

Date of Hearing: July 11, 2017

ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS

Evan Low, Chair

SB 800 (Committee on Business, Professions and Economic Development) – As Amended June 5, 2017

SENATE VOTE: 37-0

SUBJECT: Professions and vocations

SUMMARY: Makes several non-controversial, minor, non-substantive, or technical changes to the laws relating to 1) various licensing and regulatory boards within the Department of Consumer Affairs (DCA) and 2) the regulation of commercial weighing and measuring devices.

EXISTING LAW:

- 1) Provides for the licensure and regulation of various professions and vocations by boards, bureaus, and other entities within the Department of Consumer Affairs (DCA). (BPC §§ 22, 100-144.5)
- 2) Establishes the **California Board of Pharmacy** to license and regulate the practice of pharmacy and specifies the following:
 - a) 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. (BPC § 4001.5)
 - b) Requires each pharmacist, intern pharmacist, pharmacy technician, designated representative-3PL licensed in this state to join the Board’s email notification list within 60 days of obtaining a license or at the time of license renewal. (BPC § 4013(d)(1))
 - c) Authorizes the Board is authorized to issue a cease and desist order for operating any facility that requires licensure or for practicing any activity under the Pharmacy Law that requires licensure. (BPC § 4316(a))
- 3) Establishes the **Board of Behavioral Sciences** to regulate licensed marriage and family therapists (LMFTs), licensed clinical social workers (LCSWs), and licensed professional clinical counselors (LPCCs) and specifies the following:
 - a) Renames “marriage and family therapist intern” or “marriage and family therapist registered intern” to “associate marriage and family therapist” or “registered associate marriage and family therapist,” respectively. (BPC § 4980.09 (a))
 - b) Requires an LMFT applicant’s license or registration in that jurisdiction to be in good standing at the time of his or her application and to not be revoked, suspended, surrendered, denied, or otherwise restricted or encumbered, in order to apply for licensure with the Board without taking the clinical examination. (BPC § 4980.72 (b)(5)(B))

- c) Requires a licensee or registrant 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 that a copy of the legal document authorizing the name change, such as a court order or marriage certificate, to be submitted with the notice. (BPC §§ 4984.9; 4992.8; 4984.46)
- d) Authorizes that the Board issue a license to any person who, at the time of application, holds a valid active clinical social work license issued by a board of clinical social work examiners or corresponding authority of any state, if the person passes, or has passed, the licensing examinations as specified in Section 4996.1 and pays the required fees, where issuance of the license is conditioned upon the applicant's license not being suspended, revoked, restricted, sanctioned, or voluntarily surrendered in any state. (BPC § 4996.17 (b)(4))
- e) Authorizes that the Board to issue a license to any person who, at the time of application, holds a valid, active clinical social work license issued by a board of clinical social work examiners or a corresponding authority of any state, if the person has held that license for at least four years immediately preceding the date of application, the person passes, or has passed, the licensing examinations as specified in Section 4996.1, and the person pays the required fees. Issuance of the license is conditioned upon the applicant's license not being suspended, revoked, restricted, sanctioned, or voluntarily surrendered in any state. (BPC § 4996.17 (c)(4))
- f) Provides that commencing January 1, 2016, an applicant who obtained his or her license or registration under another jurisdiction may apply for licensure with the Board without taking the clinical examination specified in Section 4996.1 if the applicant obtained a passing score on the licensing examination set forth in regulation as accepted by the Board. (BPC § 4996.17 (c)(4))
- g) Provides that the title "professional clinical counselor intern" or "professional clinical counselor registered intern" is hereby renamed "associate professional clinical counselor" or "registered associate professional clinical counselor," respectively. (BPC § 4999.12.5 (a))
- h) Requires any reference in any statute or regulation to a "professional clinical counselor intern" or "professional clinical counselor registered intern" to be deemed a reference to an "associate professional clinical counselor" or "registered associate professional clinical counselor." (BPC § 4999.12.5 (a))
- i) Requires the Board to begin accepting applications for intern registration on January 1, 2011. (BPC § 4999.42 (b))
- j) Provides that a registrant may take the clinical examination or the National Clinical Mental Health Counselor Examination, as established by the Board through regulation, only upon meeting all a set of prescribed requirements. (BPC § 4999.53 (c))
- k) Authorizes the Board to issue a license to a person who, at the time of submitting an application for a license pursuant to this chapter, holds a valid license as a professional clinical counselor, or other counseling license that allows the applicant to independently

provide clinical mental health services, in another jurisdiction of the United States. (BPC § 4999.60 (b))

- l) Requires a licensee or registrant to give written notice to the Board of a name change within 30 days after each change, giving both the old and new names. (BPC § 4999.118)
 - m) Requires a copy of the legal document authorizing the name change, such as a court order or marriage certificate, to be submitted with the notice. (BPC § 4999.118)
- 4) Establishes the **California Board of Accountancy** to license and regulate the practice of accounting and specifies the following:
- a) Requires the Board to adopt regulations specifying the criteria and procedures for approval of credential evaluation services. Requires these regulations, at a minimum, to require that the credential evaluation service, among other things, be a member of the American Association of Collegiate Registrars and Admission Officers, the National Association of Foreign Student Affairs, or the National Association of Credential Evaluation Services. (BPC § 5094)
- 5) Establishes the **California Architects Board** to license and regulate the practice of architecture and specifies the following:
- a) Provides that a landscape architect license that has expired may be renewed at any time within three 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. (BPC § 5680.1)
 - b) Provides that a license which is not renewed within three years after its expiration may not be renewed, restored, reissued, or reinstated, but the holder of the license may apply for and obtain a new license if:
 - c) No fact, circumstance, or condition exists which if the license were issued, would justify its revocation or suspension.
 - d) The applicant pays all of the fees which would be required of the applicant if the applicant were then applying for the license for the first time.
 - e) The applicant takes and passes the examination which would be required of the applicant if the applicant were then applying for the license for the first time, or otherwise establishes to the satisfaction of the Board that the applicant is qualified to practice landscape architecture.
 - f) Provides that the Board may, by regulation, authorize the waiver or refund of all or any part of the examination fee in those cases in which a license is issued without an examination under this section. (BPC § 5680.2)
- 6) Establishes the **Contractors State License Board** to license and regulate contractors and specifies the following:

- a) Requires that no license, regardless of type or classification, to be transferable to any other person or entity under any circumstances. (BPC § 7075.1)
 - b) Provides parameters and requirements relating to outstanding final liabilities, including the requirement that the Board provide licensees' federal employee identification numbers or Social Security numbers to the Franchise Tax Board. (BPC § 714.5)
- 7) Establishes the **Bureau of Security and Investigative Services** to regulate alarm companies, private investigators, and security guards and specifies the following:
- a) That an alarm company, private investigator, or security guard license or registration expires 2 years following the date of issuance and requires specified persons issued a license or registration under the act that are also issued or renew a firearms qualification to be placed on a cyclical renewal cycle, as specified. (BPC §§ 7558, 7583.20, 7586, 7593.11, 7598.17)
 - b) That, except as provided, every alarm services agreement must be in writing and requires agreements that include an automatic renewal provision to provide a specified disclosure. (BPC § 7599.54)
- 8) Establishes the **Cemetery and Funeral Bureau** to regulate the business of funeral establishments, cemeteries, crematories, embalming, or storage of human remains and requires a crematory to, at all times, employ a licensed crematory manager to manage, supervise, and direct its operations. (BPC § 7713)
- 9) Establishes the **Structural Pest Control Board** to regulate the practice of structural pest control and requires specified licensees to notify the registrar, as specified, that the licensee has changed his or her employment. (BPC § 8567)
- 10) Regulates **Clerks and Election Officials** and 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. (BPC § 22352)
- 11) Regulates **commercial weighing and measuring devices** and specifies the following:
- a) That the term "director" or "secretary" means the Secretary of Food and Agriculture. Existing law requires the standards of the state to be directly certified by the National Bureau of Standards, a federal agency that became the National Institute of Standards and Technology in 1988.
 - b) That certain persons are not weighmasters, including, among others, milk samplers and weighers, as specified.

THIS BILL:

- 1) Makes the following changes relating to the **California Board of Pharmacy**:
 - a) Adds "designated representative" to the list of those required to join the Board of Pharmacy's email notification list within 60 days of obtaining a license or at the time of license renewal.

- b) Clarifies that the executive officer is authorized to issue a cease and desist order for operating any facility licensed under the Board of Pharmacy or for practicing any activity licensed by the Board of Pharmacy.
 - c) Clarifies that only when the individual has not obtained licensure for operating a facility or practicing any activity that requires licensure under the Pharmacy Law, may the Board issue a cease and desist letter.
 - d) Deletes obsolete references in the Pharmacy Law.
- 2) Makes the following changes relating to the **Board of Behavioral Sciences**:
- a) Provides that any reference made to “intern” means “associate” and makes numerous conforming changes.
 - b) Adds “designated representative” to the list of those who are required to join the Board’s email notification list within 60 days of obtaining a license or at the time of license renewal.
 - c) Clarifies that the executive officer of the Board is specifically authorized to issue a cease and desist letter for operating any facility licensed by the Board of Behavioral Sciences or for practicing any activity licensed by the Board of Behavioral Sciences.
 - d) Replaces “licensing examination” with “clinical licensing examination” and makes conforming changes.
 - e) Requires that a licensee or registrant to give written notice to the Board of a name change in accordance with the following:
 - 1) The written notice is submitted to the Board within 30 days of the issuance of a new government-issued photographic identification.
 - 2) The licensee or registration certifies the information by signing a statement under the penalty of perjury.
 - 3) A copy of both of the following documents evidencing the change is submitted with the notice:
 - (1) A current government-issued photographic identification.
 - (2) The legal document authorizing the name change, such as a court order, or marriage certificate.”
 - f) Clarifies that the licensee’s out of state license must be in good standing, in addition to not being suspended, revoked, restricted, sanctioned or voluntarily surrendered in any state before the Board may issue a license to any person who, at the time of application, holds a valid active clinical social work license issued by the authority of any other state.
 - g) Provides that an applicant who obtained his or her license or registration in another jurisdiction may apply for licensure without taking the required clinical examination if both of the following conditions are met:

- 1) The applicant obtained a passing score on the licensing examination set forth in regulation as accepted by the Board.
 - 2) The applicant's license or registration in that jurisdiction is active, in good standing at the time of his or her application and is not revoked, suspended, surrendered, denied, or otherwise restricted or encumbered.
 - h) Replaces every use of "clinical counselor intern" with "an associate professional clinical counselor."
 - i) Adds "or applicant for licensure" to the list of those who may take the clinical examination or the National Clinical Mental Health Counselor Examination.
 - j) Makes other technical and clarifying changes.
- 2) Makes the following changes relating to the **California Board of Accountancy**:
 - a) Updates the code to reference the proper names of federal associations and member organizations.
 - 3) Makes the following changes relating to the **California Architects Board**:
 - a) Authorizes a landscape architect license to be renewed within five years of its expiration.
 - b) Prohibits a landscape architect license that is expired for more than five 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.
 - 4) Makes the following changes relating to the **Contractors State License Board**:
 - a) Removes the 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.
 - b) Corrects the incorrect reference to the federal "employee" identification number to the federal "employer" identification number.
 - c) Adds a reference to the "individual taxpayer identification number" under the information the Board sends to the Franchise Tax Board for outstanding liabilities.
 - 5) Makes the following changes relating to the **Bureau of Security and Investigative Services**:
 - a) Revises disclosure requirements to residential agreements with an automatic renewal provision.
 - b) Provides that a license, registration, certificate, or pocket card issued under the various acts expires at midnight of the last day of the month 2 years following issuance unless renewed and would delete the requirement that certain person be on a cyclical renewal cycle.

- c) Requires an applicant for renewal of a registration under the act to submit an application on a form prescribed by the director that is dated and signed by the applicant and would require the applicant to certify under penalty of perjury that the information on the application is true and correct.
- 6) Makes the following changes relating to the **Cemetery and Funeral Bureau**:
 - a) Authorizes 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.
- 7) Makes the following changes relating to the **Structural Pest Control Board**:
 - a) Authorizes a registered company to notify the register, as specified, when certain licensees are no longer associated with the registered company.
- 8) Makes the following changes relating to the **Clerks and Election Officials**:
 - a) Deletes the outdated reference to “fingerprint cards” and instead requires a registrant to pay a fee to cover the actual costs of processing the completed request for live scan.
- 9) Makes the following changes relating to **Weights and Measures**:
 - a) Specifies that the term “secretary” means the Secretary of Food and Agriculture and makes conforming changes.
 - b) Changes references to the National Bureau of Standards to the National Institute of Standards and Technology.
 - c) Adds facilities that handle medical waste and that report net weights, and not estimates, to the generator of the medical waste and the State Department of Public Health in accordance with the Medical Waste Management Act to the list of those exempted as weighmasters.
- 10) Makes other technical or clarifying changes.

FISCAL EFFECT: According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

COMMENTS:

Purpose. This bill is sponsored by the author. According to the author, this bill “is intended to consolidate a number of non-controversial provisions related to various regulatory programs and professions governed by the BPC. Consolidating the provisions in one bill is designed to relieve the various licensing boards, bureaus, professions and other regulatory agencies from the necessity and burden of having separate measures for a number of non-controversial revisions.

Many of the provisions of this bill are minor, technical, and updating changes, while other provisions are substantive changes intended to improve the ability of various licensing programs and other entities to efficiently and effectively administer their respective laws.

However, as a Committee bill, if controversy or opposition should arise regarding any provision that cannot be resolved, then that provision will be removed from the bill. This will eliminate the chance of placing any of the other provisions in jeopardy.”

Background. The following explains the rationale for the significant provisions in this measure:

California Board of Pharmacy. The Board identified various sections that needed clarification, including establishing who issues a cease and desist for unlicensed activity as well as clarifying the conditions under which it can be issued. Further, inconsistent use of the terms “facility” and “pharmacy” result in not all facilities having full appeal rights.

Therefore, the Board proposed amending BPC § 4316 to authorize the executive officer to issue a cease and desist so it is consistent with other areas of the pharmacy law. Further, this bill amends this section to clarify that all facilities are entitled to a review of a decision as part of the appeal process and provide additional clarity to the condition under which the Board can issue a cease and desist.

The Board found that until this year, it lacked the ability to issue a cease and desist order when a facility was operating without a license. The Board inadvertently failed to include in the language that the cease and desist order is issued by the executive officer. This change is important to ensure the separation of duties between the Board itself as the final decision maker and the Board’s staff who are responsible for investigating and seeking discipline. Further, the Board wants to ensure that all facilities issued a cease and desist have full appeal rights and an understanding of when the Board may issue a cease and desist order for unlicensed activity.

Additionally, the Board inadvertently excluded one individual licensing category, designated representative, from the list of individuals required to join. (Note: Designated representatives were appropriately included in the list of individuals required to update the e-mail notification within 30 days of a change in email address as required in Section 4013(d)(2))

Thus, the Board proposed that the solution is to amend BPC § 4013(d)(1) to include designated representative in the list of licensees required to register with the Board’s email subscriber list.

The Board uses its email notification system as a quick and efficient way to communicate with licensees. The inadvertent inclusion of the designated representative means such individuals will not receive such information from the Board unless they voluntarily join. Further, absent this amendment a conflict will exist in the section in that a designated representative will not be required to join, but will be required to update a change within 30 days.

Board of Behavioral Sciences. The Board proposed the following:

Examinations. According to the Board, under its previous examination structure, once applicants finished gaining all experience hours, they applied for “examination eligibility” to be able to take the two exams required for licensure.

Under the new Board’s new examination structure, applicants must take the first exam – the California law and ethics exam – while they are still registered as an intern and gaining hours. After they are done gaining hours as an intern, they submit for eligibility to take the final exam, and if they passed, they are able to become licensed. Because these individuals have already

previously been eligible to take one exam while a registrant, references to applying for “examination eligibility” in the context in which it is currently used, are no longer accurate.

Thus, the Board proposes that the best legislative solution that is to change references in law to applying for “examination eligibility” to references to applying for “licensure.” This is a more accurate description of this place in the licensing process, since, if they pass the final exam, they are then able to become licensed.

In addition, the deletion of BPC § 4999.120(c) removes a fee that was written into LPCC law but was never used. The Board is proposing deleting it because when it is renaming the fee in 4999.120(a), and it realized that with the re-name, it would now be called the same thing as the fee in (c). Upon further investigation, the Board realized it wasn't using the fee in (c).

BPC § 4999.53 specifies that a clinical counselor associate applying for licensure must pass a California law and ethics exam and a clinical exam. However, the wording of this section does not address a situation in which the applicant is applying for licensure, but is no longer registered as an associate. (These individuals may have completed their hours but no longer need a registration if they are not currently practicing, or if they are working in an exempt setting.)

BPC § 4999.55 requires both registrants and applicants for licensure to pass the California Law and Ethics Exam. However, the statutes do not specifically state that applicants for licensure are required to take the clinical exam. Regulations do designate the California law and ethics and the clinical exam as the Board's LPCC licensing exams. However, statute should specify that all applicants must pass the clinical exam.

This amendment is needed for LPCC only; it is not necessary for the Board's other license types.

Thus, the Board proposed that the solution is to amend BPC § 4999.53 to specify that to qualify for licensure, all registrants or applicants for licensure must pass a California law and ethics exam and a clinical exam. Additionally, the Board advocated for amending the law to specify that registrants or applicants for licensure may only take the clinical exam once they meet specific criteria.

Licensing. Current law requires a licensee or registrant requesting a name change to submit a written request with a copy of the legal document authorizing the name change (such as a court order or a marriage certificate) within 30 days after the change.

According to the Board, when the Department of Consumer Affairs transitioned to the Breeze database system, it began requiring applicants to also submit a copy of government-issued photo identification (such as a passport, driver's license, or alien registration). This was done for security reasons.

Although the Department is requiring this, it is not specifically mentioned in the Board's statutes that address name changes.

In addition to deciding that a statute change was needed to specify that a copy of a government-issued photo ID is required, the Board also researched whether requiring notices of a name change within 30 days is a reasonable amount of time, given processing times of the Social Security Administration and the DMV.

The Board reviewed the policies of the Social Security Administration (SSA), which issues social security cards, and the California Department of Motor Vehicles (DMV) which issues California drivers licenses and I.D. cards and made the following two findings:

A name change with the Social Security Administration must be done first, before a DMV name change request. The SSA indicates the issuance time for a new social security card is approximately 10 days; however, DMV does state that it verifies the change with the SSA electronically.

Once a person changes their name with the SSA, they may then request that their DMV license or ID card be changed. The DMV indicates that the new license/ID card will be issued within 60 days.

Given this information, it appears that requiring a government issued photo ID be produced within 30 days “after each change” (as current law states), to complete a name change may not be feasible. Therefore, the Board is seeking an amendment to require Board notification of a name change within 30 days of the issuance of a new government issued photographic identification.

Thus, the Board proposes that the best legislative solution is to amend each license type to require that licensees or registrants notify the Board of a name change within 30 days of the issuance of a new government issued photo I.D. The amendments also require that licensee or registrant must provide a copy of the current government issued photo I.D and the legal document authorizing the name change, and must certify the information is correct by signing a statement under penalty of perjury.

BPC § 4996.17 outlines the licensing requirements for Licensed Clinical Social Workers (LCSW) applicants who have education and experience gained outside of California.

Current law outlines licensing requirements for those who hold a license in another state, and also allows licensees and registrants who have previously passed the national clinical exam currently accepted by the Board, to become licensed as an LCSW without having to take that same exam again.

However, these requirements do not specifically state that to qualify for the clinical exam exemption, the applicant’s license must be active and in good standing. Although this is the intent of the law, the Board has reviewed applications from individuals who held a license at one time, or who hold an inactive license.

As an example, the Board received one application where the applicant had held a license in another state, but it was expired. That individual had passed the acceptable clinical exam, but the exam was taken in the mid-1990s.

The Board’s LMFT law (BPC § 4980.72) and LPCC law (BPC § 4999.60) both state that a license must be valid to qualify as an out-of-state licensee applicant, but do not state that the license must be active to qualify for the clinical exam exemption. Therefore, language in all three sections has been amended for consistency: a license must be valid and in good standing to qualify as an out-of-state licensee, but it must be active and in good standing to qualify for the clinical exam exemption.

Thus, the Board proposes that solution is to amend BPC § 4996.17 to do the following:

Clarify that to apply as an out-of-state licensee, that license must be valid and in good standing;
and

Clarify that to qualify for waiver of the clinical exam, an applicant with an out-of-state license or registration who has already passed that exam must demonstrate that the out-of-state license or registration is active and in good standing.

The Board also recommends amending BPC §§ 4980.72 and 4999.60 for consistency.

Licensed Professional Clinical Counselors (LPCCs) are the Board's newest license type. The initial legislation to license LPCCs needed to set a start date for the Board to begin issuing registrations. This section contains that start date, which was January 1, 2011. However, a start date is no longer necessary. Thus, the Board proposed deleting the start date for the Board to issue LPCC intern registrations, as it is no longer needed.

Technical Clarifications. In 2016, legislation was signed to change the "intern" title to "associate" for Licensed Marriage and Family Therapist (LMFT) and Licensed Professional Clinical Counselor (LPCC) registrants (SB 1478, Chapter 489, Statutes of 2016).

In the 2016 legislation, the Board proposed language stating that any reference to a "marriage and family therapist intern" or "professional clinical counselor intern" shall be deemed a reference to an "associate marriage and family therapist" or an "associate professional clinical counselor," respectively.

At the time the language was drafted, Legislative Counsel recommended adding a more generic statement that any reference in law or regulation to the term "intern" shall be deemed a reference to an "associate." However, the Board did not have enough time to request this as an amendment to last year's Committee bill. Therefore, the Board is requesting it be included in this year's bill, ahead of the title change effective date of January 1, 2018. Thus, the Board proposes that the best legislative solution is to amend BPC §§ 4980.09 and 4999.12.5 to state that references in statute or regulation to an "intern" shall be deemed a reference to an "associate."

Although language is being placed in the law stating that a reference to an "intern" shall be deemed a reference to an "associate," the Board has begun the process of amending the new title into law in sections that are already being amended for other reasons.

Thus, the Board proposes that the best legislative solution is to change the term "intern" to "associate" in sections that the Board is already planning to amend during the 2017 Legislative Session, and in certain other sections where staff believes it is critical to make the change.

In addition, while doing this, an errant reference to the Licensed Clinical Social Worker (LCSW) law in Evidence Code § 1010(c) was found, referencing the incorrect section of law, and therefore that was amended to reference the appropriate section of law.

These amendments will add clarity to areas of the Board's licensing laws that have been the subject of confusion or ambiguity, or they will add consistency to the law in areas where inconsistencies have been identified. In some instances, terms or section references will be

updated for accuracy. Increased clarity in the law will benefit all parties that use the Board's licensing law, including consumers, Board applicants and licensees, and Board staff.

California Architects Board. The amendments are designed to emulate the Architects Practice Act (APA) provisions on license renewals. Specifically, the amendments would repeal the current authority for a special review process, which is unnecessary as it is inconsistent with the APA model.

Under current law, individuals with a landscape architect license that has been expired for 3, but no more than 5, years can seek to re-institute their license via a "special review process." That process requires the candidate to establish "to the satisfaction of the board that the applicant is qualified to practice landscape architecture." LATC's regulations specify that the special review process consists of a portfolio review wherein a two-person panel of LATC members assesses the extent to which the work product demonstrates competence. Upon repeal of these provisions, candidates with licenses expired for less than 5 years will simply take the California Supplemental Examination, which is the requirement in the APA.

The potential problems with the current special review process are: 1) Burden on the candidate to assemble the portfolio; 2) Workload impact on LATC; 3) Potential for subjectivity. It should be noted that the validity of the special process has never been challenged by a candidate. Nevertheless, to maintaining consistency between the APA and Landscape Architects Practice Act, and in the interest of efficiency and defensibility, repealing these unnecessary provisions is appropriate.

Contractors State License Board (CSLB). The CSLB has noted the following issues:

Transferability of License. BPC § 7075.1 states that contractor licenses are not transferrable. It also sets forth specific circumstances under which a license number may be reissued or reassigned to a different entity. SB 392 (Florez), Statutes of 2010, Chapter 698, which authorized the issuance of contractor licenses to limited liability companies (LLC), added subsection (c)(6) to BPC § 7075.1, allowing the reissuance or reassignment of a contractor license number to a corporation or an LLC when the new entity "acquires a licensee pursuant to an asset sale."

CSLB staff believe this subsection is ambiguous, problematic, and cannot be implemented because a business cannot "acquire a licensee" through an asset sale. CSLB also cites that no other subsection authorizes license number reissuance or reassignment without a connection to the original licensee. All other subsections under BPC § 7075.1(c) require a familial link or a continuance of a certain level of personnel or ownership interest between the original licensee and the new company that will share the same license number.

Final Liabilities. Existing language in BPC § 7145.5 sets forth the parameters and requirements relating to outstanding final liabilities, including the requirement that CSLB must provide licensees' federal employer identification numbers or Social Security numbers to the Franchise Tax Board.

In regard to a failure to resolve outstanding liabilities as grounds for refusal to issue, reinstate, reactivate, or renew a license, BPC § 7145.5(c) references BPC § 30, but does not accurately reflect the current language contained in subsection (a) of BPC § 30, which reads as follows:

(1) Notwithstanding any other law, any board, as defined in Section 22, and the State Bar and the Bureau of Real Estate shall, at the time of issuance of the license, require that the applicant provide its federal employer identification number, if the applicant is a partnership, or the applicant's social security number for all other applicants.

No later than January 1, 2016, in accordance with Section 135.5, a board, as defined in Section 22, and the State Bar and the Bureau of Real Estate shall require either the individual taxpayer identification number or social security number if the applicant is an individual for purposes of this subdivision.

BPC § 7145.5(c) incorrectly references the federal "employee" identification number (instead of the federal "employer" identification number) and makes no reference to the individual taxpayer identification number that is allowed under BPC § 30(a)(2).

Bureau of Security and Investigative Services. SB 1196 (Hill) Chapter 800, Statutes of 2016 was the Bureau's sunset bill. The bill made a number of changes to the various practice acts BSIS oversees, including changes to the Alarm Company Act to require alarm companies to make a specific disclosure to their customers regarding automatic renewal provisions. In response to concerns that the new language in the Alarm Company Act could unintentionally capture contracts between alarm companies and businesses, this bill clarifies that the provisions apply to "residential" contracts.

REGISTERED SUPPORT:

None on file.

REGISTERED OPPOSITION:

None on file.

Analysis Prepared by: Vincent Chee / B. & P. / (916) 319-3301