) For any component of a building assembly that is not directly~~
27 ~~visible or accessible without opening or removing portions of the~~
28 ~~structure to allow a direct visual evaluation, and where there is no~~
29 ~~visible exterior evidence of damage or deterioration, an intrusive~~
30 ~~inspection that allows a direct visual evaluation of a sample of the~~
31 ~~component that, in the opinion of the inspector, is conducted in a~~
32 ~~sufficient number of locations to allow the inspector to extrapolate~~
33 ~~the findings to all similar locations, may be utilized in the~~
34 ~~evaluation.~~

35 ~~(4) An evaluation of the load-bearing components of each~~
36 ~~building assembly and associated waterproofing elements that~~
37 ~~addresses each of the following as of the date of the evaluation:~~

38 ~~(A) The current condition of the building assembly.~~

39 ~~(B) Whether the current condition of the building assembly~~
40 ~~meets its load requirements.~~

1 ~~(C) Expectations of future performance and projected service~~
2 ~~life.~~

3 ~~(D) Recommendations of any further inspection necessary.~~

4 ~~(E) Recommendations of any necessary repair or replacement.~~

5 ~~(F) An estimate of the cost of any recommended repair or~~
6 ~~replacement.~~

7 ~~(5) A written report of the evaluation stamped and signed by~~
8 ~~the inspector presented to the board within 45 days of completion~~
9 ~~of the inspection. The report shall include photographs, any test~~
10 ~~results, and narrative sufficient to establish a baseline of the~~
11 ~~condition of the components inspected that can be compared to~~
12 ~~the results of subsequent inspections. In addition to the evaluation~~
13 ~~required by this section, the report shall advise which, if any,~~
14 ~~building assembly poses an immediate threat to the safety of the~~
15 ~~occupants, and whether preventing occupant access or conducting~~
16 ~~emergency repairs, including shoring, are necessary.~~

17 ~~(d) The inspection shall be completed by January 1, 2022, and~~
18 ~~by January 1 every five years thereafter. The inspector conducting~~
19 ~~the inspection shall produce an initial report pursuant to paragraph~~
20 ~~(5) of subdivision (c) and a final report indicating that any required~~
21 ~~repairs have been completed. A copy of any report that~~
22 ~~recommends immediate repairs, advises that any building assembly~~
23 ~~poses an immediate threat to the safety of the occupants, or whether~~
24 ~~preventing occupant access or emergency repairs, including~~
25 ~~shoring, are necessary shall be provided by the inspector to the~~
26 ~~association and to the local enforcement agency within 15 days of~~
27 ~~completion of the report. The report shall be permanently~~
28 ~~maintained in the records of the association. Local enforcement~~
29 ~~agencies may determine whether any additional information is to~~
30 ~~be provided in the report and may require a copy of the initial or~~
31 ~~final reports, or both, to be submitted to the local jurisdiction.~~

32 ~~(e) The inspection of buildings for which a building permit~~
33 ~~application has been submitted on or after February 1, 2017, shall~~
34 ~~occur no later than five years following issuance of a certificate~~
35 ~~of occupancy from the local jurisdiction and shall otherwise comply~~
36 ~~with the provisions of this section.~~

37 ~~(f) A Building assembly that include load-bearing components~~
38 ~~found to be in need of repair or replacement, hazardous, structurally~~
39 ~~deficient, or noncompliant by the inspector, shall be corrected by~~
40 ~~the association. All necessary permits for repair or replacement~~

1 shall be obtained from the local jurisdiction. All repair and
2 replacement work shall be performed in compliance with all of
3 the following:

4 (1) ~~The inspector's recommendations, or with alternative~~
5 ~~recommendations by a licensed professional described in~~
6 ~~subdivision (a).~~

7 (2) ~~Any applicable manufacturer's specifications.~~

8 (3) ~~The latest edition of the California Building Standards Code.~~

9 (4) ~~All local jurisdictional requirements.~~

10 (g) (1) ~~A building assembly that the inspector advises poses~~
11 ~~an immediate threat to the safety of the occupants, or finds that~~
12 ~~preventing occupant access or emergency repairs, including~~
13 ~~shoring, or both, are necessary, shall be considered an emergency~~
14 ~~condition and the association shall perform required preventive~~
15 ~~measures immediately. Repairs of emergency conditions shall be~~
16 ~~inspected by the inspector and reported to the local enforcement~~
17 ~~agency.~~

18 (2) ~~If the building requires corrective work to a load-bearing~~
19 ~~component that, in the opinion of the inspector, does not pose an~~
20 ~~immediate threat to the safety of the occupants, the association~~
21 ~~shall apply for a permit within 60 days of receipt of the inspection~~
22 ~~report. Once the permit is approved, the association shall have 90~~
23 ~~days to make the repairs unless an extension of time is granted by~~
24 ~~the local enforcement agency.~~

25 (3) ~~Repairs required pursuant to this subdivision shall be~~
26 ~~considered an "emergency situation" as defined by subdivision~~
27 ~~(b) of Section 5610.~~

28 (h) (1) ~~The association shall be responsible for complying with~~
29 ~~the requirements of this section.~~

30 (2) ~~The continued and ongoing maintenance of building~~
31 ~~assemblies that include load-bearing components and associated~~
32 ~~waterproofing elements, in a safe, functional, and sanitary~~
33 ~~condition, shall be the responsibility of the association as required~~
34 ~~by the association's governing documents. To determine ongoing~~
35 ~~compliance with this subdivision, the enforcement agency shall~~
36 ~~have the authority to require reinspection of those structures.~~

37 (i) ~~Local enforcement agencies shall have the ability to recover~~
38 ~~enforcement costs associated with the requirements of this section.~~

39 (j) ~~If, in the inspector's opinion, any of the components or~~
40 ~~building assemblies evaluated require repair or replacement in~~

1 accordance with this section, or have a projected service life of
2 less than 30 years, the reserve study required by Section 5550 shall
3 consider that opinion in preparing the reserve funding evaluation.

4 (k) For condominium conversions proposed for sale after
5 January 1, 2018, the inspection required by this section shall be
6 conducted prior to the first close of escrow of a separate interest
7 in the project. The inspection report and written confirmation by
8 the inspector that any repairs or replacements recommended by
9 the inspector have been completed shall be submitted to the Bureau
10 of Real Estate by the converter and shall be a condition to the
11 issuance of the final public report. A complete copy of the
12 inspection report and written confirmation by the inspector that
13 any repairs or replacements recommended by the inspector have
14 been completed shall be included with the written statement of
15 defects required by Section 1134, and provided to the local
16 jurisdiction in which the project is located. The inspection, report,
17 and confirmation of completed repairs shall be a condition of the
18 issuance of a final inspection or certificate of occupancy.

19 (l) This section shall not apply to an individual owner's "separate
20 interest," as defined by Section 4185, in a "planned development"
21 as defined by Section 4175.

22 SEC. 3.

23 SEC. 2. No reimbursement is required by this act pursuant to
24 Section 6 of Article XIII B of the California Constitution because
25 a local agency or school district has the authority to levy service
26 charges, fees, or assessments sufficient to pay for the program or
27 level of service mandated by this act, within the meaning of Section
28 17556 of the Government Code.

O

CONTRACTORS STATE LICENSE BOARD LEGISLATIVE ANALYSIS

Bill Number:	SB 800 (Business, Professions and Economic Development Committee)
Status/Location:	Amended 4/20/17
Sponsor:	Various Department of Consumer Affairs' boards
Subject:	Professions and Vocations
Code Section:	Business & Professions Code sections 70751 and 7145.5 (as they pertain to the Contractors State License Board)

Summary:

Existing law (Contractors' State License Law):

1. Provides for the licensure and regulation of contractors by the Contractors State License Board and requires the board to appoint a registrar of contractors to perform specified duties.
2. Authorizes CSLB to reissue or reassign a license number to a different entity under certain circumstances, including to a corporation or limited liability company (LLC) that acquires a licensee pursuant to an asset sale, provided that the corporation or limited liability company has a qualifier, as specified.
3. Authorizes the registrar to refuse to issue, reinstate, reactivate, or renew a license for the failure of a licensee to resolve all outstanding liabilities, including taxes, as specified.

This bill:

1. Eliminates the provision of existing law that allows for the reassignment of a contractor license number to a corporation or LLC when the new entity acquires a "licensee" in an asset sale.
2. Amends a provision of existing contractors' state license law to use the correct terms for "federal employer identification number" and to add "individual taxpayer identification number," as authorized by a general provision of the Business & Professions Code.

Background:

In 2010, legislation was enacted authorizing CSLB to issue a license to a limited liability company. This legislation amended several sections of the contractors' state license law to make conforming changes. However, CSLB cannot implement the provision that allows the reassignment of a contractor license number to a corporation or LLC when the new entity acquires a "licensee" in an asset sale. Pursuant to other sections of existing law, a business cannot acquire a "licensee" through an asset sale. This proposal would remove that provision of law.

The second change uses the correct terms in contractors' state license law for "federal employer identification number" and to add "individual taxpayer identification number," as authorized by a general provision of the Business and Professions Code.

Fiscal Impact for CSLB:

None.

Staff Recommendation and Comments:

SUPPORT. These changes will improve the clarity of the contractors' state license law and eliminate a provision that creates confusion for applicants and licensees.

Date: April 26, 2017

AMENDED IN SENATE APRIL 20, 2017

AMENDED IN SENATE APRIL 18, 2017

SENATE BILL

No. 800

**Introduced by ~~Senator Hill~~ Committee on Business, Professions and
Economic Development (Senators Hill (Chair), Bates (Vice Chair),
Dodd, Galgiani, Glazer, Hernandez, Newman, Pan, and Wilk)**

February 17, 2017

An act to amend Sections 4013, 4316, 4980.09, 4980.44, 4980.72, 4984.4, 4984.7, 4984.9, 4989.46, 4992.8, 4996.3, 4996.6, 4996.17, 4999.12.5, 4999.32, 4999.33, 4999.42, 4999.53, 4999.60, 4999.61, 4999.62, 4999.63, 4999.118, 4999.120, 5094, 5680.1, 5680.2, 7075.1, 7145.5, 7599.54, 7713, 8567, and 22352 of, and to repeal Section 4001.5 of, the Business and Professions Code, to amend Section 1010 of the Evidence Code, and to amend Section 11165.7 of the Penal Code, relating to professions and vocations.

LEGISLATIVE COUNSEL'S DIGEST

SB 800, as amended, ~~Hill~~ Committee on Business, Professions and Economic Development. Professions and vocations.

(1) The Pharmacy Law provides for the licensure and regulation of pharmacies, pharmacists, and other associated persons and entities by the California State Board of Pharmacy. This law requires the Joint Committee on Boards, Commissions, and Consumer Protection to review the state's shortage of pharmacists and make recommendations on a course of action to alleviate the shortage, including, but not limited to, a review of the current California pharmacist licensure examination.

This bill would repeal that requirement of a review.

The Pharmacy Law, beginning July 1, 2017, requires each pharmacist, intern pharmacist, pharmacy technician, and designated representative

3rd-party logistics provider licensed in this state to join the board's email notification list within 60 days of obtaining a license, and requires that each of these persons, and each designated representative, update their information within 30 days of a change in email address.

This bill would specify that the requirement to join the board's email notification list within 60 days of obtaining a license or at the time of license renewal also applies to each designated representative.

The Pharmacy Law authorizes the board to issue a cease and desist order for operating any facility under the Pharmacy Law that requires licensure or for practicing any activity requiring licensure under that law.

This bill would specify that the board may act in this capacity through its executive officer. The bill also would clarify that the authorization to issue a cease and desist order applies with respect to the operation of a facility or the practice of any activity under the Pharmacy Law that requires licensure without obtaining that licensure.

(2) The Licensed Marriage and Family Therapist Act provides for the regulation of the practice of marriage and family therapy by the Board of Behavioral Sciences. A violation of the act is a crime. Existing law requires the licensure of marriage and family therapists and the registration of marriage and family therapist interns. Existing law, commencing January 1, 2018, renames "interns" to "associates" for purposes of that act. Existing law prohibits the abbreviation "MFTI" from being used in an advertisement unless the title "marriage and family therapist registered intern" appears in the advertisement.

This bill would specify that any reference in the act to the term "intern" means an "associate" and any reference to the abbreviation "MFTI" means an "AMFT." The bill would prohibit the abbreviation "AMFT" from being used in an advertisement unless the title "registered associate marriage and family therapist" appears in the advertisement. Because this bill would change the definition of a crime, it would impose a state-mandated local program.

Existing law requires the board to assess specified fees relating to the licensure of marriage and family therapists, including an application fee for intern registration of \$75, a renewal fee for an intern registration of \$75, and a fee for the application for examination eligibility of \$100.

This bill would revise the application and renewal fee provision to specify that it applies to fees for an associate registration. The bill would revise the \$100 fee provision to instead specify that it covers the application for licensure.

(3) The Licensed Marriage and Family Therapist Act, the Educational Psychologist Practice Act, the Clinical Social Worker Practice Act, and the Licensed Professional Clinical Counselor Act require licensees or registrants to give written notice to the Board of Behavioral Sciences of a name change within 30 days after each change, giving both the old and new names, and including specified legal documents authorizing the name change.

This bill would revise these provisions to require the written notice to be submitted to the board within 30 days of issuance of a new government-issued photographic identification, including specific information. The bill would require the licensee or registrant to certify the information by signing a statement under penalty of perjury. By expanding the crime of perjury, the bill would impose a state-mandated local program.

(4) The Clinical Social Worker Practice Act requires the Board of Behavioral Sciences to assess certain fees, including an application fee for examination eligibility of \$100.

This bill would revise that fee to instead apply to an application for licensure.

The Clinical Social Worker Practice Act specifies that a license that is not renewed within 3 years after its expiration may not be renewed, restored, reinstated, or reissued thereafter. The act, however, permits former licensees to apply for and obtain a new license upon satisfying specified requirements, including submitting an application for examination eligibility and the associated fees.

This bill would revise that provision permitting a former applicant to apply for and obtain a new licensee to instead require that he or she submit an application and fee for licensure and submit the licensure application fees and the fee for initial license.

The Clinical Social Worker Practice Act permits experience gained outside of California to be accepted toward the licensure requirements if it is substantially the equivalent of the requirements of the act. The act permits an applicant who obtained his or her license or registration under another jurisdiction to apply for licensure without taking the clinical examination, as specified, if the applicant obtained a passing score on the licensing examination set forth in regulation as accepted by the Board of Behavioral Sciences.

This bill would additionally require the applicant's license or registration in that other jurisdiction to be active, in good standing at

the time of his or her application, and not revoked, suspended, surrendered, denied, or otherwise restricted or encumbered.

(5) The Licensed Professional Clinical Counselor Act requires applicants for examination eligibility to possess certain credentials for examination eligibility, including possessing a master's or doctoral degree that is counseling or psychotherapy in content, and that meets certain requirements, and is obtained from an accredited or approved institution.

This bill would revise these provisions to specify that they apply for an applicant to qualify for licensure.

The Licensed Professional Clinical Counselor Act requires an applicant, to qualify for registration as an intern, to have all of specified qualifications, including having earned a master's or doctoral degree in specified fields, completed coursework, not committed specified acts or crimes, and to meet other criteria.

The bill also would replace the term "intern" with the term "associate" and would make related and conforming changes. Additionally the bill would fix erroneous cross-references in related provisions.

(6) Existing law provides for the licensure and regulation of landscape architects by the California Architects Board, which is within the Department of Consumer Affairs. Existing law authorizes a license that has expired to be renewed within 3 years after its expiration, as specified. Existing law prohibits a license that is expired for more than 3 years from being renewed, restored, reissued, or reinstated but authorizes the holder of the expired license to apply for and obtain a new license if the applicant for the new license meets certain criteria, pays certain fees, and passes an examination or otherwise establishes to the satisfaction of the board that the applicant is qualified to practice landscape architecture.

This bill would instead authorize a license to be renewed within 5 years of its expiration. The bill would prohibit a license that is expired for more than 5 years from being renewed, restored, reissued, or reinstated but would authorize the holder of the expired license to apply for a new license, as specified.

(7) Existing law, the Contractors' State License Law, provides for the licensure and regulation of contractors by the Contractors' State License Board and requires the board to appoint a registrar of contractors to perform specified duties. That law authorizes a license number to be reissued or reassigned to a different entity under certain circumstances, including to a corporation or limited liability company that acquires a

licensee pursuant to an asset sale provided that the corporation or limited liability company has a qualifier, as specified. That law authorizes the registrar to refuse to issue, reinstate, reactivate, or renew a license for the failure of a licensee to resolve all outstanding liabilities, including taxes, as specified.

This bill would remove that authorization for a license number to be reissued or reassigned to a corporation or limited liability company that acquires a licensee pursuant to an asset sale. The bill with respect to the above provisions relating to the registrar's authority to refuse to issue, reinstate, reactivate, or renew a license in the case of outstanding final liabilities assessed by the Franchise Tax Board would include the individual taxpayer identification number among the licensee information provided to the Franchise Tax Board that would make that authority operative.

(8) Existing law, the Alarm Company Act, provides for the licensure and regulation of alarm company operators and the certification and registration of employees of alarm companies by the Bureau for Security and Investigative Services, which is within the Department of Consumer Affairs. That act requires, except as provided, every agreement to be in writing and requires agreements entered into on or after January 1, 2017, that include an automatic renewal provision to provide a specified disclosure.

This bill would instead limit that disclosure requirement to residential agreements with an automatic renewal provision.

(9) The Cemetery and Funeral Act provides for the licensure and regulation of cemeteries, crematories, funeral establishments, and their personnel by the Cemetery and Funeral Bureau, which is within the Department of Consumer Affairs. That act requires a crematory to at all times employ a licensed crematory manager to manage, supervise, and direct its operations.

This bill would authorize licensed crematories within close geographical proximity of each other to request authorization from the bureau to allow a licensed crematory manager to manage, supervise, and direct the business or profession of more than one facility.

(10) Existing law provides for the licensure and regulation of structural pest control operators by the Structural Pest Control Board, which is within the Department of Consumers Affairs. Existing law requires specified licensees to notify the registrar, as specified, that the licensee has changed his or her employment.

This bill would authorize a registered company to notify the registrar, as specified, when certain licensees are no longer associated with the registered company.

(11) Existing law requires every person who makes service of process in this state for compensation more than 10 times a year to register as a process server with the county clerk, except as provided. Existing law requires, at the time of filing the initial certificate of registration, the registrant to pay certain fees to the county clerk, including a fee to cover the actual cost of processing the completed fingerprint cards.

This bill would instead require a registrant to pay a fee to cover the actual costs of processing the completed request for live scan.

(12) 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.

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

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

- 1 SECTION 1. Section 4001.5 of the Business and Professions
- 2 Code is repealed.
- 3 SEC. 2. Section 4013 of the Business and Professions Code is
- 4 amended to read:
- 5 4013. (a) Any facility licensed by the board shall join the
- 6 board's email notification list within 60 days of obtaining a license
- 7 or at the time of license renewal.
- 8 (b) Any facility licensed by the board shall update its email
- 9 address with the board's email notification list within 30 days of
- 10 a change in the facility's email address.
- 11 (c) An owner of two or more facilities licensed by the board
- 12 may comply with subdivisions (a) and (b) by subscribing a single
- 13 email address to the board's email notification list, where the owner
- 14 maintains an electronic notice system within all of its licensed
- 15 facilities that, upon receipt of an email notification from the board,
- 16 immediately transmits electronic notice of the same notification
- 17 to all of its licensed facilities. If an owner chooses to comply with
- 18 this section by using such an electronic notice system, the owner
- 19 shall register the electronic notice system with the board by July

1 1, 2011, or within 60 days of initial licensure, whichever is later,
2 informing the board of the single email address to be utilized by
3 the owner, describing the electronic notice system, and listing all
4 facilities to which immediate notice will be provided. The owner
5 shall update its email address with the board's email notification
6 list within 30 days of any change in the owner's email address.

7 (d) (1) Each pharmacist, intern pharmacist, pharmacy
8 technician, designated representative, and designated
9 representative-3PL licensed in this state shall join the board's email
10 notification list within 60 days of obtaining a license or at the time
11 of license renewal.

12 (2) Each pharmacist, intern pharmacist, pharmacy technician,
13 designated representative, and designated representative-3PL
14 licensed in this state shall update his or her email address with the
15 board's email notification list within 30 days of a change in the
16 licensee's email address.

17 (3) The email address provided by a licensee shall not be posted
18 on the board's online license verification system.

19 (4) The board shall, with each renewal application, remind
20 licensees of their obligation to report and keep current their email
21 address with the board's email notification list.

22 (5) This subdivision shall become operative on July 1, 2017.

23 SEC. 3. Section 4316 of the Business and Professions Code is
24 amended to read:

25 4316. (a) The board, through its executive officer, is authorized
26 to issue a cease and desist order for operating any facility under
27 this chapter that requires licensure or for practicing any activity
28 under this chapter that requires licensure without obtaining that
29 licensure.

30 (b) Whenever the board issues a cease and desist order pursuant
31 to subdivision (a), the board shall immediately issue the facility a
32 notice setting forth the acts or omissions with which it is charged,
33 specifying the pertinent code section or sections and any
34 regulations.

35 (c) The order shall provide that the facility, within 15 days of
36 receipt of the notice, may request a hearing before the president
37 of the board to contest the cease and desist order. Consideration
38 of the facility's contest of the cease and desist order shall comply
39 with the requirements of Section 11425.10 of the Government
40 Code. The hearing shall be held no later than five days from the

1 date the request of the owner is received by the board. The
2 president shall render a written decision within five days of the
3 hearing. In the absence of the president of the board, the vice
4 president of the board may conduct the hearing permitted by this
5 subdivision. Review of the decision of the president of the board
6 may be sought by the owner or person in possession or control of
7 the pharmacy pursuant to Section 1094.5 of the Code of Civil
8 Procedure.

9 SEC. 4. Section 4980.09 of the Business and Professions Code
10 is amended to read:

11 4980.09. (a) (1) The title "marriage and family therapist
12 intern" or "marriage and family therapist registered intern" is
13 hereby renamed "associate marriage and family therapist" or
14 "registered associate marriage and family therapist," respectively.
15 Any reference in statute or regulation to a "marriage and family
16 therapist intern" or "marriage and family therapist registered intern"
17 shall be deemed a reference to an "associate marriage and family
18 therapist" or "registered associate marriage and family therapist."

19 (2) Any reference in this chapter to the term "intern" means
20 "associate." Any reference in statute or regulation to the
21 abbreviation "MFTI" means an "AMFT."

22 (b) ~~Nothing in this~~ This section shall *not* be construed to expand
23 or constrict the scope of practice of a person licensed or registered
24 pursuant to this chapter.

25 (c) This section shall become operative January 1, 2018.

26 SEC. 5. Section 4980.44 of the Business and Professions Code
27 is amended to read:

28 4980.44. An unlicensed associate marriage and family therapist
29 employed under this chapter shall comply with the following
30 requirements:

31 (a) Possess, at a minimum, a master's degree as specified in
32 Section 4980.36 or 4980.37, as applicable.

33 (b) Register with the board prior to performing any duties,
34 except as otherwise provided in subdivision (h) of Section 4980.43.

35 (c) Prior to performing any professional services, inform each
36 client or patient that he or she is an unlicensed registered associate
37 marriage and family therapist, provide his or her registration
38 number and the name of his or her employer, and indicate whether
39 he or she is under the supervision of a licensed marriage and family
40 therapist, licensed clinical social worker, licensed professional

1 clinical counselor, licensed psychologist, or a licensed physician
2 and surgeon certified in psychiatry by the American Board of
3 Psychiatry and Neurology.

4 (d) (1) Any advertisement by or on behalf of a registered
5 associate marriage and family therapist shall include, at a
6 minimum, all of the following information:

7 (A) That he or she is a registered associate marriage and family
8 therapist.

9 (B) The associate's registration number.

10 (C) The name of his or her employer.

11 (D) That he or she is supervised by a licensed person.

12 (2) The abbreviation "AMFT" shall not be used in an
13 advertisement unless the title "registered associate marriage and
14 family therapist" appears in the advertisement.

15 SEC. 6. Section 4980.72 of the Business and Professions Code
16 is amended to read:

17 4980.72. (a) This section applies to ~~persons~~ *a person who* ~~are~~
18 *is* licensed outside of California and ~~apply~~ *applies* for licensure
19 on or after January 1, 2016.

20 (b) The board may issue a license to a person who, at the time
21 of submitting an application for a license pursuant to this chapter,
22 holds a valid license in good standing issued by a board of marriage
23 counselor examiners, board of marriage and family therapists, or
24 corresponding authority, of any state or country, if all of the
25 following conditions are satisfied:

26 (1) The applicant's education is substantially equivalent, as
27 defined in Section 4980.79. The applicant's degree title need not
28 be identical to that required by Section 4980.36 or 4980.37.

29 (2) The applicant complies with Section 4980.76, if applicable.

30 (3) The applicant's supervised experience is substantially
31 equivalent to that required for a license under this chapter. The
32 board shall consider hours of experience obtained outside of
33 California during the six-year period immediately preceding the
34 date the applicant initially obtained the license described above.
35 If the applicant has less than 3,000 hours of qualifying supervised
36 experience, time actively licensed as a marriage and family
37 therapist shall be accepted at a rate of 100 hours per month, up to
38 a maximum of 1,200 hours, if the applicant's degree meets the
39 practicum requirement described in subparagraph (C) of paragraph

1 (1) of subdivision (b) of Section 4980.79 without exemptions or
2 remediation.

3 (4) The applicant passes the California law and ethics
4 examination.

5 (5) The applicant passes a clinical examination designated by
6 the board. An applicant who obtained his or her license or
7 registration under another jurisdiction may apply for licensure with
8 the board without taking the clinical examination if both of the
9 following conditions are met:

10 (A) The applicant obtained a passing score on the clinical
11 licensing examination set forth in regulation as accepted by the
12 board.

13 (B) The applicant's license or registration in that jurisdiction is
14 active, in good standing at the time of his or her application, and
15 is not revoked, suspended, surrendered, denied, or otherwise
16 restricted or encumbered.

17 SEC. 7. Section 4984.4 of the Business and Professions Code
18 is amended to read:

19 4984.4. A license that is not renewed within three years after
20 its expiration ~~may~~ *shall* not be renewed, restored, reinstated, or
21 reissued; however, the former licensee may apply for and obtain
22 a new license if the following criteria are satisfied:

23 (a) No fact, circumstance, or condition exists that, if the license
24 were issued, would constitute grounds for its revocation or
25 suspension.

26 (b) He or she submits an application for licensure and the fee
27 for that application.

28 (c) He or she takes and passes the current licensing
29 examinations.

30 (d) He or she submits the fee for initial license issuance.

31 (e) He or she complies with the fingerprint requirements
32 established by board regulation.

33 SEC. 8. Section 4984.7 of the Business and Professions Code
34 is amended to read:

35 4984.7. (a) The board shall assess the following fees relating
36 to the licensure of marriage and family therapists:

37 (1) The application fee for an associate registration shall be
38 seventy-five dollars (\$75).

39 (2) The renewal fee for an associate registration shall be
40 seventy-five dollars (\$75).

1 (3) The fee for the application for licensure shall be one hundred
2 dollars (\$100).

3 (4) The fee for the clinical examination shall be one hundred
4 dollars (\$100). The fee for the California law and ethics
5 examination shall be one hundred dollars (\$100).

6 (A) An applicant who fails to appear for an examination, after
7 having been scheduled to take the examination, shall forfeit the
8 examination fee.

9 (B) The amount of the examination fees shall be based on the
10 actual cost to the board of developing, purchasing, and grading
11 each examination and the actual cost to the board of administering
12 each examination. The examination fees shall be adjusted
13 periodically by regulation to reflect the actual costs incurred by
14 the board.

15 (5) The fee for rescoring an examination shall be twenty dollars
16 (\$20).

17 (6) The fee for issuance of an initial license shall be a maximum
18 of one hundred eighty dollars (\$180).

19 (7) The fee for license renewal shall be a maximum of one
20 hundred eighty dollars (\$180).

21 (8) The fee for inactive license renewal shall be a maximum of
22 ninety dollars (\$90).

23 (9) The renewal delinquency fee shall be a maximum of ninety
24 dollars (\$90). A person who permits his or her license to expire is
25 subject to the delinquency fee.

26 (10) The fee for issuance of a replacement registration, license,
27 or certificate shall be twenty dollars (\$20).

28 (11) The fee for issuance of a certificate or letter of good
29 standing shall be twenty-five dollars (\$25).

30 (12) The fee for issuance of a retired license shall be forty dollars
31 (\$40).

32 (b) With regard to license, examination, and other fees, the
33 board shall establish fee amounts at or below the maximum
34 amounts specified in this chapter.

35 SEC. 9. Section 4984.9 of the Business and Professions Code
36 is amended to read:

37 4984.9. A licensee or registrant shall give written notice to the
38 board of a name change, giving both the old and new names. The
39 written notice shall be submitted to the board within 30 days of
40 the issuance of a new government-issued photographic

1 identification. The licensee or registrant shall certify the
2 information by signing a statement under penalty of perjury. A
3 copy of both of the following documents evidencing the change
4 shall be submitted with the notice:

5 (a) A current government-issued photographic identification.

6 (b) The legal document authorizing the name change, such as
7 a court order or a marriage certificate.

8 SEC. 10. Section 4989.46 of the Business and Professions
9 Code is amended to read:

10 4989.46. A licensee or registrant shall give written notice to
11 the board of a name change, providing both the old and new names.
12 The written notice shall be submitted to the board within 30 days
13 of the issuance of a new government-issued photographic
14 identification. The licensee or registrant shall certify the
15 information is correct by signing a statement under penalty of
16 perjury. A copy of both of the following documents evidencing
17 the change shall be submitted with the notice:

18 (a) A current government-issued photographic identification.

19 (b) The legal document authorizing the name change, such as
20 a court order or a marriage certificate.

21 SEC. 11. Section 4992.8 of the Business and Professions Code
22 is amended to read:

23 4992.8. A licensee or registrant shall give written notice to the
24 board of a name change, giving both the old and new names. The
25 written notice shall be submitted to the board within 30 days of
26 the issuance of a new government-issued photographic
27 identification. The licensee or registrant shall certify the
28 information is correct by signing a statement under penalty of
29 perjury. A copy of both of the following documents evidencing
30 the change shall be submitted with the notice:

31 (a) A current government-issued photographic identification.

32 (b) The legal document authorizing the name change, such as
33 a court order or a marriage certificate.

34 SEC. 12. Section 4996.3 of the Business and Professions Code
35 is amended to read:

36 4996.3. (a) The board shall assess the following fees relating
37 to the licensure of clinical social workers:

38 (1) The application fee for registration as an associate clinical
39 social worker shall be seventy-five dollars (\$75).

1 (2)The fee for renewal of an associate clinical social worker
2 registration shall be seventy-five dollars (\$75).

3 (3) The fee for application for licensure shall be one hundred
4 dollars (\$100).

5 (4) The fee for the board-administered clinical examination, if
6 the board chooses to adopt this examination in regulations, shall
7 be one hundred dollars (\$100). The fee for the California law and
8 ethics examination shall be one hundred dollars (\$100).

9 (A) An applicant who fails to appear for an examination, after
10 having been scheduled to take the examination, shall forfeit the
11 examination fees.

12 (B) The amount of the examination fees shall be based on the
13 actual cost to the board of developing, purchasing, and grading
14 each examination and the actual cost to the board of administering
15 each examination. The written examination fees shall be adjusted
16 periodically by regulation to reflect the actual costs incurred by
17 the board.

18 (5) The fee for rescoring an examination shall be twenty dollars
19 (\$20).

20 (6) The fee for issuance of an initial license shall be a maximum
21 of one hundred fifty-five dollars (\$155).

22 (7) The fee for license renewal shall be a maximum of one
23 hundred fifty-five dollars (\$155).

24 (8) The fee for inactive license renewal shall be a maximum of
25 seventy-seven dollars and fifty cents (\$77.50).

26 (9) The renewal delinquency fee shall be a maximum of
27 seventy-five dollars (\$75). A person who permits his or her license
28 to expire is subject to the delinquency fee.

29 (10) The fee for issuance of a replacement registration, license,
30 or certificate shall be twenty dollars (\$20).

31 (11) The fee for issuance of a certificate or letter of good
32 standing shall be twenty-five dollars (\$25).

33 (12) The fee for issuance of a retired license shall be forty dollars
34 (\$40).

35 (b) With regard to license, examination, and other fees, the
36 board shall establish fee amounts at or below the maximum
37 amounts specified in this chapter.

38 SEC. 13. Section 4996.6 of the Business and Professions Code
39 is amended to read:

1 4996.6. (a) Licenses issued under this chapter shall expire no
2 more than 24 months after the issue date. The expiration date of
3 the original license shall be set by the board.

4 (b) To renew an unexpired license, the licensee shall, on or
5 before the expiration date of the license, complete the following
6 actions:

7 (1) Apply for a renewal on a form prescribed by the board.

8 (2) Pay a two-year renewal fee prescribed by the board.

9 (3) Certify compliance with the continuing education
10 requirements set forth in Section 4996.22.

11 (4) Notify the board whether he or she has been convicted, as
12 defined in Section 490, of a misdemeanor or felony, or whether
13 any disciplinary action has been taken by any regulatory or
14 licensing board in this or any other state, subsequent to the
15 licensee's last renewal.

16 (c) To renew an expired license within three years of its
17 expiration, the licensee shall, as a condition precedent to renewal,
18 complete all of the actions described in subdivision (b) and pay a
19 delinquency fee.

20 (d) A license that is not renewed within three years after its
21 expiration may not be renewed, restored, reinstated, or reissued
22 thereafter; however, the former licensee may apply for and obtain
23 a new license if he or she satisfies all of the following requirements:

24 (1) No fact, circumstance, or condition exists that, if the license
25 were issued, would justify its revocation or suspension.

26 (2) He or she submits an application for licensure.

27 (3) He or she takes and passes the current licensing
28 examinations.

29 (4) He or she submits the licensure application fees and the fee
30 for initial license issuance.

31 (5) He or she complies with the fingerprint requirements
32 established by board regulation.

33 SEC. 14. Section 4996.17 of the Business and Professions
34 Code is amended to read:

35 4996.17. (a) (1) Experience gained outside of California shall
36 be accepted toward the licensure requirements if it is substantially
37 the equivalent of the requirements of this chapter.

38 (2) Commencing January 1, 2014, an applicant with education
39 gained outside of California shall complete an 18-hour course in
40 California law and professional ethics. The content of the course

1 shall include, but not be limited to, the following: advertising,
2 scope of practice, scope of competence, treatment of minors,
3 confidentiality, dangerous patients, psychotherapist-patient
4 privilege, recordkeeping, patient access to records, state and federal
5 laws related to confidentiality of patient health information, dual
6 relationships, child abuse, elder and dependent adult abuse, online
7 therapy, insurance reimbursement, civil liability, disciplinary
8 actions and unprofessional conduct, ethics complaints and ethical
9 standards, termination of therapy, standards of care, relevant family
10 law, therapist disclosures to patients, differences in legal and ethical
11 standards in different types of work settings, and licensing law
12 and process.

13 (b) The board may issue a license to any person who, at the time
14 of application, holds a valid active clinical social work license
15 issued by a board of clinical social work examiners or
16 corresponding authority of any state, if the person passes, or has
17 passed, the licensing examinations as specified in Section 4996.1
18 and pays the required fees. Issuance of the license is conditioned
19 upon all of the following:

20 (1) The applicant has supervised experience that is substantially
21 the equivalent of that required by this chapter. If the applicant has
22 less than 3,200 hours of qualifying supervised experience, time
23 actively licensed as a clinical social worker shall be accepted at a
24 rate of 100 hours per month up to a maximum of 1,200 hours.

25 (2) Completion of the following coursework or training in or
26 out of this state:

27 (A) A minimum of seven contact hours of training or coursework
28 in child abuse assessment and reporting as specified in Section 28,
29 and any regulations promulgated thereunder.

30 (B) A minimum of 10 contact hours of training or coursework
31 in human sexuality as specified in Section 25, and any regulations
32 promulgated thereunder.

33 (C) A minimum of 15 contact hours of training or coursework
34 in alcoholism and other chemical substance dependency, as
35 specified by regulation.

36 (D) A minimum of 15 contact hours of coursework or training
37 in spousal or partner abuse assessment, detection, and intervention
38 strategies.

39 (3) Commencing January 1, 2014, completion of an 18-hour
40 course in California law and professional ethics. The content of

1 the course shall include, but not be limited to, the following:
2 advertising, scope of practice, scope of competence, treatment of
3 minors, confidentiality, dangerous patients, psychotherapist-patient
4 privilege, recordkeeping, patient access to records, state and federal
5 laws related to confidentiality of patient health information, dual
6 relationships, child abuse, elder and dependent adult abuse, online
7 therapy, insurance reimbursement, civil liability, disciplinary
8 actions and unprofessional conduct, ethics complaints and ethical
9 standards, termination of therapy, standards of care, relevant family
10 law, therapist disclosures to patients, differences in legal and ethical
11 standards in different types of work settings, and licensing law
12 and process.

13 (4) The applicant's license is in good standing and is not
14 suspended, revoked, restricted, sanctioned, or voluntarily
15 surrendered in any state.

16 (5) The applicant is not currently under investigation in any
17 other state, and has not been charged with an offense for any act
18 substantially related to the practice of social work by any public
19 agency, entered into any consent agreement or been subject to an
20 administrative decision that contains conditions placed by an
21 agency upon an applicant's professional conduct or practice,
22 including any voluntary surrender of license, or been the subject
23 of an adverse judgment resulting from the practice of social work
24 that the board determines constitutes evidence of a pattern of
25 incompetence or negligence.

26 (6) The applicant shall provide a certification from each state
27 where he or she holds a license pertaining to licensure, disciplinary
28 action, and complaints pending.

29 (7) The applicant is not subject to denial of licensure under
30 Section 480, 4992.3, 4992.35, or 4992.36.

31 (c) The board may issue a license to any person who, at the time
32 of application, holds a valid, active clinical social work license
33 issued by a board of clinical social work examiners or a
34 corresponding authority of any state, if the person has held that
35 license for at least four years immediately preceding the date of
36 application, the person passes, or has passed, the licensing
37 examinations as specified in Section 4996.1, and the person pays
38 the required fees. Issuance of the license is conditioned upon all
39 of the following:

1 (1) Completion of the following coursework or training in or
2 out of state:

3 (A) A minimum of seven contact hours of training or coursework
4 in child abuse assessment and reporting as specified in Section 28,
5 and any regulations promulgated thereunder.

6 (B) A minimum of 10 contact hours of training or coursework
7 in human sexuality as specified in Section 25, and any regulations
8 promulgated thereunder.

9 (C) A minimum of 15 contact hours of training or coursework
10 in alcoholism and other chemical substance dependency, as
11 specified by regulation.

12 (D) A minimum of 15 contact hours of coursework or training
13 in spousal or partner abuse assessment, detection, and intervention
14 strategies.

15 (2) Commencing January 1, 2014, completion of an 18-hour
16 course in California law and professional ethics. The content of
17 the course shall include, but not be limited to, the following:
18 advertising, scope of practice, scope of competence, treatment of
19 minors, confidentiality, dangerous patients, psychotherapist-patient
20 privilege, recordkeeping, patient access to records, state and federal
21 laws related to confidentiality of patient health information, dual
22 relationships, child abuse, elder and dependent adult abuse, online
23 therapy, insurance reimbursement, civil liability, disciplinary
24 actions and unprofessional conduct, ethics complaints and ethical
25 standards, termination of therapy, standards of care, relevant family
26 law, therapist disclosures to patients, differences in legal and ethical
27 standards in different types of work settings, and licensing law
28 and process.

29 (3) The applicant has been licensed as a clinical social worker
30 continuously for a minimum of four years prior to the date of
31 application.

32 (4) The applicant's license is in good standing and is not
33 suspended, revoked, restricted, sanctioned, or voluntarily
34 surrendered in any state.

35 (5) The applicant is not currently under investigation in any
36 other state, and has not been charged with an offense for any act
37 substantially related to the practice of social work by any public
38 agency, entered into any consent agreement or been subject to an
39 administrative decision that contains conditions placed by an
40 agency upon an applicant's professional conduct or practice,

1 including any voluntary surrender of license, or been the subject
2 of an adverse judgment resulting from the practice of social work
3 that the board determines constitutes evidence of a pattern of
4 incompetence or negligence.

5 (6) The applicant provides a certification from each state where
6 he or she holds a license pertaining to licensure, disciplinary action,
7 and complaints pending.

8 (7) The applicant is not subject to denial of licensure under
9 Section 480, 4992.3, 4992.35, or 4992.36.

10 (d) An applicant who obtained his or her license or registration
11 under another jurisdiction may apply for licensure with the board
12 without taking the clinical examination specified in Section 4996.1
13 if both of the following conditions are met:

14 (1) The applicant obtained a passing score on the clinical
15 licensing examination set forth in regulation as accepted by the
16 board.

17 (2) The applicant's license or registration in that jurisdiction is
18 active, in good standing at the time of his or her application, and
19 is not revoked, suspended, surrendered, denied, or otherwise
20 restricted or encumbered.

21 SEC. 15. Section 4999.12.5 of the Business and Professions
22 Code is amended to read:

23 4999.12.5. (a) (1) The title "professional clinical counselor
24 intern" or "professional clinical counselor registered intern" is
25 hereby renamed "associate professional clinical counselor" or
26 "registered associate professional clinical counselor," respectively.
27 Any reference in any statute or regulation to a "professional clinical
28 counselor intern" or "professional clinical counselor registered
29 intern" shall be deemed a reference to an "associate professional
30 clinical counselor" or "registered associate professional clinical
31 counselor."

32 (2) Any reference in this chapter to the term "intern" means
33 "associate."

34 (b) Nothing in this section shall be construed to expand or
35 constrict the scope of practice of a person licensed or registered
36 pursuant to this chapter.

37 SEC. 16. Section 4999.32 of the Business and Professions
38 Code is amended to read:

39 4999.32. (a) This section shall apply to applicants for licensure
40 or registration who begin graduate study before August 1, 2012,

1 and complete that study on or before December 31, 2018. Those
2 applicants may alternatively qualify under paragraph (2) of
3 subdivision (a) of Section 4999.33.

4 (b) To qualify for licensure or registration, applicants shall
5 possess a master's or doctoral degree that is counseling or
6 psychotherapy in content and that meets the requirements of this
7 section, obtained from an accredited or approved institution, as
8 defined in Section 4999.12. For purposes of this subdivision, a
9 degree is "counseling or psychotherapy in content" if it contains
10 the supervised practicum or field study experience described in
11 paragraph (3) of subdivision (c) and, except as provided in
12 subdivision (d), the coursework in the core content areas listed in
13 subparagraphs (A) to (I), inclusive, of paragraph (1) of subdivision
14 (c).

15 (c) The degree described in subdivision (b) shall contain not
16 less than 48 graduate semester or 72 graduate quarter units of
17 instruction, which shall, except as provided in subdivision (d),
18 include all of the following:

19 (1) The equivalent of at least three semester units or four and
20 one-half quarter units of graduate study in each of the following
21 core content areas:

22 (A) Counseling and psychotherapeutic theories and techniques,
23 including the counseling process in a multicultural society, an
24 orientation to wellness and prevention, counseling theories to assist
25 in selection of appropriate counseling interventions, models of
26 counseling consistent with current professional research and
27 practice, development of a personal model of counseling, and
28 multidisciplinary responses to crises, emergencies, and disasters.

29 (B) Human growth and development across the lifespan,
30 including normal and abnormal behavior and an understanding of
31 developmental crises, disability, psychopathology, and situational
32 and environmental factors that affect both normal and abnormal
33 behavior.

34 (C) Career development theories and techniques, including
35 career development decisionmaking models and interrelationships
36 among and between work, family, and other life roles and factors,
37 including the role of multicultural issues in career development.

38 (D) Group counseling theories and techniques, including
39 principles of group dynamics, group process components,
40 developmental stage theories, therapeutic factors of group work,

1 group leadership styles and approaches, pertinent research and
2 literature, group counseling methods, and evaluation of
3 effectiveness.

4 (E) Assessment, appraisal, and testing of individuals, including
5 basic concepts of standardized and nonstandardized testing and
6 other assessment techniques, norm-referenced and
7 criterion-referenced assessment, statistical concepts, social and
8 cultural factors related to assessment and evaluation of individuals
9 and groups, and ethical strategies for selecting, administering, and
10 interpreting assessment instruments and techniques in counseling.

11 (F) Multicultural counseling theories and techniques, including
12 counselors' roles in developing cultural self-awareness, identity
13 development, promoting cultural social justice, individual and
14 community strategies for working with and advocating for diverse
15 populations, and counselors' roles in eliminating biases and
16 prejudices, and processes of intentional and unintentional
17 oppression and discrimination.

18 (G) Principles of the diagnostic process, including differential
19 diagnosis, and the use of current diagnostic tools, such as the
20 current edition of the Diagnostic and Statistical Manual, the impact
21 of co-occurring substance use disorders or medical psychological
22 disorders, established diagnostic criteria for mental or emotional
23 disorders, and the treatment modalities and placement criteria
24 within the continuum of care.

25 (H) Research and evaluation, including studies that provide an
26 understanding of research methods, statistical analysis, the use of
27 research to inform evidence-based practice, the importance of
28 research in advancing the profession of counseling, and statistical
29 methods used in conducting research, needs assessment, and
30 program evaluation.

31 (I) Professional orientation, ethics, and law in counseling,
32 including professional ethical standards and legal considerations,
33 licensing law and process, regulatory laws that delineate the
34 profession's scope of practice, counselor-client privilege,
35 confidentiality, the client dangerous to self or others, treatment of
36 minors with or without parental consent, relationship between
37 practitioner's sense of self and human values, functions and
38 relationships with other human service providers, strategies for
39 collaboration, and advocacy processes needed to address

1 institutional and social barriers that impede access, equity, and
2 success for clients.

3 (2) In addition to the course requirements described in paragraph
4 (1), a minimum of 12 semester units or 18 quarter units of advanced
5 coursework to develop knowledge of specific treatment issues,
6 special populations, application of counseling constructs,
7 assessment and treatment planning, clinical interventions,
8 therapeutic relationships, psychopathology, or other clinical topics.

9 (3) Not less than six semester units or nine quarter units of
10 supervised practicum or field study experience that involves direct
11 client contact in a clinical setting that provides a range of
12 professional clinical counseling experience, including the
13 following:

14 (A) Applied psychotherapeutic techniques.

15 (B) Assessment.

16 (C) Diagnosis.

17 (D) Prognosis.

18 (E) Treatment.

19 (F) Issues of development, adjustment, and maladjustment.

20 (G) Health and wellness promotion.

21 (H) Other recognized counseling interventions.

22 (I) A minimum of 150 hours of face-to-face supervised clinical
23 experience counseling individuals, families, or groups.

24 (d) (1) (A) An applicant whose degree is deficient in no more
25 than two of the required areas of study listed in subparagraphs (A)
26 to (I), inclusive, of paragraph (1) of subdivision (c) may satisfy
27 those deficiencies by successfully completing post-master's or
28 postdoctoral degree coursework at an accredited or approved
29 institution, as defined in Section 4999.12.

30 (B) Notwithstanding subparagraph (A), no applicant shall be
31 deficient in the required areas of study specified in subparagraphs
32 (E) or (G) of paragraph (1) of subdivision (c).

33 (2) Coursework taken to meet deficiencies in the required areas
34 of study listed in subparagraphs (A) to (I), inclusive, of paragraph
35 (1) of subdivision (c) shall be the equivalent of three semester units
36 or four and one-half quarter units of study.

37 (3) The board shall make the final determination as to whether
38 a degree meets all requirements, including, but not limited to,
39 course requirements, regardless of accreditation.

(e) In addition to the degree described in this section, or as part of that degree, an applicant shall complete the following coursework or training prior to registration as an intern:

(1) A minimum of 15 contact hours of instruction in alcoholism and other chemical substance abuse dependency, as specified by regulation.

(2) A minimum of 10 contact hours of training or coursework in human sexuality as specified in Section 25, and any regulations promulgated thereunder.

(3) A two semester unit or three quarter unit survey course in psychopharmacology.

(4) A minimum of 15 contact hours of instruction in spousal or partner abuse assessment, detection, and intervention strategies, including knowledge of community resources, cultural factors, and same gender abuse dynamics.

(5) A minimum of seven contact hours of training or coursework in child abuse assessment and reporting as specified in Section 28 and any regulations adopted thereunder.

(6) A minimum of 18 contact hours of instruction in California law and professional ethics for professional clinical counselors that includes, but is not limited to, instruction in advertising, scope of practice, scope of competence, treatment of minors, confidentiality, dangerous clients, psychotherapist-client privilege, recordkeeping, client access to records, dual relationships, child abuse, elder and dependent adult abuse, online therapy, insurance reimbursement, civil liability, disciplinary actions and unprofessional conduct, ethics complaints and ethical standards, termination of therapy, standards of care, relevant family law, therapist disclosures to clients, and state and federal laws related to confidentiality of patient health information. When coursework in a master's or doctoral degree program is acquired to satisfy this requirement, it shall be considered as part of the 48 semester unit or 72 quarter unit requirement in subdivision (c).

(7) A minimum of 10 contact hours of instruction in aging and long-term care, which may include, but is not limited to, the biological, social, and psychological aspects of aging. On and after January 1, 2012, this coursework shall include instruction on the assessment and reporting of, as well as treatment related to, elder and dependent adult abuse and neglect.

1 (8) A minimum of 15 contact hours of instruction in crisis or
2 trauma counseling, including multidisciplinary responses to crises,
3 emergencies, or disasters, and brief, intermediate, and long-term
4 approaches.

5 (f) This section shall remain in effect only until January 1, 2019,
6 and as of that date is repealed, unless a later enacted statute that
7 is enacted before January 1, 2019, deletes or extends that date.

8 SEC. 17. Section 4999.33 of the Business and Professions
9 Code is amended to read:

10 4999.33. (a) This section shall apply to the following:

11 (1) Applicants for licensure or registration who begin graduate
12 study before August 1, 2012, and do not complete that study on
13 or before December 31, 2018.

14 (2) Applicants for licensure or registration who begin graduate
15 study before August 1, 2012, and who graduate from a degree
16 program that meets the requirements of this section.

17 (3) Applicants for licensure or registration who begin graduate
18 study on or after August 1, 2012.

19 (b) To qualify for licensure or registration, applicants shall
20 possess a master's or doctoral degree that is counseling or
21 psychotherapy in content and that meets the requirements of this
22 section, obtained from an accredited or approved institution, as
23 defined in Section 4999.12. For purposes of this subdivision, a
24 degree is "counseling or psychotherapy in content" if it contains
25 the supervised practicum or field study experience described in
26 paragraph (3) of subdivision (c) and, except as provided in
27 subdivision (f), the coursework in the core content areas listed in
28 subparagraphs (A) to (M), inclusive, of paragraph (1) of
29 subdivision (c).

30 (c) The degree described in subdivision (b) shall contain not
31 less than 60 graduate semester or 90 graduate quarter units of
32 instruction, which shall, except as provided in subdivision (f),
33 include all of the following:

34 (1) The equivalent of at least three semester units or four and
35 one-half quarter units of graduate study in all of the following core
36 content areas:

37 (A) Counseling and psychotherapeutic theories and techniques,
38 including the counseling process in a multicultural society, an
39 orientation to wellness and prevention, counseling theories to assist
40 in selection of appropriate counseling interventions, models of

1 counseling consistent with current professional research and
2 practice, development of a personal model of counseling, and
3 multidisciplinary responses to crises, emergencies, and disasters.

4 (B) Human growth and development across the lifespan,
5 including normal and abnormal behavior and an understanding of
6 developmental crises, disability, psychopathology, and situational
7 and environmental factors that affect both normal and abnormal
8 behavior.

9 (C) Career development theories and techniques, including
10 career development decisionmaking models and interrelationships
11 among and between work, family, and other life roles and factors,
12 including the role of multicultural issues in career development.

13 (D) Group counseling theories and techniques, including
14 principles of group dynamics, group process components, group
15 developmental stage theories, therapeutic factors of group work,
16 group leadership styles and approaches, pertinent research and
17 literature, group counseling methods, and evaluation of
18 effectiveness.

19 (E) Assessment, appraisal, and testing of individuals, including
20 basic concepts of standardized and nonstandardized testing and
21 other assessment techniques, norm-referenced and
22 criterion-referenced assessment, statistical concepts, social and
23 cultural factors related to assessment and evaluation of individuals
24 and groups, and ethical strategies for selecting, administering, and
25 interpreting assessment instruments and techniques in counseling.

26 (F) Multicultural counseling theories and techniques, including
27 counselors' roles in developing cultural self-awareness, identity
28 development, promoting cultural social justice, individual and
29 community strategies for working with and advocating for diverse
30 populations, and counselors' roles in eliminating biases and
31 prejudices, and processes of intentional and unintentional
32 oppression and discrimination.

33 (G) Principles of the diagnostic process, including differential
34 diagnosis, and the use of current diagnostic tools, such as the
35 current edition of the Diagnostic and Statistical Manual, the impact
36 of co-occurring substance use disorders or medical psychological
37 disorders, established diagnostic criteria for mental or emotional
38 disorders, and the treatment modalities and placement criteria
39 within the continuum of care.

1 (H) Research and evaluation, including studies that provide an
2 understanding of research methods, statistical analysis, the use of
3 research to inform evidence-based practice, the importance of
4 research in advancing the profession of counseling, and statistical
5 methods used in conducting research, needs assessment, and
6 program evaluation.

7 (I) Professional orientation, ethics, and law in counseling,
8 including California law and professional ethics for professional
9 clinical counselors, professional ethical standards and legal
10 considerations, licensing law and process, regulatory laws that
11 delineate the profession's scope of practice, counselor-client
12 privilege, confidentiality, the client dangerous to self or others,
13 treatment of minors with or without parental consent, relationship
14 between practitioner's sense of self and human values, functions
15 and relationships with other human service providers, strategies
16 for collaboration, and advocacy processes needed to address
17 institutional and social barriers that impede access, equity, and
18 success for clients.

19 (J) Psychopharmacology, including the biological bases of
20 behavior, basic classifications, indications, and contraindications
21 of commonly prescribed psychopharmacological medications so
22 that appropriate referrals can be made for medication evaluations
23 and so that the side effects of those medications can be identified.

24 (K) Addictions counseling, including substance abuse,
25 co-occurring disorders, and addiction, major approaches to
26 identification, evaluation, treatment, and prevention of substance
27 abuse and addiction, legal and medical aspects of substance abuse,
28 populations at risk, the role of support persons, support systems,
29 and community resources.

30 (L) Crisis or trauma counseling, including crisis theory;
31 multidisciplinary responses to crises, emergencies, or disasters;
32 cognitive, affective, behavioral, and neurological effects associated
33 with trauma; brief, intermediate, and long-term approaches; and
34 assessment strategies for clients in crisis and principles of
35 intervention for individuals with mental or emotional disorders
36 during times of crisis, emergency, or disaster.

37 (M) Advanced counseling and psychotherapeutic theories and
38 techniques, including the application of counseling constructs,
39 assessment and treatment planning, clinical interventions,
40 therapeutic relationships, psychopathology, or other clinical topics.

(2) In addition to the course requirements described in paragraph (1), 15 semester units or 22.5 quarter units of advanced coursework to develop knowledge of specific treatment issues or special populations.

(3) Not less than six semester units or nine quarter units of supervised practicum or field study experience that involves direct client contact in a clinical setting that provides a range of professional clinical counseling experience, including the following:

- (A) Applied psychotherapeutic techniques.
- (B) Assessment.
- (C) Diagnosis.
- (D) Prognosis.
- (E) Treatment.
- (F) Issues of development, adjustment, and maladjustment.
- (G) Health and wellness promotion.
- (H) Professional writing including documentation of services, treatment plans, and progress notes.
- (I) How to find and use resources.
- (J) Other recognized counseling interventions.
- (K) A minimum of 280 hours of face-to-face supervised clinical experience counseling individuals, families, or groups.

(d) The 60 graduate semester units or 90 graduate quarter units of instruction required pursuant to subdivision (c) shall, in addition to meeting the requirements of subdivision (c), include instruction in all of the following:

(1) The understanding of human behavior within the social context of socioeconomic status and other contextual issues affecting social position.

(2) The understanding of human behavior within the social context of a representative variety of the cultures found within California.

(3) Cultural competency and sensitivity, including a familiarity with the racial, cultural, linguistic, and ethnic backgrounds of persons living in California.

(4) An understanding of the effects of socioeconomic status on treatment and available resources.

(5) Multicultural development and cross-cultural interaction, including experiences of race, ethnicity, class, spirituality, sexual

1 orientation, gender, and disability and their incorporation into the
2 psychotherapeutic process.

3 (6) Case management, systems of care for the severely mentally
4 ill, public and private services for the severely mentally ill,
5 community resources for victims of abuse, disaster and trauma
6 response, advocacy for the severely mentally ill, and collaborative
7 treatment. The instruction required in this paragraph may be
8 provided either in credit level coursework or through extension
9 programs offered by the degree-granting institution.

10 (7) Human sexuality, including the study of the physiological,
11 psychological, and social cultural variables associated with sexual
12 behavior, gender identity, and the assessment and treatment of
13 psychosexual dysfunction.

14 (8) Spousal or partner abuse assessment, detection, intervention
15 strategies, and same gender abuse dynamics.

16 (9) A minimum of seven contact hours of training or coursework
17 in child abuse assessment and reporting, as specified in Section
18 28, and any regulations promulgated thereunder.

19 (10) Aging and long-term care, including biological, social,
20 cognitive, and psychological aspects of aging. This coursework
21 shall include instruction on the assessment and reporting of, as
22 well as treatment related to, elder and dependent adult abuse and
23 neglect.

24 (e) A degree program that qualifies for licensure under this
25 section shall do all of the following:

26 (1) Integrate the principles of mental health recovery-oriented
27 care and methods of service delivery in recovery-oriented practice
28 environments.

29 (2) Integrate an understanding of various cultures and the social
30 and psychological implications of socioeconomic position.

31 (3) Provide the opportunity for students to meet with various
32 consumers and family members of consumers of mental health
33 services to enhance understanding of their experience of mental
34 illness, treatment, and recovery.

35 (f) (1) (A) An applicant whose degree is deficient in no more
36 than three of the required areas of study listed in subparagraphs
37 (A) to (M), inclusive, of paragraph (1) of subdivision (c) may
38 satisfy those deficiencies by successfully completing post-master's
39 or postdoctoral degree coursework at an accredited or approved
40 institution, as defined in Section 4999.12.

(B) Notwithstanding subparagraph (A), no applicant shall be deficient in the required areas of study specified in subparagraphs (E) or (G) of paragraph (1) of subdivision (c).

(2) Coursework taken to meet deficiencies in the required areas of study listed in subparagraphs (A) to (M), inclusive, of paragraph (1) of subdivision (c) shall be the equivalent of three semester units or four and one-half quarter units of study.

(3) The board shall make the final determination as to whether a degree meets all requirements, including, but not limited to, course requirements, regardless of accreditation.

SEC. 18. Section 4999.42 of the Business and Professions Code is amended to read:

4999.42. To qualify for registration as an associate, an applicant shall have all of the following qualifications:

(a) The applicant shall have earned a master's or doctoral degree as specified in Section 4999.32 or 4999.33, as applicable. An applicant whose education qualifies him or her under Section 4999.32 shall also have completed the coursework or training specified in subdivision (e) of Section 4999.32.

(b) The applicant shall not have committed acts or crimes constituting grounds for denial of licensure under Section 480.

(c) The board shall not issue a registration to any person who has been convicted of a crime in this or another state or in a territory of the United States that involves sexual abuse of children or who is required to register pursuant to Section 290 of the Penal Code or the equivalent in another state or territory.

SEC. 19. Section 4999.53 of the Business and Professions Code is amended to read:

4999.53. (a) Effective January 1, 2016, a registrant or an applicant for licensure as a professional clinical counselor shall pass the following examinations as prescribed by the board:

(1) A California law and ethics examination.

(2) A clinical examination administered by the board, or the National Clinical Mental Health Counselor Examination if the board finds that this examination meets the prevailing standards for validation and use of the licensing and certification tests in California.

(b) Upon registration with the board, an associate professional clinical counselor shall, within the first year of registration, take an examination on California law and ethics.

1 (c) A registrant or an applicant for licensure may take the clinical
2 examination or the National Clinical Mental Health Counselor
3 Examination, as established by the board through regulation, only
4 upon meeting all of the following requirements:

5 (1) Completion of all required supervised work experience.

6 (2) Completion of all education requirements.

7 (3) Passage of the California law and ethics examination.

8 (d) This section shall become operative on January 1, 2016.

9 SEC. 20. Section 4999.60 of the Business and Professions
10 Code is amended to read:

11 4999.60. (a) This section applies to persons who are licensed
12 outside of California and apply for licensure on or after January
13 1, 2016.

14 (b) The board may issue a license to a person who, at the time
15 of submitting an application for a license pursuant to this chapter,
16 holds a valid license in good standing as a professional clinical
17 counselor, or other counseling license that allows the applicant to
18 independently provide clinical mental health services, in another
19 jurisdiction of the United States, if all of the following conditions
20 are satisfied:

21 (1) The applicant's education is substantially equivalent, as
22 defined in Section 4999.63.

23 (2) The applicant complies with subdivision (c) of Section
24 4999.40, if applicable.

25 (3) The applicant's supervised experience is substantially
26 equivalent to that required for a license under this chapter. The
27 board shall consider hours of experience obtained outside of
28 California during the six-year period immediately preceding the
29 date the applicant initially obtained the license described above.
30 If the applicant has less than 3,000 hours of qualifying supervised
31 experience, time actively licensed as a professional clinical
32 counselor shall be accepted at a rate of 100 hours per month up to
33 a maximum of 1,200 hours if the applicant's degree meets the
34 practicum requirement described in subparagraph (C) of paragraph
35 (1) of subdivision (b) of Section 4999.63 without exemptions or
36 remediation.

37 (4) The applicant passes the examinations required to obtain a
38 license under this chapter. An applicant who obtained his or her
39 license or registration under another jurisdiction may apply for

1 licensure with the board without taking the clinical examination
2 if both of the following conditions are met:

3 (A) The applicant obtained a passing score on the clinical
4 licensing examination set forth in regulation as accepted by the
5 board.

6 (B) The applicant's license or registration in that jurisdiction is
7 active, in good standing at the time of his or her application, and
8 is not revoked, suspended, surrendered, denied, or otherwise
9 restricted or encumbered.

10 SEC. 21. Section 4999.61 of the Business and Professions
11 Code is amended to read:

12 4999.61. (a) This section applies to persons who apply for
13 licensure or registration on or after January 1, 2016, and who do
14 not hold a license as described in Section 4999.60.

15 (b) The board shall accept education gained from an out-of-state
16 school for purposes of satisfying licensure or registration
17 requirements if the education is substantially equivalent, as defined
18 in Section 4999.62, and the applicant complies with subdivision
19 (c) of Section 4999.40, if applicable.

20 (c) The board shall accept experience gained outside of
21 California for purposes of satisfying licensure or registration
22 requirements if the experience is substantially equivalent to that
23 required by this chapter.

24 SEC. 22. Section 4999.62 of the Business and Professions
25 Code is amended to read:

26 4999.62. (a) This section applies to persons who apply for
27 licensure or registration on or after January 1, 2016, and who do
28 not hold a license as described in Section 4999.60.

29 (b) For purposes of Section 4999.61, education is substantially
30 equivalent if all of the following requirements are met:

31 (1) The degree is obtained from an accredited or approved
32 institution, as defined in Section 4999.12, and consists of, at a
33 minimum, the following:

34 (A) (i) For an applicant who obtained his or her degree within
35 the timeline prescribed by subdivision (a) of Section 4999.33 the
36 degree shall contain no less than 60 graduate semester or 90
37 graduate quarter units of instruction.

38 (ii) Up to 12 semester or 18 quarter units of instruction may be
39 remediated, if missing from the degree. The remediation may occur
40 while the applicant is registered as an associate.

1 (B) For an applicant who obtained his or her degree within the
2 timeline prescribed by subdivision (a) of Section 4999.32 the
3 degree shall contain no less than 48 graduate semester or 72
4 graduate quarter units of instruction.

5 (C) Six semester or nine quarter units of practicum, including,
6 but not limited to, a minimum of 280 hours of face-to-face
7 supervised clinical experience counseling individuals, families, or
8 groups.

9 (D) The required areas of study listed in subparagraphs (A) to
10 (M), inclusive, of paragraph (1) of subdivision (c) of Section
11 4999.33.

12 (i) (I) An applicant whose degree is deficient in no more than
13 six of the required areas of study listed in subparagraphs (A) to
14 (M), inclusive, of paragraph (1) of subdivision (c) of Section
15 4999.33 may satisfy those deficiencies by successfully completing
16 graduate level coursework at an accredited or approved institution,
17 as defined in Section 4999.12. Coursework taken to meet any
18 deficiencies shall be the equivalent of three semester units or four
19 and one-half quarter units of study.

20 (II) Notwithstanding subclause (I), no applicant shall be deficient
21 in the required areas of study specified in subparagraphs (E) or
22 (G) of paragraph (1) of subdivision (c) of Section 4999.33.

23 (ii) An applicant who completed a course in professional
24 orientation, ethics, and law in counseling as required by
25 subparagraph (I) of paragraph (1) of subdivision (c) of Section
26 4999.33 that did not contain instruction in California law and ethics
27 shall complete an 18-hour course in California law and professional
28 ethics that includes, but is not limited to, instruction in advertising,
29 scope of practice, scope of competence, treatment of minors,
30 confidentiality, dangerous clients, psychotherapist-client privilege,
31 recordkeeping, client access to records, state and federal laws
32 relating to confidentiality of patient health information, dual
33 relationships, child abuse, elder and dependent adult abuse, online
34 therapy, insurance reimbursement, civil liability, disciplinary
35 actions and unprofessional conduct, ethics complaints and ethical
36 standards, termination of therapy, standards of care, relevant family
37 law, and therapist disclosures to clients. An applicant shall
38 complete this coursework prior to registration as an associate.

39 (iii) An applicant who has not completed a course in professional
40 orientation, ethics, and law in counseling as required by

1 subparagraph (I) of paragraph (1) of subdivision (c) of Section
2 4999.33 shall complete this required coursework, including content
3 in California law and ethics. An applicant shall complete this
4 coursework prior to registration as an associate.

5 (2) The applicant completes any units required by subdivision
6 (c) of Section 4999.33 not already completed in his or her education
7 as follows:

8 (A) At least 15 semester units or 22.5 quarter units of advanced
9 coursework to develop knowledge of specific treatment issues or
10 special populations. This coursework is in addition to the course
11 requirements described in subparagraph (D) of paragraph (1).

12 (B) Coursework shall be from an accredited or approved school,
13 college, or university as defined in Section 4999.12.

14 (3) (A) The applicant completes the following coursework not
15 already completed in his or her education:

16 (i) A minimum of 10 contact hours of training in human
17 sexuality, as specified in Section 25 and any regulations
18 promulgated thereunder, including the study of the physiological,
19 psychological, and social cultural variables associated with sexual
20 behavior, gender identity, and the assessment and treatment of
21 psychosexual dysfunction.

22 (ii) A minimum of 15 contact hours of instruction in spousal or
23 partner abuse assessment, detection, intervention strategies, and
24 same-gender abuse dynamics.

25 (iii) A minimum of seven contact hours of training or
26 coursework in child abuse assessment and reporting as specified
27 in Section 28 and any regulations promulgated thereunder.

28 (iv) A minimum of 10 contact hours of instruction in aging and
29 long-term care, including biological, social, cognitive, and
30 psychological aspects of aging. This coursework shall include
31 instruction on the assessment and reporting of, as well as treatment
32 related to, elder and dependent adult abuse and neglect.

33 (B) This coursework may be from an accredited or approved
34 school, college, or university as defined in Section 4999.12, or
35 from a continuing education provider that is acceptable to the board
36 as defined in Section 4999.76. Undergraduate coursework shall
37 not satisfy this requirement.

38 (4) The applicant completes the following coursework not
39 already completed in his or her education from an accredited or
40 approved school, college, or university as defined in Section

1 4999.12, or from a continuing education provider that is acceptable
2 to the board as defined in Section 4999.76. Undergraduate
3 coursework shall not satisfy this requirement.

4 (A) At least three semester units, or 45 hours, of instruction
5 regarding the principles of mental health recovery-oriented care
6 and methods of service delivery in recovery-oriented practice
7 environments, including structured meetings with various
8 consumers and family members of consumers of mental health
9 services to enhance understanding of their experiences of mental
10 illness, treatment, and recovery.

11 (B) At least one semester unit, or 15 hours, of instruction that
12 includes an understanding of various California cultures and the
13 social and psychological implications of socioeconomic position.

14 (5) An applicant may complete any units and course content
15 requirements required under paragraphs (2), (3), or (4) not already
16 completed in his or her education while registered with the board
17 as an associate.

18 SEC. 23. Section 4999.63 of the Business and Professions
19 Code is amended to read:

20 4999.63. (a) This section applies to persons who apply for
21 licensure or registration on or after January 1, 2016, and who hold
22 a license as described in Section 4999.60.

23 (b) For purposes of Section 4999.60, education is substantially
24 equivalent if all of the following requirements are met:

25 (1) The degree is obtained from an accredited or approved
26 institution, as defined in Section 4999.12, and consists of the
27 following:

28 (A) (i) For an applicant who obtained his or her degree within
29 the timeline prescribed by subdivision (a) of Section 4999.33 the
30 degree shall contain no less than 60 graduate semester or 90
31 graduate quarter units of instruction.

32 (ii) Up to 12 semester or 18 quarter units of instruction may be
33 remediated, if missing from the degree. The remediation may occur
34 while the applicant is registered as an associate.

35 (B) For an applicant who obtained his or her degree within the
36 timeline prescribed by subdivision (a) of Section 4999.32 the
37 degree shall contain no less than 48 graduate semester or 72
38 graduate quarter units of instruction.

39 (C) Six semester or nine quarter units of practicum, including,
40 but not limited to, a minimum of 280 hours of face-to-face

1 supervised clinical experience counseling individuals, families, or
2 groups.

3 (i) An applicant who has been licensed for at least two years in
4 clinical practice, as verified by the board, is exempt from this
5 requirement.

6 (ii) An out-of-state applicant who has been licensed for less
7 than two years in clinical practice, as verified by the board, who
8 does not meet the practicum requirement, shall remediate the
9 requirement by demonstrating completion of a total of 280 hours
10 of face-to-face supervised clinical experience, as specified in
11 subparagraph (K) of paragraph (3) of subdivision (c) of Section
12 4999.33. Any postdegree hours gained to meet this requirement
13 are in addition to the 3,000 hours of experience required by this
14 chapter, and shall be gained while the applicant is registered with
15 the board as an associate.

16 (D) The required areas of study specified in subparagraphs (A)
17 to (M), inclusive, of paragraph (1) of subdivision (c) of Section
18 4999.33.

19 (i) (I) An applicant whose degree is deficient in no more than
20 six of the required areas of study specified in subparagraphs (A)
21 to (M), inclusive, of paragraph (1) of subdivision (c) of Section
22 4999.33 may satisfy those deficiencies by successfully completing
23 graduate level coursework at an accredited or approved institution,
24 as defined in Section 4999.12. Coursework taken to meet any
25 deficiencies shall be the equivalent of three semester units or four
26 and one-half quarter units of study.

27 (II) Notwithstanding subclause (I), no applicant shall be deficient
28 in the required areas of study specified in subparagraphs (E) or
29 (G) of paragraph (1) of subdivision (c) of Section 4999.33.

30 (ii) An applicant who completed a course in professional
31 orientation, ethics, and law in counseling as required by
32 subparagraph (I) of paragraph (1) of subdivision (c) of Section
33 4999.33 that did not contain instruction in California law and ethics
34 shall complete an 18-hour course in California law and professional
35 ethics that includes, but is not limited to, instruction in advertising,
36 scope of practice, scope of competence, treatment of minors,
37 confidentiality, dangerous clients, psychotherapist-client privilege,
38 recordkeeping, client access to records, state and federal laws
39 relating to confidentiality of patient health information, dual
40 relationships, child abuse, elder and dependent adult abuse, online

1 therapy, insurance reimbursement, civil liability, disciplinary
2 actions and unprofessional conduct, ethics complaints and ethical
3 standards, termination of therapy, standards of care, relevant family
4 law, and therapist disclosures to clients. An applicant shall
5 complete this coursework prior to registration as an associate.

6 (iii) An applicant who has not completed a course in professional
7 orientation, ethics, and law in counseling as required by
8 subparagraph (I) of paragraph (1) of subdivision (c) of Section
9 4999.33 shall complete this required coursework, including content
10 in California law and ethics. An applicant shall complete this
11 coursework prior to registration as an associate.

12 (2) The applicant completes any units required under subdivision
13 (c) of Section 4999.33 not already completed in his or her education
14 as follows:

15 (A) At least 15 semester units or 22.5 quarter units of advanced
16 coursework to develop knowledge of specific treatment issues or
17 special populations. This coursework is in addition to the course
18 requirements described in subparagraph (D) of paragraph (1).

19 (B) Coursework shall be from an accredited or approved school,
20 college, or university as defined in Section 4999.12.

21 (3) The applicant completes the following coursework not
22 already completed in his or her education:

23 (A) A minimum of 10 contact hours of training in human
24 sexuality, as specified in Section 25 and any regulations
25 promulgated thereunder, including the study of the physiological,
26 psychological, and social cultural variables associated with sexual
27 behavior, gender identity, and the assessment and treatment of
28 psychosexual dysfunction.

29 (B) A minimum of 15 contact hours of instruction in spousal
30 or partner abuse assessment, detection, intervention strategies, and
31 same-gender abuse dynamics.

32 (C) A minimum of seven contact hours of training or coursework
33 in child abuse assessment and reporting as specified in Section 28
34 and any regulations promulgated under that section.

35 (D) A minimum of 10 contact hours of instruction in aging and
36 long-term care, including biological, social, cognitive, and
37 psychological aspects of aging. This coursework shall include
38 instruction on the assessment and reporting of, as well as treatment
39 related to, elder and dependent adult abuse and neglect.

1 (E) This coursework may be from an accredited or approved
2 school, college, or university as defined in Section 4999.12, or
3 from a continuing education provider that is acceptable to the board
4 as defined in Section 4999.76. Undergraduate coursework shall
5 not satisfy this requirement.

6 (4) The applicant completes the following coursework not
7 already completed in his or her education from an accredited or
8 approved school, college, or university as defined in Section
9 4999.12, or from a continuing education provider that is acceptable
10 to the board as defined in Section 4999.76. Undergraduate
11 coursework shall not satisfy this requirement.

12 (A) At least three semester units or 45 hours of instruction
13 regarding the principles of mental health recovery-oriented care
14 and methods of service delivery in recovery-oriented practice
15 environments, including structured meetings with various
16 consumers and family members of consumers of mental health
17 services to enhance understanding of their experience of mental
18 illness, treatment, and recovery.

19 (B) At least one semester unit or 15 hours of instruction that
20 includes an understanding of various California cultures and the
21 social and psychological implications of socioeconomic position.

22 (5) An applicant may complete any units and course content
23 requirements required by subparagraph (D) of paragraph (1) or
24 paragraphs (2), (3), and (4) not already completed in his or her
25 education while registered with the board as an associate, unless
26 otherwise specified.

27 SEC. 24. Section 4999.118 of the Business and Professions
28 Code is amended to read:

29 4999.118. A licensee or registrant shall give written notice to
30 the board of a name change, giving both the old and new names.
31 The written notice shall be submitted to the board within 30 days
32 of the issuance of a new government-issued photographic
33 identification. The licensee or registrant shall certify the
34 information is correct by signing a statement under penalty of
35 perjury. A copy of both of the following documents evidencing
36 the change shall be submitted with the notice:

37 (a) A current government-issued photographic identification.

38 (b) The legal document authorizing the name change, such as
39 a court order or a marriage certificate.

1 SEC. 25. Section 4999.120 of the Business and Professions
2 Code is amended to read:

3 4999.120. The board shall assess fees for the application for
4 and the issuance and renewal of licenses and for the registration
5 of associates to cover administrative and operating expenses of
6 the board related to this chapter. Fees assessed pursuant to this
7 section shall not exceed the following:

8 (a) The fee for the application for examination eligibility shall
9 be up to two hundred fifty dollars (\$250).

10 (b) The fee for the application for associate registration shall
11 be up to one hundred fifty dollars (\$150).

12 (c) The fee for the application for licensure shall be up to one
13 hundred eighty dollars (\$180).

14 (d) The fee for the board-administered clinical examination, if
15 the board chooses to adopt this examination in regulations, shall
16 be up to two hundred fifty dollars (\$250).

17 (e) The fee for the law and ethics examination shall be up to
18 one hundred fifty dollars (\$150).

19 (f) The fee for the issuance of a license shall be up to two
20 hundred fifty dollars (\$250).

21 (g) The fee for annual renewal of an associate registration shall
22 be up to one hundred fifty dollars (\$150).

23 (h) The fee for two-year renewal of licenses shall be up to two
24 hundred fifty dollars (\$250).

25 (i) The fee for issuance of a retired license shall be forty dollars
26 (\$40).

27 (j) The fee for rescoring an examination shall be twenty dollars
28 (\$20).

29 (k) The fee for issuance of a replacement license or registration
30 shall be twenty dollars (\$20).

31 (l) The fee for issuance of a certificate or letter of good standing
32 shall be twenty-five dollars (\$25).

33 SEC. 26. Section 5094 of the Business and Professions Code
34 is amended to read:

35 5094. (a) In order for education to be qualifying, it shall meet
36 the standards described in subdivision (b) or (c) of this section.

37 (b) At a minimum, education shall be from a degree-granting
38 university, college, or other institution of learning accredited by
39 a regional or national accrediting agency included in a list of these
40 agencies published by the United States Secretary of Education

1 under the requirements of the Higher Education Act of 1965 as
2 amended (20 U.S.C. Sec. 1001 et seq.).

3 (c) Education from a college, university, or other institution of
4 learning located outside the United States may be qualifying
5 provided it is deemed by the board to be equivalent to education
6 obtained under subdivision (b). The board may require an applicant
7 to submit documentation of his or her education to a credential
8 evaluation service approved by the board for evaluation and to
9 cause the results of this evaluation to be reported to the board in
10 order to assess educational equivalency.

11 (d) The board shall adopt regulations specifying the criteria and
12 procedures for approval of credential evaluation services. These
13 regulations shall, at a minimum, require that the credential
14 evaluation service (1) furnish evaluations directly to the board, (2)
15 furnish evaluations written in English, (3) be a member of the
16 American Association of Collegiate Registrars and Admissions
17 Officers, NAFSA: Association of International Educators, or the
18 National Association of Credential Evaluation Services, (4) be
19 used by accredited colleges and universities, (5) be reevaluated by
20 the board every five years, (6) maintain a complete set of reference
21 materials as specified by the board, (7) base evaluations only upon
22 authentic, original transcripts and degrees and have a written
23 procedure for identifying fraudulent transcripts, (8) include in the
24 evaluation report, for each degree held by the applicant, the
25 equivalent degree offered in the United States, the date the degree
26 was granted, the institution granting the degree, an English
27 translation of the course titles, and the semester unit equivalence
28 for each of the courses, (9) have an appeal procedure for applicants,
29 and (10) furnish the board with information concerning the
30 credential evaluation service that includes biographical information
31 on evaluators and translators, three letters of references from public
32 or private agencies, statistical information on the number of
33 applications processed annually for the past five years, and any
34 additional information the board may require in order to ascertain
35 that the credential evaluation service meets the standards set forth
36 in this subdivision and in any regulations adopted by the board.

37 SEC. 27. Section 5680.1 of the Business and Professions Code
38 is amended to read:

39 5680.1. Except as otherwise provided in this chapter, a license
40 that has expired may be renewed at any time within five years after

its expiration on filing of an application for renewal on a form prescribed by the board, and payment of all accrued and unpaid renewal fees. If the license is renewed more than 30 days after its expiration, the licenseholder, as a condition precedent to renewal, shall also pay the delinquency fee prescribed by this chapter. Renewal under this section shall be effective on the date on which the application is filed, on the date on which all renewal fees are paid, or on the date on which the delinquency fee, if any, is paid, whichever last occurs. If so renewed, the license shall continue in effect through the date provided in Section 5680 that next occurs after the effective date of the renewal, when it shall expire if it is not again renewed.

SEC. 28. Section 5680.2 of the Business and Professions Code is amended to read:

5680.2. A license that is not renewed within five years after its expiration may not be renewed, restored, reissued, or reinstated thereafter, but the holder of the expired license may apply for and obtain a new license if:

(a) No fact, circumstance, or condition exists which, if the license were issued, would justify its revocation or suspension.

(b) The holder of the expired license pays the fees required of new applicants.

(c) The holder of the expired license takes and passes the current California Supplemental Examination.

SEC. 29. Section 7075.1 of the Business and Professions Code is amended to read:

7075.1. (a) No license, regardless of type or classification, shall be transferable to any other person or entity under any circumstances.

(b) A license number may be reissued after cancellation, revocation, suspension, or expiration beyond the renewal period specified in Section 7141, only under the following circumstances:

(1) To an individual upon application.

(2) To a partnership upon application if there is no change in the partners or partnership structure.

(3) To a corporation upon application if there is no change in the status of the corporation as registered with the Secretary of State.

1 (4) To a limited liability company upon application if there is
2 no change in the status of the company as registered with the
3 Secretary of State.

4 (c) A license number may be reissued or reassigned to a different
5 entity only under the following conditions:

6 (1) To a corporation when the parent corporation has merged
7 or created a subsidiary, the subsidiary has merged into the parent
8 corporation, or the corporation has changed its filing status with
9 the Secretary of State from a domestic corporation to a foreign
10 corporation or from a foreign corporation to a domestic corporation,
11 and the new entity is being formed to continue the business of the
12 formerly licensed corporation.

13 (2) To a limited liability company when the parent limited
14 liability company has merged or created a subsidiary, the subsidiary
15 has merged into the parent limited liability company, or the limited
16 liability company has changed its filing status with the Secretary
17 of State from a domestic limited liability company to a foreign
18 limited liability company or from a foreign limited liability
19 company to a domestic limited liability company, and the new
20 entity is being formed to continue the business of the formerly
21 licensed limited liability company.

22 (3) To an individual when the individual is an immediate family
23 member of a licensed individual who is deceased or absent and
24 the license is required to continue an existing family contracting
25 business.

26 (4) To a corporation or limited liability company when created
27 by immediate members of an individual licensee's family to
28 continue an existing deceased or absent individual licensee's
29 contracting business.

30 (5) To a corporation or limited liability company when the
31 corporation or limited liability company is formed by an individual
32 licensee and the individual licensee maintains ownership directly
33 or indirectly of shares or membership interests evidencing more
34 than 50 percent of the voting power.

35 (6) To a limited liability company that is formed by a
36 corporation to continue the business of the corporation subsequent
37 to the cancellation of the corporate entity's license, provided the
38 personnel listed for each entity are the same.

39 (d) For purposes of this section, an immediate family member
40 of a deceased or absent licensed individual is either a spouse,

1 father, mother, brother, sister, son, daughter, stepson, stepdaughter,
2 grandson, granddaughter, son-in-law, or daughter-in-law.

3 SEC. 30. Section 7145.5 of the Business and Professions Code
4 is amended to read:

5 7145.5. (a) The registrar may refuse to issue, reinstate,
6 reactivate, or renew a license or may suspend a license for the
7 failure of a licensee to resolve all outstanding final liabilities, which
8 include taxes, additions to tax, penalties, interest, and any fees that
9 may be assessed by the board, the Department of Industrial
10 Relations, the Employment Development Department, the
11 Franchise Tax Board, or the State Board of Equalization.

12 (1) Until the debts covered by this section are satisfied, the
13 qualifying person and any other personnel of record named on a
14 license that has been suspended under this section shall be
15 prohibited from serving in any capacity that is subject to licensure
16 under this chapter, but shall be permitted to act in the capacity of
17 a nonsupervising bona fide employee.

18 (2) The license of any other renewable licensed entity with any
19 of the same personnel of record that have been assessed an
20 outstanding liability covered by this section shall be suspended
21 until the debt has been satisfied or until the same personnel of
22 record disassociate themselves from the renewable licensed entity.

23 (b) The refusal to issue a license or the suspension of a license
24 as provided by this section shall be applicable only if the registrar
25 has mailed a notice preliminary to the refusal or suspension that
26 indicates that the license will be refused or suspended by a date
27 certain. This preliminary notice shall be mailed to the licensee at
28 least 60 days before the date certain.

29 (c) In the case of outstanding final liabilities assessed by the
30 Franchise Tax Board, this section shall be operative within 60 days
31 after the Contractors' State License Board has provided the
32 Franchise Tax Board with the information required under Section
33 30, relating to licensing information that includes the federal
34 employer identification number, individual taxpayer identification
35 number, or social security number.

36 (d) All versions of the application for contractors' licenses shall
37 include, as part of the application, an authorization by the applicant,
38 in the form and manner mutually agreeable to the Franchise Tax
39 Board and the board, for the Franchise Tax Board to disclose the
40 tax information that is required for the registrar to administer this

1 section. The Franchise Tax Board may from time to time audit
2 these authorizations.

3 (e) In the case of outstanding final liabilities assessed by the
4 State Board of Equalization, this section shall not apply to any
5 outstanding final liability if the licensee has entered into an
6 installment payment agreement for that liability with the State
7 Board of Equalization and is in compliance with the terms of that
8 agreement.

9 SEC. 31. Section 7599.54 of the Business and Professions
10 Code is amended to read:

11 7599.54. (a) Except as provided by Section 7599.56, every
12 agreement, including, but not limited to, lease agreements,
13 monitoring agreements, and service agreements, including all
14 labor, services, and materials to be provided for the installation of
15 an alarm system, shall be in writing. Except as provided by Section
16 7599.56, all amendments subject to the provisions of this section
17 to an initial agreement shall be in writing. Each initial agreement
18 shall contain, but not be limited to, the following:

19 (1) The name, business address, business telephone number,
20 and license number of the licensed alarm company operator and
21 the registration number of any alarm agent who solicited or
22 negotiated the agreement.

23 (2) The approximate dates when the work will begin and be
24 substantially completed.

25 (3) A description of the work to be done, a description of the
26 materials to be used, and the agreed consideration for the work.

27 (4) A disclosure that alarm company operators are licensed and
28 regulated by the Bureau of Security and Investigative Services,
29 Department of Consumer Affairs, including the bureau's current
30 address and contact information.

31 (5) A description of the alarm system including the major
32 components thereof and services to be provided to the purchaser
33 once the alarm is installed, including response or monitoring
34 services, if any.

35 (6) Other matters agreed to by the parties of the contract. The
36 agreement shall be legible and shall be in a form as to clearly
37 describe any other document which is to be incorporated into the
38 contract, and, before any work is done, the client shall be furnished
39 with a copy of the written agreement signed by the licensee.

1 (7) A statement setting forth that upon completion of the
2 installation of the alarm system, the alarm company shall
3 thoroughly instruct the purchaser in the proper use of the alarm
4 system.

5 (8) In the event a mechanic's lien is to be utilized, a
6 notice-to-owner statement which shall describe, in nontechnical
7 language and in a clear and coherent manner using words with
8 common and everyday meaning, the pertinent provisions of this
9 state's mechanics' lien laws and the rights and responsibilities of
10 an owner of property and a contractor thereunder, including the
11 provisions relating to the filing of a contract concerning a work of
12 improvement with the county recorder and the recording in the
13 office of a contractor's payment bond for private work.

14 (9) For residential agreements entered into on or after January
15 1, 2017, that include an automatic renewal provision renewing the
16 agreement for a period of more than one month, a clear and distinct
17 disclosure shall be included separate from the terms and conditions
18 of the agreement advising the consumer that the agreement he or
19 she is entering into contains an automatic renewal provision. The
20 disclosure shall include the length of time of the renewal term and
21 specify that failure to provide notification of nonrenewal to the
22 licensee, as required in the agreement, will result in the automatic
23 renewal of the agreement. The consumer shall acknowledge being
24 advised of the automatic renewal provision by signing or initialing
25 the disclosure. The disclosure may be included on the same
26 document as the three-day right to cancel form required by Section
27 1689.7 of the Civil Code. The automatic renewal provision shall
28 be void and invalid without a separate acknowledgment of the
29 disclosure by the consumer.

30 (10) In addition to the above, every initial residential sales and
31 lease agreement, the total cost which over the time period fixed
32 by the agreement exceeds two hundred fifty dollars (\$250),
33 including the cost of all labor, service, or material to be provided
34 by the licensee for the installation, shall include, but not be limited
35 to, the following:

36 (A) A schedule of payments showing the amount of each
37 payment as a sum in dollars and cents. This schedule of payments
38 shall be referenced to the amount of work for services to be
39 performed or to any materials or equipment to be supplied.

1 (B) If the payment schedule contained in the agreement provides
2 for a downpayment to be paid to the licensee by the owner or the
3 tenant before commencement of the work, that downpayment shall
4 not exceed one thousand dollars (\$1,000) or 10 percent of the
5 contract price, excluding finance charges, whichever is the lesser.

6 (C) In no event shall the payment schedule provide that the
7 licensee receive, nor shall the licensee actually receive, payment
8 in excess of 100 percent of the value of the work performed on
9 the project at any time, excluding finance charges, except that the
10 licensee may receive an initial downpayment authorized by
11 subparagraph (B). A failure by the licensee, without legal excuse,
12 to substantially commence work within 20 days of the approximate
13 date specified in the contract when work is to commence, shall
14 postpone the next succeeding payment to the licensee for that
15 period of time equivalent to the time between when substantial
16 commencement was to have occurred and when it did occur.

17 (D) A notice-to-owner statement which shall describe, in
18 nontechnical language and in a clear and coherent manner using
19 words with common and everyday meaning, the pertinent
20 provisions of this state's mechanics' lien laws and the rights and
21 responsibilities of an owner of property and a contractor thereunder,
22 including the provisions relating to the filing of a contract
23 concerning a work of improvement with the county recorder and
24 the recording in the office of a contractor's payment bond for
25 private work.

26 (E) A description of what constitutes substantial commencement
27 of work pursuant to the contract.

28 (F) A disclosure that failure by the licensee, without legal
29 excuse, to substantially commence work within 20 days from the
30 approximate date specified in the agreement when the work will
31 begin is a violation of the Alarm Company Act.

32 (G) A disclosure informing the buyer of any potential permit
33 fees which may be required by local jurisdictions concerning the
34 monitoring of an existing alarm system.

35 (H) This section shall not be construed to prohibit the parties
36 to a residential alarm system sale contract from agreeing to a
37 contract or account subject to Chapter 1 (commencing with Section
38 1801) of Title 2 of Part 4 of Division 3 of the Civil Code.

39 (b) A violation of this section or failure to commence work
40 pursuant to subparagraph (F) of paragraph (10) of subdivision (a)

1 may result in a fine of one hundred dollars (\$100) for the first
2 violation and a fine of five hundred dollars (\$500) for each
3 subsequent violation.

4 SEC. 32. Section 7713 of the Business and Professions Code
5 is amended to read:

6 7713. A crematory shall at all times employ a licensed
7 crematory manager to manage, supervise, and direct its operations.

8 (a) Every crematory shall designate a licensed crematory
9 manager to manage the crematory, and shall report the designation
10 to the bureau within 10 days of the effective date. Any change in
11 the designated manager shall be reported to the bureau within 10
12 days. Notwithstanding any provision of this chapter to the contrary,
13 licensed crematories within close geographical proximity of each
14 other may request the bureau to allow a licensed crematory
15 manager to manage, supervise, and direct the business or profession
16 of more than one facility.

17 (b) The designated crematory manager shall be responsible for
18 exercising direct supervision and control over the operations,
19 employees, and agents of the crematory as is necessary to ensure
20 full compliance with the applicable provisions of this code, the
21 Health and Safety Code, and any regulations adopted thereto.
22 Failure of the designated crematory manager or the licensed
23 crematory to exercise that supervision or control shall constitute
24 a ground for disciplinary action.

25 (c) A crematory may employ, in addition to the designated
26 crematory manager, additional licensed crematory managers.
27 However, only one licensed crematory manager may be appointed
28 as the designated crematory manager of the crematory.

29 SEC. 33. Section 8567 of the Business and Professions Code
30 is amended to read:

31 8567. (a) Should a field representative or applicator change
32 his or her employment, or should an operator enter the employ of
33 a registered company, or being already employed by a registered
34 company change his or her employment, or being employed by a
35 registered company leave that employment and enter the pest
36 control business on his or her own behalf, he or she shall notify
37 the registrar on a form prescribed by the board and issued by the
38 registrar in accordance with rules and regulations adopted by the
39 board. The registrar shall register the change in his or her records.

1 (b) If a field representative, operator, or applicator fails to notify
2 the registrar within 30 days of the date a change of employment
3 occurs, a registered company may notify the registrar, on a form
4 prescribed by the board, that the field representative, operator, or
5 applicator is no longer associated with the registered company.

6 SEC. 34. Section 22352 of the Business and Professions Code
7 is amended to read:

8 22352. At the time of filing the initial certificate of registration,
9 a registrant shall pay the following fees to the county clerk:

10 (a) A fee of one hundred dollars (\$100).

11 (b) A fee to cover the actual costs of processing the completed
12 request for live scan when submitted with the initial certificate of
13 registration.

14 (c) A fee to cover the actual cost of issuing a registered process
15 server identification card.

16 SEC. 35. Section 1010 of the Evidence Code is amended to
17 read:

18 1010. As used in this article, “psychotherapist” means a person
19 who is, or is reasonably believed by the patient to be:

20 (a) A person authorized to practice medicine in any state or
21 nation who devotes, or is reasonably believed by the patient to
22 devote, a substantial portion of his or her time to the practice of
23 psychiatry.

24 (b) A person licensed as a psychologist under Chapter 6.6
25 (commencing with Section 2900) of Division 2 of the Business
26 and Professions Code.

27 (c) A person licensed as a clinical social worker under Chapter
28 14 (commencing with Section 4991) of Division 2 of the Business
29 and Professions Code, when he or she is engaged in applied
30 psychotherapy of a nonmedical nature.

31 (d) A person who is serving as a school psychologist and holds
32 a credential authorizing that service issued by the state.

33 (e) A person licensed as a marriage and family therapist under
34 Chapter 13 (commencing with Section 4980) of Division 2 of the
35 Business and Professions Code.

36 (f) A person registered as a psychological assistant who is under
37 the supervision of a licensed psychologist or board certified
38 psychiatrist as required by Section 2913 of the Business and
39 Professions Code, or a person registered as an associate marriage
40 and family therapist who is under the supervision of a licensed

1 marriage and family therapist, a licensed clinical social worker, a
2 licensed psychologist, or a licensed physician and surgeon certified
3 in psychiatry, as specified in Section 4980.44 of the Business and
4 Professions Code.

5 (g) A person registered as an associate clinical social worker
6 who is under supervision as specified in Section 4996.23 of the
7 Business and Professions Code.

8 (h) A person registered with the Board of Psychology as a
9 registered psychologist who is under the supervision of a licensed
10 psychologist or board certified psychiatrist.

11 (i) A psychological intern as defined in Section 2911 of the
12 Business and Professions Code who is under the supervision of a
13 licensed psychologist or board certified psychiatrist.

14 (j) A trainee, as defined in subdivision (c) of Section 4980.03
15 of the Business and Professions Code, who is fulfilling his or her
16 supervised practicum required by subparagraph (B) of paragraph
17 (1) of subdivision (d) of Section 4980.36 of, or subdivision (c) of
18 Section 4980.37 of, the Business and Professions Code and is
19 supervised by a licensed psychologist, a board certified psychiatrist,
20 a licensed clinical social worker, a licensed marriage and family
21 therapist, or a licensed professional clinical counselor.

22 (k) A person licensed as a registered nurse pursuant to Chapter
23 6 (commencing with Section 2700) of Division 2 of the Business
24 and Professions Code, who possesses a master's degree in
25 psychiatric-mental health nursing and is listed as a
26 psychiatric-mental health nurse by the Board of Registered
27 Nursing.

28 (l) An advanced practice registered nurse who is certified as a
29 clinical nurse specialist pursuant to Article 9 (commencing with
30 Section 2838) of Chapter 6 of Division 2 of the Business and
31 Professions Code and who participates in expert clinical practice
32 in the specialty of psychiatric-mental health nursing.

33 (m) A person rendering mental health treatment or counseling
34 services as authorized pursuant to Section 6924 of the Family
35 Code.

36 (n) A person licensed as a professional clinical counselor under
37 Chapter 16 (commencing with Section 4999.10) of Division 2 of
38 the Business and Professions Code.

39 (o) A person registered as an associate professional clinical
40 counselor who is under the supervision of a licensed professional

1 clinical counselor, a licensed marriage and family therapist, a
2 licensed clinical social worker, a licensed psychologist, or a
3 licensed physician and surgeon certified in psychiatry, as specified
4 in Sections 4999.42 to 4999.46, inclusive, of the Business and
5 Professions Code.

6 (p) A clinical counselor trainee, as defined in subdivision (g)
7 of Section 4999.12 of the Business and Professions Code, who is
8 fulfilling his or her supervised practicum required by paragraph
9 (3) of subdivision (c) of Section 4999.32 of, or paragraph (3) of
10 subdivision (c) of Section 4999.33 of, the Business and Professions
11 Code, and is supervised by a licensed psychologist, a
12 board-certified psychiatrist, a licensed clinical social worker, a
13 licensed marriage and family therapist, or a licensed professional
14 clinical counselor.

15 SEC. 36. Section 11165.7 of the Penal Code is amended to
16 read:

17 11165.7. (a) As used in this article, "mandated reporter" is
18 defined as any of the following:

19 (1) A teacher.

20 (2) An instructional aide.

21 (3) A teacher's aide or teacher's assistant employed by a public
22 or private school.

23 (4) A classified employee of a public school.

24 (5) An administrative officer or supervisor of child welfare and
25 attendance, or a certificated pupil personnel employee of a public
26 or private school.

27 (6) An administrator of a public or private day camp.

28 (7) An administrator or employee of a public or private youth
29 center, youth recreation program, or youth organization.

30 (8) An administrator, board member, or employee of a public
31 or private organization whose duties require direct contact and
32 supervision of children, including a foster family agency.

33 (9) An employee of a county office of education or the State
34 Department of Education whose duties bring the employee into
35 contact with children on a regular basis.

36 (10) A licensee, an administrator, or an employee of a licensed
37 community care or child day care facility.

38 (11) A Head Start program teacher.

39 (12) A licensing worker or licensing evaluator employed by a
40 licensing agency, as defined in Section 11165.11.

1 (13) A public assistance worker.

2 (14) An employee of a child care institution, including, but not
3 limited to, foster parents, group home personnel, and personnel of
4 residential care facilities.

5 (15) A social worker, probation officer, or parole officer.

6 (16) An employee of a school district police or security
7 department.

8 (17) A person who is an administrator or presenter of, or a
9 counselor in, a child abuse prevention program in a public or
10 private school.

11 (18) A district attorney investigator, inspector, or local child
12 support agency caseworker, unless the investigator, inspector, or
13 caseworker is working with an attorney appointed pursuant to
14 Section 317 of the Welfare and Institutions Code to represent a
15 minor.

16 (19) A peace officer, as defined in Chapter 4.5 (commencing
17 with Section 830) of Title 3 of Part 2, who is not otherwise
18 described in this section.

19 (20) A firefighter, except for volunteer firefighters.

20 (21) A physician and surgeon, psychiatrist, psychologist, dentist,
21 resident, intern, podiatrist, chiropractor, licensed nurse, dental
22 hygienist, optometrist, marriage and family therapist, clinical social
23 worker, professional clinical counselor, or any other person who
24 is currently licensed under Division 2 (commencing with Section
25 500) of the Business and Professions Code.

26 (22) An emergency medical technician I or II, paramedic, or
27 other person certified pursuant to Division 2.5 (commencing with
28 Section 1797) of the Health and Safety Code.

29 (23) A psychological assistant registered pursuant to Section
30 2913 of the Business and Professions Code.

31 (24) A marriage and family therapist trainee, as defined in
32 subdivision (c) of Section 4980.03 of the Business and Professions
33 Code.

34 (25) An unlicensed associate marriage and family therapist
35 registered under Section 4980.44 of the Business and Professions
36 Code.

37 (26) A state or county public health employee who treats a minor
38 for venereal disease or any other condition.

39 (27) A coroner.

1 (28) A medical examiner or other person who performs
2 autopsies.

3 (29) A commercial film and photographic print or image
4 processor as specified in subdivision (e) of Section 11166. As used
5 in this article, "commercial film and photographic print or image
6 processor" means a person who develops exposed photographic
7 film into negatives, slides, or prints, or who makes prints from
8 negatives or slides, or who prepares, publishes, produces, develops,
9 duplicates, or prints any representation of information, data, or an
10 image, including, but not limited to, any film, filmstrip, photograph,
11 negative, slide, photocopy, videotape, video laser disc, computer
12 hardware, computer software, computer floppy disk, data storage
13 medium, CD-ROM, computer-generated equipment, or
14 computer-generated image, for compensation. The term includes
15 any employee of that person; it does not include a person who
16 develops film or makes prints or images for a public agency.

17 (30) A child visitation monitor. As used in this article, "child
18 visitation monitor" means a person who, for financial
19 compensation, acts as a monitor of a visit between a child and
20 another person when the monitoring of that visit has been ordered
21 by a court of law.

22 (31) An animal control officer or humane society officer. For
23 the purposes of this article, the following terms have the following
24 meanings:

25 (A) "Animal control officer" means a person employed by a
26 city, county, or city and county for the purpose of enforcing animal
27 control laws or regulations.

28 (B) "Humane society officer" means a person appointed or
29 employed by a public or private entity as a humane officer who is
30 qualified pursuant to Section 14502 or 14503 of the Corporations
31 Code.

32 (32) A clergy member, as specified in subdivision (d) of Section
33 11166. As used in this article, "clergy member" means a priest,
34 minister, rabbi, religious practitioner, or similar functionary of a
35 church, temple, or recognized denomination or organization.

36 (33) Any custodian of records of a clergy member, as specified
37 in this section and subdivision (d) of Section 11166.

38 (34) An employee of any police department, county sheriff's
39 department, county probation department, or county welfare
40 department.

1 (35) An employee or volunteer of a Court Appointed Special
2 Advocate program, as defined in Rule 5.655 of the California Rules
3 of Court.

4 (36) A custodial officer, as defined in Section 831.5.

5 (37) A person providing services to a minor child under Section
6 12300 or 12300.1 of the Welfare and Institutions Code.

7 (38) An alcohol and drug counselor. As used in this article, an
8 “alcohol and drug counselor” is a person providing counseling,
9 therapy, or other clinical services for a state licensed or certified
10 drug, alcohol, or drug and alcohol treatment program. However,
11 alcohol or drug abuse, or both alcohol and drug abuse, is not, in
12 and of itself, a sufficient basis for reporting child abuse or neglect.

13 (39) A clinical counselor trainee, as defined in subdivision (g)
14 of Section 4999.12 of the Business and Professions Code.

15 (40) An associate professional clinical counselor registered
16 under Section 4999.42 of the Business and Professions Code.

17 (41) An employee or administrator of a public or private
18 postsecondary educational institution, whose duties bring the
19 administrator or employee into contact with children on a regular
20 basis, or who supervises those whose duties bring the administrator
21 or employee into contact with children on a regular basis, as to
22 child abuse or neglect occurring on that institution’s premises or
23 at an official activity of, or program conducted by, the institution.
24 Nothing in this paragraph shall be construed as altering the
25 lawyer-client privilege as set forth in Article 3 (commencing with
26 Section 950) of Chapter 4 of Division 8 of the Evidence Code.

27 (42) An athletic coach, athletic administrator, or athletic director
28 employed by any public or private school that provides any
29 combination of instruction for kindergarten, or grades 1 to 12,
30 inclusive.

31 (43) (A) A commercial computer technician as specified in
32 subdivision (e) of Section 11166. As used in this article,
33 “commercial computer technician” means a person who works for
34 a company that is in the business of repairing, installing, or
35 otherwise servicing a computer or computer component, including,
36 but not limited to, a computer part, device, memory storage or
37 recording mechanism, auxiliary storage recording or memory
38 capacity, or any other material relating to the operation and
39 maintenance of a computer or computer network system, for a fee.
40 An employer who provides an electronic communications service

1 or a remote computing service to the public shall be deemed to
2 comply with this article if that employer complies with Section
3 2258A of Title 18 of the United States Code.

4 (B) An employer of a commercial computer technician may
5 implement internal procedures for facilitating reporting consistent
6 with this article. These procedures may direct employees who are
7 mandated reporters under this paragraph to report materials
8 described in subdivision (e) of Section 11166 to an employee who
9 is designated by the employer to receive the reports. An employee
10 who is designated to receive reports under this subparagraph shall
11 be a commercial computer technician for purposes of this article.
12 A commercial computer technician who makes a report to the
13 designated employee pursuant to this subparagraph shall be deemed
14 to have complied with the requirements of this article and shall be
15 subject to the protections afforded to mandated reporters, including,
16 but not limited to, those protections afforded by Section 11172.

17 (44) Any athletic coach, including, but not limited to, an
18 assistant coach or a graduate assistant involved in coaching, at
19 public or private postsecondary educational institutions.

20 (45) An individual certified by a licensed foster family agency
21 as a certified family home, as defined in Section 1506 of the Health
22 and Safety Code.

23 (46) An individual approved as a resource family, as defined in
24 Section 1517 of the Health and Safety Code and Section 16519.5
25 of the Welfare and Institutions Code.

26 (b) Except as provided in paragraph (35) of subdivision (a),
27 volunteers of public or private organizations whose duties require
28 direct contact with and supervision of children are not mandated
29 reporters but are encouraged to obtain training in the identification
30 and reporting of child abuse and neglect and are further encouraged
31 to report known or suspected instances of child abuse or neglect
32 to an agency specified in Section 11165.9.

33 (c) Except as provided in subdivision (d), employers are strongly
34 encouraged to provide their employees who are mandated reporters
35 with training in the duties imposed by this article. This training
36 shall include training in child abuse and neglect identification and
37 training in child abuse and neglect reporting. Whether or not
38 employers provide their employees with training in child abuse
39 and neglect identification and reporting, the employers shall

1 provide their employees who are mandated reporters with the
2 statement required pursuant to subdivision (a) of Section 11166.5.

3 (d) Pursuant to Section 44691 of the Education Code, school
4 districts, county offices of education, state special schools and
5 diagnostic centers operated by the State Department of Education,
6 and charter schools shall annually train their employees and persons
7 working on their behalf specified in subdivision (a) in the duties
8 of mandated reporters under the child abuse reporting laws. The
9 training shall include, but not necessarily be limited to, training in
10 child abuse and neglect identification and child abuse and neglect
11 reporting.

12 (e) (1) On and after January 1, 2018, pursuant to Section
13 1596.8662 of the Health and Safety Code, a child care licensee
14 applicant shall take training in the duties of mandated reporters
15 under the child abuse reporting laws as a condition of licensure,
16 and a child care administrator or an employee of a licensed child
17 day care facility shall take training in the duties of mandated
18 reporters during the first 90 days when he or she is employed by
19 the facility.

20 (2) A person specified in paragraph (1) who becomes a licensee,
21 administrator, or employee of a licensed child day care facility
22 shall take renewal mandated reporter training every two years
23 following the date on which he or she completed the initial
24 mandated reporter training. The training shall include, but not
25 necessarily be limited to, training in child abuse and neglect
26 identification and child abuse and neglect reporting.

27 (f) Unless otherwise specifically provided, the absence of
28 training shall not excuse a mandated reporter from the duties
29 imposed by this article.

30 (g) Public and private organizations are encouraged to provide
31 their volunteers whose duties require direct contact with and
32 supervision of children with training in the identification and
33 reporting of child abuse and neglect.

34 SEC. 37. No reimbursement is required by this act pursuant to
35 Section 6 of Article XIII B of the California Constitution because
36 the only costs that may be incurred by a local agency or school
37 district will be incurred because this act creates a new crime or
38 infraction, eliminates a crime or infraction, or changes the penalty
39 for a crime or infraction, within the meaning of Section 17556 of
40 the Government Code, or changes the definition of a crime within

- 1 the meaning of Section 6 of Article XIII B of the California
- 2 Constitution.

O

AGENDA ITEM E

Adjournment

