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BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 4. REAL ESTATE [10000 - 11506] (Division 4 added by Stats. 1943, Ch. 127.) PART 1. LICENSING OF PERSONS [10000 - 10580] (Part 1 added by Stats. 1943, Ch. 127.) CHAPTER 3. Real Estate Regulations [10130 - 10249.93] (Chapter 3 added by Stats. 1943, Ch. 127.)

ARTICLE 2. Licenses [10150 - 10165.1] (Article 2 added by Stats. 1943, Ch. 127.)

- 10150. (a) Application for the real estate broker license examination shall be made in writing to the commissioner. The commissioner may prescribe the format and content of the broker examination application. The application for the broker examination shall include valid contact information at which the department may contact the applicant and shall be accompanied by the real estate broker license examination fee.
- (b) Persons who have been notified by the commissioner that they passed the real estate broker license examination may apply for a real estate broker license. A person applying for the broker examination may also apply for a real estate broker license. However, a license shall not be issued until the applicant passes the real estate broker license examination. If there is any change to the information contained in a real estate broker license application after the application has been submitted and before the license has been issued, the commissioner may require the applicant to submit a supplement to the application listing the changed information.
- (c) Application for the real estate broker license shall be made in writing to the commissioner. The commissioner may prescribe the format and content of the broker license application. The application for the real estate broker license shall include valid contact information at which the department may contact the applicant and shall be accompanied by the appropriate fee.
- (d) Application for an endorsement to act as a mortgage loan originator, as defined in Section 10166.01, shall be made either electronically or in writing as directed by the commissioner. The commissioner may prescribe the format and content of the mortgage loan originator endorsement application, which shall meet the minimum requirements for licensing of a mortgage loan originator, pursuant to the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (Public Law 110-289).

(Amended by Stats. 2021, Ch. 431, Sec. 5. (SB 800) Effective January 1, 2022.)

- 10150.6. (a) In addition to satisfying the other requirements of this article, and except as provided in subdivisions (b) and (c), an applicant for an original real estate broker's license shall demonstrate to the Real Estate Commissioner that they have held a real estate salesperson's license for at least two years and qualified for the renewal of their real estate salesperson status, within the five-year period immediately prior to the date of their application for the broker's license, and during that time were actively engaged in the business of real estate salesperson.
- (b) An applicant for a real estate broker's license having at least the equivalent of two years' general real estate experience within the five-year period immediately prior to the date of their application for the broker's license may file a written petition with the Department of Real Estate setting forth their qualifications and experience, and, if the commissioner approves, they may be issued a real estate broker's license immediately upon passing the examination and satisfying the other requirements of this article.
- (c) In considering a petition described in subdivision (b), the commissioner may treat a degree from a four-year college or university, which course of study included a major or minor in real estate, as the equivalent of two years' general real estate experience. In considering a petition described in subdivision (b), the commissioner may consider degrees that were completed before the five-year period immediately prior to the date of the application for a broker's license.

(Amended by Stats. 2022, Ch. 162, Sec. 1. (AB 2745) Effective January 1, 2023.)

10151. (a) Application for the real estate salesperson license examination shall be made in writing to the commissioner. The commissioner may prescribe the format and content of the salesperson examination application. The application for the salesperson examination shall include valid contact information at which the department may contact the applicant and shall be accompanied by the real estate salesperson license examination fee.

- (b) Persons who have been notified by the commissioner that they passed the real estate salesperson license examination may apply for a real estate salesperson license. A person applying for the salesperson examination may also apply for a real estate salesperson license. However, a license shall not be issued until the applicant passes the real estate salesperson license examination. If there is any change to the information contained in a real estate salesperson license application after the application has been submitted and before the license has been issued, the commissioner may require the applicant to submit a supplement to the application listing the changed information.
- (c) (1) The commissioner may prescribe the format and content of the real estate salesperson license application. The application for the real estate salesperson license shall include valid contact information at which the department may contact the applicant.
 - (2) An application for the real estate salesperson license examination or for both the examination and license that is received by the commissioner on or after October 1, 2007, shall include evidence or certification, satisfactory to the commissioner, of successful completion at an accredited institution of a three-semester unit course, or the quarter equivalent thereof, or successful completion of an equivalent course of study as defined in Section 10153.5 in real estate principles as well as the successful completion at an accredited institution of a course in real estate practice as set forth in Section 10153.2, and one additional course as set forth in Section 10153.2, other than real estate principles, real estate practice, advanced legal aspects of real estate, advanced real estate finance, or advanced real estate appraisal. The applicant shall provide this evidence or certification to the commissioner prior to taking the real estate salesperson license examination.
- (d) The commissioner shall waive the requirements of this section for the following applicants:
 - (1) An applicant who is a member of the State Bar of California.
 - (2) An applicant who has qualified to take the examination for an original real estate broker license by satisfying the requirements of Section 10153.2.
- (e) Application for endorsement to act as a mortgage loan originator, as defined in Section 10166.01, shall be made either electronically or in writing as directed by the commissioner. The commissioner may prescribe the format and the content of the mortgage loan originator endorsement application, which shall meet the minimum requirements for licensing of a mortgage loan originator, pursuant to the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (Public Law 110-289).

(Amended (as amended by Stats. 2021, Ch. 431, Sec. 6.1) by Stats. 2022, Ch. 511, Sec. 49. (SB 1495) Effective January 1, 2023.)

- 10151.2. (a) For purposes of this section, "member of the Armed Forces of the United States" includes the following persons and no others: all members of the United States Army, the United States Navy, the United States Air Force, the United States Space Force, the Marine Corps, the Merchant Marine in time of war, the Coast Guard, the National Guard, and all officers of the Public Health Service detailed by proper authority for duty either with the Army or the Navy.
- (b) The commissioner shall inquire in every application for licensure under this part if the individual applying for licensure is, or previously was, a member of the Armed Forces of the United States.
- (c) The commissioner shall expedite, and may assist, the initial licensure process for an applicant who supplies satisfactory evidence to the department that the applicant has served as an active duty member of the Armed Forces of the United States and was honorably discharged.
- (d) The commissioner shall expedite the licensure process for an applicant who meets both of the following requirements:
 - (1) Supplies evidence satisfactory to the commissioner that the applicant is married to, or in a domestic partnership or other legal union with, an active duty member of the Armed Forces of the United States who is assigned to a duty station in this state under official active duty military orders.
 - (2) Holds a current license in another state, district, or territory of the United States in the profession or vocation for which the applicant seeks a license from the commissioner.

(Added by Stats. 2021, Ch. 431, Sec. 7. (SB 800) Effective January 1, 2022.)

- **10151.3.** (a) The Department of Real Estate shall compile information on military, veteran, and spouse licensure into an annual report for the Legislature, which shall be submitted in conformance with Section 9795 of the Government Code. The report shall include all of the following:
 - (1) The number of applications for expedited licenses submitted by veterans and active duty spouses pursuant to paragraphs (c) and (d) of Section 10151.2.
 - (2) The number of licenses issued and denied per calendar year pursuant to paragraphs (c) and (d) of Section 10151.2.

- (3) The average length of time between application and issuance of licenses pursuant to paragraphs (c) and (d) of Section 10151.2 per license type.
- (b) This section shall become operative only if Section 10151.2, as proposed to be added by Senate Bill 800 of the 2021–22 Regular Session, is enacted and takes effect.

(Added by Stats. 2021, Ch. 693, Sec. 7. (AB 107) Effective January 1, 2022.)

- 10151.5. (a) An applicant who is not a resident of this state shall be eligible for a real estate license provided (1) the applicant qualifies for licensure under this chapter, including Section 10162, and (2) the state or other jurisdiction that is the place of residence of the applicant permits a resident of California to qualify for and obtain a real estate license in that jurisdiction.
- (b) A foreign corporation shall be exempt from the eligibility requirement set forth in clause (2) of subdivision (a) if, and for so long as, at least one of the officers of the corporation who is designated and licensed as a real estate broker pursuant to Section 10158 or 10211 is a resident of this state.
- (c) Every nonresident applicant for a real estate license shall, along with their application, file with the Real Estate Commissioner an irrevocable consent that if in any action commenced against the person in this state, personal service of process upon the person cannot be made in this state after the exercise of due diligence, a valid service may thereupon be made upon the applicant by delivering the process to the Department of Real Estate.

(Amended by Stats. 2021, Ch. 431, Sec. 8. (SB 800) Effective January 1, 2022.)

- 10152. (a) The commissioner may require any other proof he or she may deem advisable concerning the honesty and truthfulness of an applicant for a real estate license or license examination, or of the officers, directors, or persons owning 10 percent or more of the stock, of a corporation making application therefor, before authorizing the issuance of a real estate license. For this purpose the commissioner may call a hearing in accordance with this part relating to hearings. To assist in his or her determination the commissioner shall require every original applicant to be fingerprinted prior to issuing a license. The commissioner may require the fingerprints to be submitted either with the application to take the license examination or with the application for a real estate license.
- (b) The commissioner shall require a person who submits a petition for reinstatement of his or her license or reduction of a penalty pursuant to Section 11522 of the Government Code, in addition to meeting any other requirements imposed for purposes of the reinstatement or penalty reduction, to submit his or her fingerprints with the petition.

(Amended by Stats. 2012, Ch. 380, Sec. 3. (SB 875) Effective January 1, 2013.)

- **10153.** In addition to the proof of honesty and truthfulness required of any applicant for a real estate license, the commissioner shall ascertain by written examination that the applicant, and in case of a corporation applicant for a real estate broker's license that each officer, or agent thereof through whom it proposes to act as a real estate licensee, has all of the following:
- (a) An appropriate knowledge of the English language, including reading, writing, and spelling and of arithmetical computations common to real estate and business opportunity practices.
- (b) An understanding of the principles of real estate and business opportunity conveyancing, the general purposes and general legal effect of agency contracts, deposit receipts, deeds, mortgages, deeds of trust, chattel mortgages, bills of sale, land contracts of sale and leases, and of the principles of business and land economics and appraisals.
- (c) A general and fair understanding of the obligations between principal and agent, of the principles of real estate and business opportunity practice and the canons of business ethics pertaining thereto, of the provisions of this part, of Chapter 1 (commencing with Section 11000) of Part 2, and of the regulations of the Real Estate Commissioner as contained in Title 10 of the California Administrative Code.

(Amended by Stats. 1981, Ch. 714, Sec. 30.)

- **10153.01.** (a) No person shall cheat on, subvert, or attempt to subvert a licensing examination given by the department. Cheating on, subverting, or attempting to subvert a licensing examination includes, but is not limited to, engaging in, soliciting, or procuring any of the following:
 - (1) Any communication between one or more examinees and any person, other than a proctor or examination official, while the examination is in progress.
 - (2) Copying answers from another examinee or permitting one's answers to be copied by another examinee.
 - (3) The taking of all or a part of the examination by a person other than the applicant.
 - (4) Removing from the examination room any examination materials without authorization.

- (5) The unauthorized reproduction by any means of any portion of the actual licensing examination.
- (6) Aiding by any means the unauthorized reproduction of any portion of the actual licensing examination.
- (7) Possession or use at any time during the examination or while the examinee is on the examination premises of any device, material, or document that is not expressly authorized for use by examinees during the examination, including, but not limited to, notes, crib sheets, textbooks, and electronic devices.
- (8) Failure to follow any examination instruction or rule related to examination security.
- (9) Providing false, fraudulent, or materially misleading information concerning education, experience, or other qualifications as part of, or in support of, any application for admission to an examination.
- (b) The commissioner may bar any candidate who willfully cheats on, subverts, or attempts to subvert an examination from taking any license examination and from holding an active real estate license under any provision of this code for a period of up to three years.

(Added by Stats. 2012, Ch. 380, Sec. 4. (SB 875) Effective January 1, 2013.)

10153.1. It is unlawful for any person with respect to any examination under this part to practice any deception or fraud with regard to his or her identity in connection with any examination, application, or request to be examined.

Any person who willfully violates or knowingly participates in the violation of this section is guilty of a misdemeanor.

(Added by Stats. 1978, Ch. 1285.)

- **10153.2.** (a) An applicant to take the examination for an original real estate broker license shall also submit evidence, satisfactory to the commissioner, of successful completion, at an accredited institution, of:
 - (1) A three-unit semester course, or the quarter equivalent thereof, in each of the following:
 - (A) Real estate practice, which shall include both of the following:
 - (i) A component on implicit bias, including education regarding the impact of implicit bias, explicit bias, and systemic bias on consumers, the historical and social impacts of those biases, and actionable steps students can take to recognize and address their own implicit biases.
 - (ii) A component on federal and state fair housing laws as those laws apply to the practice of real estate. The fair housing component shall include an interactive participatory component, during which the applicant shall roleplay as both a consumer and real estate professional.
 - (B) Legal aspects of real estate.
 - (C) Real estate appraisal.
 - (D) Real estate financing.
 - (E) Real estate economics or accounting.
 - (2) A three-unit semester course, or the quarter equivalent thereof, in three of the following:
 - (A) Advanced legal aspects of real estate.
 - (B) Advanced real estate finance.
 - (C) Advanced real estate appraisal.
 - (D) Business law.
 - (E) Escrows.
 - (F) Real estate principles.

- (G) Property management.
- (H) Real estate office administration.
- (I) Mortgage loan brokering and lending.
- (J) Computer applications in real estate.
- (K) On and after July 1, 2004, California law that relates to common interest developments, including, but not limited to, topics addressed in the Davis-Stirling Common Interest Development Act (Part 5 (commencing with Section 4000) of Division 4 of the Civil Code) and in the Commercial and Industrial Common Interest Development Act (Part 5.3 (commencing with Section 6500) of Division 4 of the Civil Code).
- (b) The commissioner shall waive the requirements of this section for an applicant who is a member of the State Bar of California and shall waive the requirements for which an applicant has successfully completed an equivalent course of study as determined under Section 10153.5.
- (c) The commissioner shall extend credit under this section for any course completed to satisfy requirements of Section 10153.3 or 10153.4.
- (d) This section shall become operative on January 1, 2024.

(Amended (as added by Stats. 2021, Ch. 361, Sec. 4) by Stats. 2022, Ch. 511, Sec. 52. (SB 1495) Effective January 1, 2023. Operative January 1, 2024, by its own provisions.)

- <u>10153.3.</u> (a) This section shall apply to an application for the real estate salesperson license examination, the real estate salesperson license, and for both the examination and license received by the commissioner prior to October 1, 2007.
- (b) Application for the real estate salesperson license examination pursuant to this section shall be made in writing to the commissioner. The commissioner may prescribe the format and content of the salesperson examination application. The application for the salesperson examination shall be accompanied by the real estate salesperson license examination fee.
- (c) In order to take the examination for a real estate salesperson license, an applicant under this section shall submit evidence or certification satisfactory to the commissioner of enrollment in, or successful completion at, an accredited institution of a three-unit semester course or the quarter equivalent thereof, or successful completion of an equivalent course of study as defined in Section 10153.5, in real estate principles. Evidence of enrollment satisfactory to the commissioner may include a statement from the applicant made under penalty of perjury.
- (d) An applicant under this section may take the real estate salesperson license examination within two years of the date their application was received by the commissioner. Notwithstanding subdivision (c), if the applicant fails to schedule an examination or to obtain a passing score on it within that time period, they shall be required to submit evidence or certification satisfactory to the commissioner of satisfactory completion at an accredited institution of the courses described in subdivision (c) of Section 10151 or satisfactory completion of an equivalent course of study as defined in Section 10153.5, before taking the examination.
- (e) An applicant under this section shall, prior to issuance of the real estate salesperson license, submit evidence or certification satisfactory to the commissioner of successful completion of the real estate principles course as described in subdivision (c) and of successful completion at an accredited institution or successful completion of an equivalent course of study as defined in Section 10153.5, of a course in real estate practice and one additional course set forth in Section 10153.2 other than real estate principles, real estate practice, advanced legal aspects of real estate, advanced real estate finance, or advanced real estate appraisal.
- (f) The commissioner shall waive the requirements of this section for an applicant who is a member of the State Bar of California, or who has completed an equivalent course of study, as determined under Section 10153.5, or who has qualified to take the examination for an original real estate broker license by satisfying the requirements of Section 10153.2.

(Amended by Stats. 2022, Ch. 511, Sec. 53. (SB 1495) Effective January 1, 2023.)

- 10153.4. (a) This section shall apply to an application for the real estate salesperson license examination, the real estate salesperson license, and for both the examination and license received by the commissioner prior to October 1, 2007, if the applicant obtains a passing score on the real estate salesperson license examination and submits a license application prior to October 1, 2007.
- (b) Application for the real estate salesperson license examination pursuant to this section shall be made in writing to the commissioner. The commissioner may prescribe the format and content of the salesperson examination application. The application for the salesperson examination shall be accompanied by the real estate salesperson license examination fee.
- (c) An applicant under this section shall comply with the requirements of subdivision (c) of Section 10153.3 in order to take the real estate salesperson license examination.

- (d) An applicant under this section who obtains a passing score on the real estate salesperson license examination prior to October 1, 2007, shall, prior to the issuance of the real estate salesperson license, submit evidence or certification satisfactory to the commissioner of successful completion at an accredited institution of a three-unit semester course, or the quarter unit equivalent thereof, or successful completion of an equivalent course of study as defined in Section 10153.5, in real estate principles as described in subdivision (c) of Section 10153.3. An applicant for an original real estate salesperson license under this section shall also, prior to the issuance of the license, or within 18 months after issuance, submit evidence or certification satisfactory to the commissioner of successful completion at an accredited institution or a private vocational school, as specified in Section 10153.5, of a course in real estate practice and one additional course set forth in Section 10153.2, other than real estate principles, real estate practice, advanced legal aspects of real estate, advanced real estate finance, or advanced real estate appraisal.
- (e) A salesperson who qualifies for a license pursuant to this section shall not be required for the first license renewal thereafter to complete the continuing education pursuant to Article 2.5 (commencing with Section 10170), except for the courses specified in paragraphs (1) to (4), inclusive, of subdivision (a) of Section 10170.5 or, on and after July 1, 2007, except for the courses specified in paragraphs (1) to (5), inclusive, of subdivision (a) of Section 10170.5.
- (f) The salesperson license issued to an applicant who has satisfied only the requirements of subdivision (c) at the time of issuance shall be automatically suspended effective 18 months after issuance if the licensee has failed to satisfy the requirements of subdivision (d). The suspension shall not be lifted until the suspended licensee has submitted the required evidence of course completion and the commissioner has given written notice to the licensee of the lifting of the suspension.
- (g) The original license issued to a salesperson shall clearly set forth the conditions of the license and shall be accompanied by a notice of the provisions of this section and of any regulations adopted by the commissioner to implement this section.
- (h) The commissioner shall waive the requirements of this section for any person who presents evidence of admission to the State Bar of California, and the commissioner shall waive the requirement for any course for which an applicant has completed an equivalent course of study as determined under Section 10153.5.

(Amended by Stats. 2022, Ch. 511, Sec. 54. (SB 1495) Effective January 1, 2023.)

10153.5. As used in Sections 10151, 10153.2, 10153.3, and 10153.4, "an equivalent course of study" consists of courses at a private vocational school that have been found by the commissioner, upon consideration of an application for approval, to be equivalent in quality to the real estate courses offered by the colleges and universities accredited by the Western Association of Schools and Colleges.

As used in Sections 10151, 10153.2, 10153.3, and 10153.4, "accredited institution" shall mean a college or university that either:

- (a) Is accredited by the Western Association of Schools and Colleges, or by any other regional accrediting agency recognized by the United States Department of Education.
- (b) In the judgment of the commissioner, has a real estate curriculum equivalent in quality to that of the institutions accredited pursuant to subdivision (a).

(Amended by Stats. 2006, Ch. 278, Sec. 4. Effective January 1, 2007.)

10153.6. All real estate broker licenses issued by the commissioner shall be for a period of four years.

Applicants shall qualify in the appropriate examination and satisfy all other requirements prior to issuance of the license.

The four-year license may be renewed upon filing the required application and fee, and complying with the provisions of Article 2.5 (commencing with Section 10170).

(Amended by Stats. 2002, Ch. 664, Sec. 24. Effective January 1, 2003.)

10153.7. All real estate salesperson licenses issued by the commissioner shall be for a period of four years.

Applicants must qualify in the appropriate examination and satisfy all other requirements prior to issuance of the license.

The four-year license may be renewed upon filing the required application and fee, and complying with the provisions of Article 2.5 (commencing with Section 10170).

(Amended by Stats. 1980, Ch. 263, Sec. 1.)

<u>10153.8.</u> When an applicant for a real estate license fails the qualifying examination, the applicant may apply for reexamination by filing the appropriate application and fee.

The application and fee for reexamination shall be filed and the reexamination taken within the two-year period following the date the application for examination was filed.

(Amended by Stats. 2021, Ch. 431, Sec. 9. (SB 800) Effective January 1, 2022.)

10156.2. An application on the form prescribed by the commissioner for the renewal of a license, filed before midnight of the last day of the period for which a previous license was issued, accompanied by the applicable renewal fee and good faith evidence of compliance with the provisions of Article 2.5 (commencing with Section 10170), entitles the applicant to continue operating under his or her existing license after its specified expiration date, if not previously suspended or revoked.

If the commissioner determines that the applicant has not complied with the continuing education requirements, he or she shall either (1) advise the applicant of the applicability of Section 10171.2 on an extended period for compliance; or (2) advise the applicant that his or her rights to operate under the prior license will expire five days from the date the notice is mailed, or on the date the license would normally expire, whichever is later; and the commissioner's reason for that determination, and the right of the applicant to request a hearing on the decision. Nothing in this section shall prevent the commissioner from delaying the renewal of the license of a licensee pursuant to Section 10177.

This section shall become operative on July 1, 2012.

(Repealed (in Sec. 5) and added by Stats. 2011, Ch. 717, Sec. 6. (SB 53) Effective January 1, 2012. Section operative July 1, 2012, by its own provisions.)

10156.5. The commissioner may issue a restricted license to a person:

- (a) Who is or has been licensed under this chapter and who has been found by the commissioner after a hearing to have violated provisions of Division 4 of this code where such violation would justify the suspension or revocation of the license.
- (b) Who is applying for a license under this chapter, who has met the examination and experience requirements, but who has been found by the commissioner after a hearing to have failed to have made a satisfactory showing that he meets all of the other requirements for the license applied for, where such failure would justify the denial of the license applied for.

(Amended by Stats. 1953, Ch. 944.)

10156.6. A restricted license issued pursuant to Section 10156.5 as the commissioner in his or her discretion finds advisable in the public interest may be restricted:

- (a) By term.
- (b) To employment by a particular real estate broker, if a salesperson.
- (c) By conditions to be observed in the exercise of the privileges granted.
- (d) If a salesperson licensee or applicant has not complied with Section 10153.4 within 18 months after issuance of the license. (Amended by Stats. 1989, Ch. 640, Sec. 4.)
- <u>10156.7.</u> (a) A restricted license issued pursuant to Section 10156.5 does not confer any property right in the privileges to be exercised thereunder, and the holder of a restricted license does not have the right to the renewal of the license.
- (b) Except as provided in subdivision (c), the commissioner may without hearing issue an order suspending the licensee's right to further exercise any privileges granted under a restricted license pending final determination made after formal hearing.
- (c) A restricted salesperson license containing a condition requiring compliance with Section 10153.4 shall be automatically suspended upon the licensee's failure to comply with the condition. The suspension shall not be lifted until the suspended licensee has submitted the required evidence of course completion and the commissioner has given written notice to the licensee of the lifting of the suspension.

(Amended by Stats. 1989, Ch. 640, Sec. 5.)

10156.8. As one of the conditions to the issuance of a restricted license authorized by Section 10156.5 the commissioner may require the filing of surety bonds in such form and condition as he may require in respect to the restricted licensee for the protection of persons or classes of persons with whom said licensee may deal.

(Added by Stats. 1945, Ch. 660.)

10157. No real estate license gives authority to do any act specified in this chapter to any person, other than the person to whom the license is issued.

(Added by Stats. 1943, Ch. 127.)

10158. When a real estate license is issued to a corporation, if it desires any of its officers other than the officer designated by it pursuant to Section 10211, to act under its license as a real estate broker, it shall procure an additional license to retain each of those additional officers. In the event of death or incapacity of a sole designated broker-officer, a corporation may operate as a licensee without interruption under its existing license if notice of the death or incapacity and an application for a new designated officer is filed with the department before midnight of the 10th business day after the event.

10159. Each officer of a corporation through whom it is licensed to act as a real estate broker need not be a licensed real estate broker, but if not, is authorized only to act as such for and on behalf of the corporation as an officer. This does not preclude a designated corporate officer who has a separate individual license from conducting licensed activity for another entity if the entity for which he or she acts is clearly disclosed and apparent to any member of the public using his or her services outside the corporation.

When a corporation wishes to act as a real estate broker, the corporation shall be licensed by the department through qualified broker-officers, who have either passed the broker license examination and are now qualified to obtain a broker license, or who are currently licensed as real estate brokers. An officer of a corporation through whom it is licensed to act need not maintain an individual broker's license, but is otherwise subject to all duties and responsibilities of a licensed broker.

(Amended by Stats. 2018, Ch. 285, Sec. 37. (AB 2884) Effective January 1, 2019.)

- 10159.2. (a) The officer designated by a corporate broker licensee pursuant to Section 10211 shall be responsible for the supervision and control of the activities conducted on behalf of the corporation by its officers and employees as necessary to secure full compliance with the provisions of this division, including the supervision of salespersons licensed to the corporation in the performance of acts for which a real estate license is required.
- (b) A corporate broker licensee that has procured additional licenses in accordance with Section 10158 through officers other than the officer designated pursuant to Section 10211 may, by appropriate resolution of its board of directors, assign supervisory responsibility over salespersons licensed to the corporation to its broker-officers.
- (c) A certified copy of any resolution of the board of directors assigning supervisory responsibility over real estate salespersons licensed to the corporation shall be filed with the Real Estate Commissioner within five days after the adoption or modification thereof.

(Added by Stats. 1979, Ch. 595.)

- 10159.5. (a) (1) Every person applying for a license under this chapter who desires to have the license issued under a fictitious business name shall file with the application a certified copy of their fictitious business name statement filed with the county clerk pursuant to Chapter 5 (commencing with Section 17900) of Part 3 of Division 7.
 - (2) A responsible broker may, by contract, permit a salesperson to do all of the following:
 - (A) File an application on behalf of a responsible broker with a county clerk to obtain a fictitious business name.
 - (B) Deliver to the department an application, signed by the responsible broker, requesting the department's approval to use a county approved fictitious business name that shall be identified with the responsible broker's license number.
 - (C) Pay for any fees associated with filing an application with a county or the department to obtain or use a fictitious business name.
 - (D) Maintain ownership of a fictitious business name, as defined in paragraph (1) of subdivision (a) of Section 10159.7, that may be used subject to the control of the responsible broker.
- (b) (1) A salesperson using a fictitious business name authorized by subdivision (a), shall use that name only as permitted by the responsible broker.
 - (2) This section does not change a real estate broker's duties under this division to supervise a salesperson.
- (c) A person applying to a county for a fictitious business name pursuant to subdivision (a) may file the application in the county or counties where the fictitious business name will be used.
- (d) Advertising and solicitation materials, including business cards, print or electronic media and "for sale" signage, using a fictitious business name obtained in accordance with paragraph (2) of subdivision (a) shall include the responsible broker's identity, as defined in Section 10015.4, in a manner equally as prominent as the fictitious business name.
- (e) Notwithstanding subdivision (b) of Section 10140.6, advertising and solicitation materials, including print or electronic media and "for sale" signage, containing a fictitious business name obtained in accordance with paragraph (2) of subdivision (a) shall include the name and license number of the salesperson who is using the fictitious business name.
- (f) Notwithstanding Section 10185, a violation of this section is not a misdemeanor.

(Amended by Stats. 2022, Ch. 511, Sec. 55. (SB 1495) Effective January 1, 2023.)

- 10159.6. All of the following apply to use of a team name, as defined in paragraph (3) of subdivision (a) of Section 10159.7:
- (a) Notwithstanding subdivision (b) of Section 10140.6, advertising and solicitation materials that contain a team name, including print or electronic media and "for sale" signage, shall include, and display in a conspicuous and prominent manner, the team name and the name and license number of at least one of the licensed members of the team.
- (b) The responsible broker's identity shall be displayed as prominently and conspicuously as the team name in all advertising and solicitation materials.
- (c) The advertising and solicitation materials shall not contain terms that imply the existence of a real estate entity independent of the responsible broker.
- (d) Notwithstanding Section 10185, a violation of this section is not a misdemeanor.

(Amended by Stats. 2018, Ch. 285, Sec. 38. (AB 2884) Effective January 1, 2019.)

- <u>10159.7.</u> (a) For the purposes of this article, the following definitions shall apply:
 - (1) "Fictitious business name" means a professional identity or brand name under which activity requiring a real estate license is conducted and the use of which is subject to approval by the department pursuant to Section 10159.5.
 - (2) "Ownership of a fictitious business name" means the right to use, renew, and control the use of a fictitious business name obtained in accordance with Section 10159.5.
 - (3) "Team name" means a professional identity or brand name used by a salesperson, and one or more other real estate licensees, for the provision of real estate licensed services. Notwithstanding any other law, the use of a team name does not require that a separate license be issued for that name pursuant to Section 10159.5. A team name does not constitute a fictitious business name for purposes of this part or any other law or for purposes of filing a fictitious business name statement with an application as required by subdivision (a) of Section 10159.5 if all of the following apply:
 - (A) The name is used by two or more real estate licensees who work together to provide licensed real estate services, or who represent themselves to the public as being a part of a team, group, or association to provide those services.
 - (B) The name includes the surname of at least one of the licensee members of the team, group, or association in conjunction with the term "associates," "group," or "team."
 - (C) The name does not include any term or terms, such as "real estate broker," "real estate brokerage," "broker," or "brokerage" or any other term that would lead a member of the public to believe that the team is offering real estate brokerage services, that imply or suggest the existence of a real estate entity independent of a responsible broker.
- (b) Nothing in this section changes a real estate broker's duties under this division to supervise a salesperson.

(Amended by Stats. 2018, Ch. 285, Sec. 39. (AB 2884) Effective January 1, 2019.)

10161.5. When the holder of a real estate broker's or salesperson's license is required to relinquish his or her license to assume an office in local, state, or federal government, he or she may have it reinstated at any time within six months of termination of his or her service in office upon payment of the appropriate renewal fee, and compliance with the provisions of Article 2.5 (commencing with Section 10170) of this chapter, if the relinquished license was issued four or more years prior to his or her application for reinstatement.

(Amended by Stats. 2016, Ch. 177, Sec. 27. (AB 685) Effective January 1, 2017.)

- **10161.8.** (a) The commissioner shall specify the manner in which a responsible broker shall provide notice to the commissioner of an affiliation with a real estate licensee or by which a real estate licensee shall provide notice of a change of address or affiliation.
- (b) Whenever a responsible broker retains a real estate salesperson to conduct activities requiring a license, the responsible broker shall notify the commissioner in a manner specified by the commissioner.
- (c) Whenever a responsible broker retains a real estate broker to conduct activities requiring a license, the responsible broker shall provide notice to the commissioner in a manner specified by the commissioner.
- (d) Whenever an affiliation with a real estate licensee is terminated, the responsible broker shall provide notice to the commissioner in a manner specified by the commissioner.
- (e) Whenever a real estate licensee acquires a business address different from the address shown in the records maintained by the commissioner, the licensee shall notify the commissioner in a manner specified by the commissioner.

(Repealed and added by Stats. 2018, Ch. 285, Sec. 42. (AB 2884) Effective January 1, 2019.)

- <u>10162.</u> (a) Every licensed real estate broker shall have and maintain a definite place of business in the State of California that serves as the broker's office for the transaction of business. This office shall be the place where the broker's license is displayed and where personal consultations with clients are held.
- (b) A real estate license does not authorize the licensee to do business except from the location stipulated in the real estate license as issued or as altered pursuant to Section 10161.8.
- (c) (1) Every real estate broker and salesperson licensee shall provide to the commissioner their current office or mailing address, a current telephone number, and a current electronic mail address that they maintain or use to perform any activity that requires a real estate license, at which the department may contact the licensee.
 - (2) Every real estate broker and salesperson licensee shall inform the commissioner of any change to their office or mailing address, telephone number, or electronic mail address no later than 30 days after making the change.
- (d) Notwithstanding Section 10185, a violation of this section is not a misdemeanor.

(Amended by Stats. 2021, Ch. 431, Sec. 11. (SB 800) Effective January 1, 2022.)

10163. If the applicant for a real estate broker's license maintains more than one place of business within the State he shall apply for and procure an additional license for each branch office so maintained by him. Every such application shall state the name of the person and the location of the place or places of business for which such license is desired. The commissioner may determine whether or not a real estate broker is doing a real estate brokerage business at or from any particular location which requires him to have a branch office license.

(Added by Stats. 1943, Ch. 127.)

- 10164. (a) A responsible broker or corporate designated broker officer may appoint a licensee as a manager of a branch office or division of the responsible broker's or corporate designated broker officer's real estate business and delegate to the appointed manager the responsibility to oversee day-to-day operations, supervise the licensed activities of licensees, and supervise clerical staff employed in the branch office or division.
- (b) Notwithstanding subdivision (a), nothing in this section shall be construed to limit the responsibilities of a responsible broker or a corporate designated broker officer pursuant to subdivision (h) of Section 10177. A licensee accepting appointment as a manager shall be subject to disciplinary action pursuant to Section 10165 for failure to properly supervise licensed activity pursuant to subdivision (a).
- (c) Appointment of a manager shall only be made by means of a written contract in which the manager accepts the delegated responsibility. The appointing responsible broker or corporate designated broker officer shall retain a copy of the contract and send a notice to the department, in a form approved by the commissioner, identifying the appointed manager and the branch office or division the manager is appointed to supervise.
- (d) A licensee shall not be appointed as a manager if any of the following apply:
 - (1) The licensee holds a restricted license.
 - (2) The licensee is or has been subject to an order of debarment.
 - (3) The licensee is a salesperson with less than two years of full-time real estate experience within five years preceding the appointment.
- (e) Whenever an appointment of a branch manager is terminated or changed, the responsible broker or corporate designated broker officer shall immediately notify the commissioner thereof in writing.

(Amended by Stats. 2018, Ch. 285, Sec. 43. (AB 2884) Effective January 1, 2019.)

10165. For a violation of Section 10161.8, 10162, 10163, or subdivision (b) of Section 10164, the commissioner may temporarily suspend or permanently revoke the license of the real estate licensee in accordance with this part relating to hearings.

(Amended by Stats. 2022, Ch. 511, Sec. 56. (SB 1495) Effective January 1, 2023.)

10165.1. This article does not require the department to post or publish electronic mail addresses or telephone numbers collected pursuant to Section 10150, 10151, or 10162, and if released by the department, the information shall be released in a way that discourages its use in unauthorized or unsolicited commercial electronic mail advertisement programs.

(Amended by Stats. 2021, Ch. 431, Sec. 12. (SB 800) Effective January 1, 2022.)