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AB-830 Business: Department of Consumer Affairs: licensed professions and vocations. (2021-2022)

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Date Published: 09/29/2021 02:00 PM

Assembly Bill No. 830

CHAPTER 376

An act to amend Sections 5535.2, 6980.79, 7068, 7068.1, 7511, 7542.2, 7542.11, 7570, 7574.35, 7583.23, 7583.32, 7588, 7590.1, 7590.2, 7592.9, 7593.1, 7593.7, 7596.3, 7596.7, 7598.14, 7598.51, 7599, 7599.54, 7599.70, 10140.6, 22351, and 22452 of, and to add Sections 308, 6980.77, 7510.3, 7561.2, 7574.36, 7587.11, 7590.6, and 7599.62 to, the Business and Professions Code, and to amend Section 8726.2 of the Health and Safety Code, relating to business.

[Approved by Governor September 28, 2021. Filed with Secretary of State September 28, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 830, Flora. Business: Department of Consumer Affairs: licensed professions and vocations.

(1) Under existing law, the Department of Consumer Affairs is comprised of various boards, bureaus, commissions, committees, and similarly constituted agencies that license and regulate the practice of various professions and vocations. Existing law requires the Director of the Department of Consumer Affairs to administer and enforce those provisions.

This bill would require the director to notify the appropriate policy committees of the Legislature within 60 days after the position of chief or executive officer of any bureau or board within the department becomes vacant, as specified.

(2) Existing law, the Architects Practice Act, establishes the California Architects Board in the Department of Consumer Affairs for the licensure and regulation of persons engaged in the practice of architecture. Existing law authorizes an architect to form a business entity, as described, with persons who are not architects under certain circumstances.

This bill would authorize a business entity organized as a general corporation to include in its name any or all of the following, as specified: a fictitious name, the name of one or more licensed architects, or the term "architect, the term "architecture," or other variations of the term "architect" or "architecture."

(3) Existing law provides for the licensure and regulation of locksmiths by the Bureau of Security and Investigative Services within the Department of Consumer Affairs. Existing law requires a licensee to pay certain fees, such as a license application and a renewal fee.

This bill would make the failure of any licensee who is also licensed to do business as a corporation in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau result in the automatic suspension of the licensee by operation of law. The bill would require that the fee for reinstatement of a suspended license be 25% of the fee imposed for renewal of a license.

(4) Existing law, the Contractors' State License Law, establishes the Contractors' State License Board in the Department of Consumer Affairs for the licensure and regulation of contractors. Existing law requires the board to require an applicant to show the degree of knowledge and experience in the classification applied for, and the general knowledge of the building, safety,

health, and lien laws of the state and of the administrative principles of the contracting business that the board deems necessary for the safety and protection of the public. Existing law authorizes an applicant for a license to qualify the applicant's knowledge and experience by the appearance of, among other qualifying individuals, a responsible managing employee who is qualified for the same license classification as the classification being applied for. Existing law defines "responsible managing employee" for purposes of the Contractors' State License Law to mean an individual who is a bona fide employee of the applicant and is actively engaged in the classification of work for which that responsible managing employee is the qualifying person on behalf of the applicant.

This bill would, for purposes of the above-described definition of "responsible managing employee," define "a bona fide employee of the applicant" to mean an employee who is permanently employed by the applicant, and "actively engaged" to mean working 32 hours per week, or 80% of the total hours per week that the applicant's business is in operation, whichever is less.

Under existing law, the person qualifying on behalf of an individual or firm is responsible for exercising direct supervision and control of their employer's or principal's construction operations as necessary to secure full compliance with the Contractors' State License Law and the rules and regulations of the Contractors' State License Board. Existing law requires the board to require every applicant or licensee qualifying by the appearance of a qualifying individual to submit detailed information on the qualifying individual's duties and responsibilities for supervision and control of the applicant's construction operations. Existing law makes a violation of these provisions a cause for disciplinary action and punishable as a misdemeanor, as specified.

This bill would instead make the person qualifying on behalf of an individual or firm responsible for exercising supervision and control of their employer's or principal's construction operations as necessary to secure full compliance with the Contractors' State License Law and the rules and regulations of the Contractors' State License Board. The bill would include an employment duty statement prepared by the qualifier's employer or principal in the detailed information on the qualifying individual's duties and responsibilities for supervision and control of the applicant's construction operations that the applicant or licensee is required to submit. The bill would make the failure to provide the information on the qualifying individual's duties and responsibilities for supervision and control of the applicant's construction operations a cause for disciplinary action and punishable as a misdemeanor, as specified. By expanding the scope of a crime, this bill would create a state-mandated local program. The bill would, for these purposes, define "supervision or control" for these purposes to mean direct supervision or control or monitoring and being available to assist others to whom direct supervision and control has been delegated, and "direct supervision or control" to mean supervising construction, managing construction activities by making technical and administrative decisions, checking jobs for proper workmanship, or supervision on construction job sites.

(5) Existing law, the Collateral Recovery Act, provides for the licensure and regulation of repossession agencies by the Bureau of Security and Investigative Services, within the Department of Consumer Affairs. Existing law requires a licensee to pay certain fees, such as a license application and a renewal fee.

This bill would make the failure of any licensee who is also licensed to do business as a corporation or limited liability company in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau result in the automatic suspension of the licensee by operation of law. The bill would require that the fee for reinstatement of a suspended license be 25% of the fee imposed for renewal of a license.

(6) Existing law, the Private Investigator Act, provides for the licensure and regulation of private investigators by the Bureau of Security and Investigative Services, within the Department of Consumer Affairs. Existing law requires a licensee to pay certain fees, such as a license application and a renewal fee. Existing law requires the bureau to issue a firearms permit when all of certain conditions are satisfied, including that a certified firearms training instructor has certified that the applicant has successfully completed the bureau's written examination and a bureau-approved training course on the carrying and use of firearms, and, if the applicant is a registered security guard, that the applicant has been found capable of exercising appropriate judgment, restraint, and self-control for the purposes of carrying and using a firearm. Existing law prohibits the bureau from renewing a firearms qualification card unless certain conditions are met, including that the applicant has requalified on the shooting range and successfully passed a written examination.

This bill would prohibit an applicant who is a bureau-certified firearms training instructor from self-certifying their own completion of these requirements or from self-certifying the requalification requirements for a firearms qualification card. The bill would require an applicant who is a registered security guard to complete the requirement of being found capable of exercising appropriate judgment, restraint, and self-control to be completed within 6 months of submitting an application to the bureau.

This bill would make the failure of any licensee who is also licensed to do business as a corporation or limited liability company in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau result in the automatic suspension of the licensee by operation of law. The bill would require that the fee for reinstatement of a suspended license be 25% of the fee imposed for renewal of a license.

(7) Existing law, the Proprietary Security Services Act, provides for the licensure and regulation of persons providing proprietary private security services by the Bureau of Security and Investigative Services, within Department of Consumer Affairs.

This bill would make the failure of any licensee who is also licensed to do business as a corporation or limited liability company in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau result in the automatic suspension of the licensee by operation of law. The bill would require that the fee for reinstatement of a suspended license be 25% of the fee imposed for renewal of a registration.

(8) Existing law, the Private Security Services Act, provides for the licensure and regulation of persons providing private security services by the Bureau of Security and Investigative Services, within the Department of Consumer Affairs. Existing law requires a licensee to pay certain fees, such as a license application and a renewal fee. Existing law requires the bureau to issue a firearms permit when all of certain conditions are satisfied, including that a certified firearms training instructor has certified that the applicant has successfully completed the bureau's written examination and a bureau-approved training course on the carrying and use of firearms. Existing law prohibits the bureau from renewing a firearms qualification card unless certain conditions are satisfied, including that the applicant has requalified on the shooting range and successfully passed a written examination.

This bill would prohibit an applicant who is a bureau-certified firearms training instructor from self-certifying their own completion of these requirements or from self-certifying the requalification requirements for a firearms qualification card.

This bill would make the failure of any licensee who is also licensed to do business as a corporation in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau result in the automatic suspension of the licensee by operation of law. The bill would require that the fee for reinstatement of a suspended license be 25% of the fee imposed for renewal of a license.

(9) Existing law, the Alarm Company Act, establishes the Bureau of Security and Investigative Services headed by the Chief of the Bureau of Security and Investigative Services, within the Department of Consumer Affairs and sets forth its powers and duties over the licensure, registration, and regulation of alarm company operators. Existing law prohibits a person from engaging in the activities of an alarm company operator unless the person holds a valid alarm company operator's license. Existing law makes a violation of these provisions a crime. Existing law authorizes the bureau to establish fees and penalties for licensure and registration.

(A) Existing law defines terms for purposes of the act, including the terms "alarm agent" and "alarm system."

This bill would change the definition of "alarm agent" to specify that the person is employed to physically conduct activities within the state. The bill would exclude from the definition of "alarm system" a fire protection system, as specified, and make other conforming changes.

(B) Existing law requires an application for an alarm company operator license to be made in writing to, and filed with, the chief in the form that may be required by the director and accompanied by the original license fee.

Existing law authorizes the Department of Consumer Affairs to enter into a contract with a vendor for the licensing and enforcement of the BreZE system, which is a specified integrated, enterprisewide enforcement case management and licensing system, as specified.

This bill, on and after July 1, 2022, would require all applications under the act to be submitted electronically through the online licensing and enforcement platform.

(C) Existing law requires each individual applicant, partner of a partnership, designated officer of a corporation, or manager, as specified, to submit with the application a personal identification form with a photograph taken within one year immediately preceding the date of the filing of the application.

This bill would remove the requirement that these individuals submit photographs on the personal identification form.

(D) Existing law requires an alarm agent, while on duty, to carry either a valid and current registration card or a temporary application for a registration.

This bill would require, if an alarm agent carries a temporary application for registration, that it include the application number and that they also carry a valid photo identification. Because a violation of these provisions would be a crime, the bill would impose a state-mandated local program. The bill would authorize the registration card or temporary application carried by the alarm agent to be in a digital format, as described.

(E) Existing law requires every person licensed, registered, or designated under the act, who in the course of their employment carries a firearm, to complete a course of training in the carrying and use of firearms, receive a firearms qualification card prior to carrying a firearm, and complete a course in the exercise of the powers to arrest.

This bill would also require, before a firearms permit is issued by the director, that it be certified by a bureau-certified firearms instructor that the applicant successfully completed a written examination prepared by the bureau. The bill would prohibit an applicant who is a bureau-certified firearms training instructor from self-certifying their own completion of these requirements or from self-certifying the requalification requirements for a firearms qualification card.

The bill would make the failure of any licensee who is also licensed to do business as a corporation or limited liability company in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau result in the automatic suspension of the licensee by operation of law. The bill would require that the fee for reinstatement of a suspended license be 25 percent of the fee imposed for renewal of a license.

(10) Existing law, the Real Estate Law, provides for the licensure and regulation of real estate brokers and salespersons by the Real Estate Commissioner, who is the chief officer of the Department of Real Estate within the Business, Consumer Services, and Housing Agency.

Existing law prohibits a real estate licensee from publishing, circulating, distributing, or causing to be published, circulated, or distributed in newspapers or periodicals or mail, a matter pertaining to any activity for which a real estate license is required that does not contain a designation disclosing that the licensee is performing acts for which a real estate license is required. Existing law also requires a real estate licensee to disclose their name, license identification number, and other specified information, on all solicitation materials intended to be the first point of contact with consumers and on real property purchase agreements, as specified. Existing law authorizes the commissioner to adopt regulations identifying the materials in which a licensee must disclose this information.

This bill would authorize a real estate licensee who is a natural person and who legally changes the surname in which their license was originally issued to continue to utilize their former surname for business associated with their license so long as both names are filed with the department. The bill would provide that use of a former surname does not constitute a fictitious name for purposes of certain filing requirements.

(11) Existing law requires process servers and professional photocopiers to be registered with the county clerk of the county in which they reside or have a principal place of business, as specified. Existing law requires the certificate of registration to contain, among other things, specified contact information for the registrant.

This bill would include the email address for the registrant, as specified, among the specified contact information that the certificate of registration is required to contain.

(12) Existing law, the Cemetery and Funeral Act, provides for the licensure and regulation of private cemeteries by the Cemetery and Funeral Bureau, within the Department of Consumer Affairs. Existing law authorizes, on or after January 1, 2021, a cemetery authority of a private cemetery to apply to the bureau to convert its endowment care fund from a net income distribution method to a unitrust distribution method. Existing law requires the bureau to approve an application only if certain conditions are met, including that the cemetery authority, its board of trustees, or its corporate trustee demonstrates sufficient knowledge and expertise in investing and managing the endowment care fund under the unitrust distribution method.

This bill would instead require that the cemetery authority, its board of trustees, or its corporate trustee demonstrates sufficient knowledge and expertise in investing and managing an endowment care fund.

(13) This bill would make other nonsubstantive and conforming changes.

(14) This bill would incorporate additional changes to Section 7596.3 of the Business and Professions Code proposed by AB 229 to be operative only if this bill and AB 229 are enacted and this bill is enacted last.

(15) 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 Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 308 is added to the Business and Professions Code, to read:

308. The director shall notify the appropriate policy committees of the Legislature within 60 days after the position of chief or executive officer of any bureau or board within the department becomes vacant pursuant to Section 1770 of the Government Code.

SEC. 2. Section 5535.2 of the Business and Professions Code is amended to read:

5535.2. (a) This chapter does not prevent an architect from forming a business entity or collaborating with persons who are not architects, provided that any architects' professional services that are provided through that entity or collaboration are offered and provided under the responsible control of an architect, or architects, and in accordance with the provisions of this chapter.

(b) (1) A business entity organized as a general corporation may include in its name any or all of the following:

(A) A fictitious name.

(B) The name of one or more licensed architects.

(C) The term "architect," the term "architecture," or a variation of the term "architect" or "architecture."

(2) Nothing in paragraph (1) shall limit a business entity organized as a general corporation from including in its name any other word or name that is not otherwise prohibited by law.

(3) Notwithstanding paragraphs (1) and (2), a business entity organized as a general corporation shall not include in its name the term "professional corporation."

SEC. 3. Section 6980.77 is added to the Business and Professions Code, immediately following Section 6980.76, to read:

6980.77. Notwithstanding any other law, the failure of any person licensed to do business as a corporation in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau shall result in the automatic suspension of the licensee by operation of law. The bureau shall notify the licensee in writing of its failure to be registered and in good standing with the Secretary of State or Franchise Tax Board, or both, and that the licensee shall be suspended 30 days from the date of the notice if the licensee does not provide proof satisfactory to the bureau that it is properly registered and in good standing with the Secretary of State or Franchise Tax Board, or both. Reinstatement may be made at any time following the suspension by providing proof satisfactory to the bureau that the license is properly registered and in good standing and the payment of the reinstatement fee as prescribed by this chapter.

SEC. 4. Section 6980.79 of the Business and Professions Code is amended to read:

6980.79. The fees prescribed by this chapter are those fixed in the following schedule:

(a) A locksmith license application fee shall be at least two hundred fifty dollars (\$250) and may be increased to an amount not to exceed two hundred seventy-five dollars (\$275).

(b) An original license fee for a locksmith license shall be at least two hundred fifty dollars (\$250) and may be increased to an amount not to exceed two hundred seventy-five dollars (\$275), and a renewal fee for a locksmith license shall be at least five hundred dollars (\$500) and may be increased to an amount not to exceed five hundred fifty dollars (\$550).

(c) A branch office initial registration fee shall be at least two hundred fifty dollars (\$250) and may be increased to an amount not to exceed two hundred seventy-five dollars (\$275), and a branch office renewal fee shall be at least one hundred fifty dollars (\$150) and may be increased to an amount not to exceed one hundred sixty-five dollars (\$165).

(d) Notwithstanding Section 163.5, the reinstatement fee as required by Section 6980.28 is the amount equal to the renewal fee plus a penalty of 50 percent thereof.

(e) An initial registration fee for an employee performing the services of a locksmith shall be at least fifty-five dollars (\$55) and may be increased to an amount not to exceed sixty dollars (\$60).

(f) A registration renewal fee for an employee performing the services of a locksmith shall be at least forty dollars (\$40) and may be increased to an amount not to exceed forty-four dollars (\$44).

(g) The fingerprint processing fee is that amount charged to the bureau by the Department of Justice.

(h) All applicants seeking a license pursuant to this chapter shall also remit to the bureau the fingerprint fee that is charged to the bureau by the Department of Justice.

(i) The fee for a Certificate of Licensure, as specified in Section 6980.24, shall be at least twenty-five dollars (\$25).

(j) A delinquency fee is the amount equal to the renewal fee plus a penalty of 50 percent thereof.

(k) The fee for an endorsed verification of licensure or registration shall be twenty-five dollars (\$25). The verification document shall include the license or registration number, the license or registration history and current status, the date of the endorsement, an embossed seal, and the signature of the chief.

(l) The fee for the replacement of a lost or destroyed registration card, license, or certificate authorized by this chapter shall be twenty-five dollars (\$25). The request for a replacement of a registration card, license, or certificate shall be made in the manner prescribed by the bureau.

(m) The reinstatement fee following a suspension pursuant to Section 6980.77 shall be 25 percent of the renewal fee.

SEC. 5. Section 7068 of the Business and Professions Code is amended to read:

7068. (a) The board shall require an applicant to show the degree of knowledge and experience in the classification applied for, and the general knowledge of the building, safety, health, and lien laws of the state and of the administrative principles of the contracting business that the board deems necessary for the safety and protection of the public.

(b) An applicant shall qualify in regard to their experience and knowledge in one of the following ways:

(1) If an individual, they shall qualify by personal appearance or by the appearance of their responsible managing employee who is qualified for the same license classification as the classification being applied for.

(2) If a partnership or a limited partnership, it shall qualify by the appearance of a general partner or by the appearance of a responsible managing employee who is qualified for the same license classification as the classification being applied for.

(3) If a corporation, or any other combination or organization, it shall qualify by the appearance of a responsible managing officer or responsible managing employee who is qualified for the same license classification as the classification being applied for.

(4) If a limited liability company, it shall qualify by the appearance of a responsible managing officer, a responsible managing manager, responsible managing member, or a responsible managing employee who is qualified for the same license classification as the classification being applied for.

(c) (1) For purposes of this chapter, "a responsible managing employee" means an individual who is a bona fide employee of the applicant and is actively engaged in the classification of work for which that responsible managing employee is the qualifying person on behalf of the applicant.

(2) For purposes of this subdivision, the following definitions apply:

(A) "Bona fide employee of the applicant" means an employee who is permanently employed by the applicant.

(B) "Actively engaged" means working 32 hours per week, or 80 percent of the total hours per week that the applicant's business is in operation, whichever is less.

(d) The board shall, in addition, require an applicant who qualifies by means of a responsible managing employee under either paragraph (1) or (2) of subdivision (b) to show their general knowledge of the building, safety, health, and lien laws of the state and of the administrative principles of the contracting business as the board deems necessary for the safety and protection of the public.

(e) Except in accordance with Section 7068.1, no person qualifying on behalf of an individual or firm under paragraph (1), (2), (3), or (4) of subdivision (b) shall hold any other active contractor's license while acting in the capacity of a qualifying individual pursuant to this section.

(f) At the time of application for renewal of a license, the current qualifying individual shall file a statement with the registrar, on a form prescribed by the registrar, verifying their capacity as a qualifying individual to the licensee.

(g) Statements made by or on behalf of an applicant as to the applicant's experience in the classification applied for shall be verified by a qualified and responsible person. In addition, the registrar shall, as specified by board regulation, randomly review a percentage of such statements for their veracity.

(h) The registrar shall review experience gained by applicants from other states to determine whether all of that experience was gained in a lawful manner in that state.

SEC. 6. Section 7068.1 of the Business and Professions Code is amended to read:

7068.1. (a) The person qualifying on behalf of an individual or firm under paragraph (1), (2), (3), or (4) of subdivision (b) of Section 7068 shall be responsible for exercising supervision and control of their employer's or principal's construction operations to secure compliance with this chapter and the rules and regulations of the board. This person shall not act in the capacity of the qualifying person for an additional individual or firm unless one of the following conditions exists:

(1) There is a common ownership of at least 20 percent of the equity of each individual or firm for which the person acts in a qualifying capacity.

(2) The additional firm is a subsidiary of or a joint venture with the first. "Subsidiary," as used in this subdivision, means any firm at least 20 percent of the equity of which is owned by the other firm.

(3) With respect to a firm under paragraph (2), (3), or (4) of subdivision (b) of Section 7068, the majority of the partners, officers, or managers are the same.

(b) Notwithstanding paragraphs (1) to (3), inclusive, of subdivision (a), a qualifying individual may act as the qualifier for no more than three firms in any one-year period.

(c) The following definitions shall apply for purposes of this section:

(1) "Firm" means a partnership, a limited partnership, a corporation, a limited liability company, or any other combination or organization described in Section 7068.

(2) "Person" is limited to natural persons, notwithstanding the definition of "person" in Section 7025.

(3) "Supervision or control" means direct supervision or control or monitoring and being available to assist others to whom direct supervision and control has been delegated.

(4) "Direct supervision or control" means any of the following:

(A) Supervising construction.

(B) Managing construction activities by making technical and administrative decisions.

(C) Checking jobs for proper workmanship.

(D) Supervision on construction sites.

(d) The board shall require every applicant or licensee qualifying by the appearance of a qualifying individual to submit detailed information on the qualifying individual's duties and responsibilities for supervision and control of the applicant's construction operations, including, but not limited to, an employment duty statement prepared by the qualifier's employer or principal. Failure of an applicant or licensee to provide information required by this subdivision constitutes a violation of this section.

(e) Violation of this section shall constitute a cause for disciplinary action and shall be punishable as a misdemeanor by imprisonment in a county jail not to exceed six months, by a fine of not less than three thousand dollars (\$3,000), but not to exceed five thousand dollars (\$5,000), or by both the fine and imprisonment.

SEC. 7. Section 7510.3 is added to the Business and Professions Code, to read:

7510.3. Notwithstanding any other law, the failure of any person licensed to do business as a corporation or limited liability company in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau shall result in the automatic suspension of the licensee by operation of law. The bureau shall notify the licensee in writing of its failure to be registered and in good standing with the Secretary of State or Franchise Tax Board, or both, and that the licensee shall be suspended 30 days from the date of the notice if the licensee does not provide proof satisfactory to the bureau that it is properly registered and in good standing with the Secretary of State or Franchise Tax Board, or both. Reinstatement may be made at any time following the suspension by providing proof satisfactory to the bureau that the license is properly registered and in good standing and the payment of the reinstatement fee as prescribed by this chapter.

SEC. 8. Section 7511 of the Business and Professions Code is amended to read:

7511. The bureau shall establish and assess fees and penalties for licensure and registration as displayed in this section. The fees prescribed by this chapter are as follows:

(a) The application fee for an original repossession agency license shall be at least nine hundred seventy dollars (\$970) and may be increased to an amount not to exceed one thousand sixty-seven dollars (\$1,067).

(b) The application fee for an original qualified manager certificate shall be at least three hundred fifty dollars (\$350) and may be increased to an amount not to exceed three hundred eighty-five dollars (\$385).

(c) The renewal fee for a repossession agency license shall be at least seven hundred fifty dollars (\$750) and may be increased to an amount not to exceed eight hundred twenty-five dollars (\$825) biennially.

(d) The renewal fee for a qualified manager certificate shall be at least two hundred twenty-five dollars (\$225) and may be increased to an amount not to exceed two hundred forty-eight dollars (\$248) biennially.

(e) Notwithstanding Section 163.5, the reinstatement fee for a repossession agency license required pursuant to Sections 7503.11 and 7505.3 is the amount equal to the renewal fee plus a penalty of 50 percent thereof.

(f) Notwithstanding Section 163.5, the reinstatement fee for a qualified manager certificate required pursuant to Sections 7503.11 and 7504.7 is the amount equal to the renewal fee plus a penalty of 50 percent thereof.

(g) A fee for reexamination of an applicant for a qualified manager shall be at least sixty dollars (\$60) and may be increased to an amount not to exceed sixty-six dollars (\$66).

(h) An initial registrant registration fee shall be at least seventy-five dollars (\$75) and may be increased to an amount not to exceed eighty-two dollars (\$82), a registrant reregistration fee shall be at least seventy-five dollars (\$75) and may be increased to an amount not to exceed eighty-two dollars (\$82), and a registrant biennial renewal fee shall be at least forty dollars (\$40) and may be increased to an amount not to exceed forty-four dollars (\$44) per registration. Notwithstanding Section 163.5 and this subdivision, the reregistration fee for a registrant whose registration expired more than one year prior to the filing of the application for reregistration shall be at least seventy-five dollars (\$75) and may be increased to an amount not to exceed eighty-two dollars (\$82).

(i) The delinquency fee is 50 percent of the renewal fee in effect on the date of expiration, but not less than twenty-five dollars (\$25).

(j) The fingerprint processing fee is that amount charged to the bureau by the Department of Justice.

(k) The director shall furnish one copy of any issue or edition of the licensing law and rules and regulations to any applicant or licensee without charge. The director shall charge and collect a fee not to exceed ten dollars (\$10) plus sales tax for each additional copy, which may be furnished on request to any applicant or licensee, and for each copy furnished on request to any other person.

(l) The processing fee for the assignment of a repossession agency license pursuant to Section 7503.9 shall be at least four hundred dollars (\$400) and may be increased to an amount not to exceed four hundred forty dollars (\$440).

(m) The fee for an endorsed verification of licensure, certification, or registration shall be twenty-five dollars (\$25). The verification document shall include the license, certificate, or registration number, the license, certificate, or registration history and current status, the date of the endorsement, an embossed seal, and the signature of the chief.

(n) The fee for the replacement of a lost or destroyed registration card, license, or certificate authorized by this chapter shall be twenty-five dollars (\$25). The request for a replacement of a registration card, license, or certificate shall be made in the manner prescribed by the bureau.

(o) The reinstatement fee following a suspension pursuant to Section 7510.3 shall be 25 percent of the renewal fee.

SEC. 9. Section 7542.2 of the Business and Professions Code is amended to read:

7542.2. The bureau shall issue a firearms permit when all of the following conditions are satisfied:

(a) (1) The applicant is a licensee or a qualified manager of a licensee.

(b) The firearms permit is associated with one of the following:

(1) An individual licensed as a private investigator pursuant to Section 7525.1.

(2) A partner of a partnership licensed as a private investigator pursuant to Section 7525.1.

(3) A qualified manager of a licensed private investigator pursuant to Section 7536.

(c) (1) A bureau-certified firearms training instructor certifies that the applicant has successfully completed a written examination prepared by the bureau and a training course in the carrying and use of firearms approved by the bureau.

(2) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of paragraph (1) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(d) The applicant has filed with the bureau a classifiable fingerprint card, a completed application for a firearms permit on a form prescribed by the director, dated and signed by the applicant, certifying under penalty of perjury that the information in the application is true and correct. In lieu of a classifiable fingerprint card, the applicant may submit fingerprints into an electronic fingerprinting system administered by the Department of Justice. An applicant who submits their fingerprints by electronic means shall have their fingerprints entered into the system through a terminal operated by a law enforcement agency or other facility authorized by the Department of Justice to conduct electronic fingerprinting. The terminal operator may charge a fee sufficient to reimburse it for the costs incurred in providing this service.

(e) The applicant is at least 21 years of age and the bureau has determined, after investigation, that the carrying and use of a firearm by the applicant, in the course of the applicant's duties, presents no apparent threat to the public safety, or that the carrying and use of a firearm by the applicant is not in violation of the Penal Code.

(f) The applicant has produced evidence to the firearm training facility that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status shall be deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, United States Department of Justice, Immigration and Naturalization Service Form I-151 or United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(g) The application is accompanied by the application fees prescribed in this chapter.

SEC. 10. Section 7542.11 of the Business and Professions Code is amended to read:

7542.11. (a) A firearms qualification card expires two years from the date of issuance, if not renewed. A person who wishes to renew a firearms qualification card shall file an application for renewal at least 60 days prior to the card's expiration. A person whose card has expired shall not carry a firearm until the person has been issued a renewal card by the bureau.

(b) The bureau shall not renew a firearms qualification card unless all of the following conditions are satisfied:

(1) The cardholder has filed with the bureau a completed application for renewal of a firearms qualification card, on a form prescribed by the director, dated and signed by the applicant under penalty of perjury certifying that the information on the application is true and correct.

(2) (A) The applicant has requalified on the range and has successfully passed a written examination based on course content as specified in the firearms training manual approved by the department and taught at a training facility approved by the bureau.

(B) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of subparagraph (A) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(3) The application is accompanied by a firearms requalification fee as prescribed in this chapter.

(4) The applicant has produced evidence to the firearms training facility, either upon receiving their original qualification card or upon filing for renewal of that card, that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status is that deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, the United States Department of Justice, Immigration and Naturalization Service Form I-151 or United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(c) An expired firearms qualification card may not be renewed. A person with an expired registration is required to apply for a new firearms qualification in the manner required of persons not previously registered. A person whose card has expired shall not carry a firearm until that person has been issued a new firearms qualification card by the bureau.

(d) Paragraph (2) of subdivision (b) shall not apply to a duly appointed peace officer, as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code, who is authorized to carry a firearm in the course of the officer's duties and who has successfully completed requalification training or to a federal qualified law enforcement officer, as defined in Section 926B of Title 18 of the United States Code, who is authorized to carry a firearm in the course of the officer's duties and who has successfully completed requalification training.

SEC. 11. Section 7561.2 is added to the Business and Professions Code, to read:

7561.2. Notwithstanding any other law, the failure of any person licensed to do business as a corporation or limited liability company in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau shall result in the automatic suspension of the licensee by operation of law. The bureau shall notify the licensee in writing of its failure to be registered and in good standing with the Secretary of State or Franchise Tax Board, or both, and that the licensee shall be suspended 30 days from the date of the notice if the licensee does not provide proof satisfactory to the bureau that it is properly registered and in good standing with the Secretary of State or Franchise Tax Board, or both. Reinstatement may be made at any time following the suspension by providing proof satisfactory to the bureau that the license is properly registered and in good standing and the payment of the reinstatement fee as prescribed by this chapter.

SEC. 12. Section 7570 of the Business and Professions Code is amended to read:

7570. The fees prescribed by this chapter are as follows:

(a) The application and examination fee for an original license shall be at least three hundred forty dollars (\$340) and may be increased to not more than three hundred seventy-four dollars (\$374).

(b) The application fee for an original branch office certificate shall be at least ninety dollars (\$90) and may be increased to not more than ninety-nine dollars (\$99).

(c) The fee for an original license for a private investigator shall be at least three hundred eighty-five dollars (\$385) and may be increased to not more than four hundred twenty-four dollars (\$424).

(d) The renewal fee is as follows:

(1) For a license as a private investigator, the fee shall be at least two hundred sixty-five dollars (\$265) and may be increased to not more than two hundred ninety-two dollars (\$292).

(2) For a branch office certificate for a private investigator, the fee shall be at least sixty-five dollars (\$65) and may be increased to not more than seventy-two dollars (\$72).

(e) The delinquency fee is 50 percent of the renewal fee in effect on the date of expiration.

(f) A reinstatement fee is equal to the amount of the renewal fee plus the regular delinquency fee.

(g) The fee for reexamination of an applicant or their qualified manager shall be at least sixty dollars (\$60) and may be increased to not more than sixty-six dollars (\$66).

(h) The processing fee for the assignment of a license pursuant to Section 7530 shall be at least four hundred dollars (\$400) and may be increased to not more than four hundred forty dollars (\$440).

(i) The firearms permit fee shall be at least one hundred dollars (\$100), but shall not exceed one hundred ten dollars (\$110).

(j) The firearms permit renewal fee shall be at least eighty dollars (\$80), but shall not exceed eighty-eight dollars (\$88).

(k) The replacement fee for a lost or destroyed registration card, license, certificate, or permit authorized by this chapter shall be twenty-five dollars (\$25). A request to replace a lost or destroyed registration card, license, certificate, or permit shall be made in the manner prescribed by the bureau.

(l) The fee for a Certificate of Licensure, as specified in Section 7528, shall be twenty-five dollars (\$25).

(m) The fee for an endorsed verification of licensure, certification, or permit shall be twenty-five dollars (\$25). The verification document shall include the history and current status of the license, certificate, or permit number, the date of the endorsement, an embossed seal, and the signature of the chief.

(n) The reinstatement fee following a suspension pursuant to subdivision (e) of Section 7520.3 shall be no more than 50 percent of the renewal fee.

(o) The reinstatement fee following a suspension pursuant to Section 7561.2 shall be 25 percent of the renewal fee.

SEC. 13. Section 7574.35 of the Business and Professions Code is amended to read:

7574.35. The fee for an endorsed verification of registration shall be twenty-five dollars (\$25). The verification document shall include the registration number the registration history and current status, the date of the endorsement, an embossed seal, and

the signature of the chief.

SEC. 14. Section 7574.36 is added to the Business and Professions Code, immediately following Section 7574.35, to read:

7574.36. (a) Notwithstanding any other law, the failure of any person licensed to do business as a corporation or limited liability company in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau shall result in the automatic suspension of the licensee by operation of law. The bureau shall notify the licensee in writing of its failure to be registered and in good standing with the Secretary of State or Franchise Tax Board, or both, and that the licensee shall be suspended 30 days from the date of the notice if the licensee does not provide proof satisfactory to the bureau that it is properly registered and in good standing with the Secretary of State or Franchise Tax Board, or both. Reinstatement may be made at any time following the suspension by providing proof satisfactory to the bureau that the license is properly registered and in good standing and the payment of the reinstatement fee as prescribed by this chapter.

(b) The reinstatement fee following a suspension pursuant to this section shall be 25 percent of the renewal fee.

SEC. 15. Section 7583.23 of the Business and Professions Code is amended to read:

7583.23. The bureau shall issue a firearms permit when all of the following conditions are satisfied:

(a) The applicant is a licensee, a qualified manager of a licensee, or a registered security guard subject to the following:

(1) The firearms permit may only be associated with the following:

(A) A sole owner of a sole ownership licensee, pursuant to Section 7582.7 or 7525.1.

(B) A partner of a partnership licensee, pursuant to Section 7582.7 or 7525.1.

(C) A qualified manager of a licensee, pursuant to Section 7536 or 7582.22.

(D) A security guard registrant.

(2) If the firearms permit is associated with a security guard registration, they are subject to the provisions of Section 7583.47, regardless of any other license possessed or associated with the firearms permit.

(b) (1) A bureau-certified firearms training instructor has certified that the applicant has successfully completed a written examination prepared by the bureau and training course in the carrying and use of firearms approved by the bureau.

(2) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of paragraph (1) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(c) The applicant has filed with the bureau a classifiable fingerprint card, a completed application for a firearms permit on a form prescribed by the director, dated and signed by the applicant, certifying under penalty of perjury that the information in the application is true and correct. In lieu of a classifiable fingerprint card, the applicant may submit fingerprints into an electronic fingerprinting system administered by the Department of Justice. An applicant who submits their fingerprints by electronic means shall have their fingerprints entered into the system through a terminal operated by a law enforcement agency or other facility authorized by the Department of Justice to conduct electronic fingerprinting. The terminal operator may charge a fee sufficient to reimburse it for the costs incurred in providing this service.

(d) The applicant is at least 21 years of age and the bureau has determined, after investigation, that the carrying and use of a firearm by the applicant, in the course of their duties, presents no apparent threat to the public safety, or that the carrying and use of a firearm by the applicant is not in violation of the Penal Code.

(e) The applicant has produced evidence to the firearm training facility that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status shall be deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, United States Department of Justice, Immigration and Naturalization Service Form I-151 or United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(f) The application is accompanied by the application fees prescribed in this chapter.

(g) (1) If the applicant is a registered security guard and they have been found capable of exercising appropriate judgment, restraint, and self-control, for the purposes of carrying and using a firearm during the course of their duties, pursuant to Section 7583.47.

(2) The requirement in paragraph (1) shall be completed within six months preceding the date the application is submitted to the bureau.

SEC. 16. Section 7583.32 of the Business and Professions Code is amended to read:

7583.32. (a) A firearms qualification card expires two years from the date of issuance, if not renewed. A person who wishes to renew a firearms qualification card shall file an application for renewal at least 60 days prior to the card's expiration. A person whose card has expired shall not carry a firearm until that person has been issued a renewal card by the bureau.

(b) The bureau shall not renew a firearms qualification card unless all of the following conditions are satisfied:

(1) The cardholder has filed with the bureau a completed application for renewal of a firearms qualification card, on a form prescribed by the director, dated and signed by the applicant under penalty of perjury certifying that the information on the application is true and correct.

(2) (A) The applicant has requalified on the range and has successfully passed a written examination based on course content as specified in the firearms training manual approved by the department and taught at a training facility approved by the bureau.

(B) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of subparagraph (A) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(3) The application is accompanied by a firearms requalification fee as prescribed in this chapter.

(4) The applicant has produced evidence to the firearm training facility, either upon receiving their original qualification card or upon filing for renewal of that card, that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status is that deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, the United States Department of Justice, Immigration and Naturalization Service Form I-151 or United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(c) An expired firearms qualification card may not be renewed. A person with an expired registration is required to apply for a new firearms qualification in the manner required of persons not previously registered. A person whose card has expired shall not carry a firearm until that person has been issued a new firearms qualification card by the bureau.

(d) Paragraph (2) of subdivision (b) shall not apply to a duly appointed peace officer, as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code, who is authorized to carry a firearm in the course of the officer's duties and who has successfully completed requalification training or to a federal qualified law enforcement officer, as defined in Section 926B of Title 18 of the United States Code (18 U.S.C. Sec. 926B), who is authorized to carry a firearm in the course of the officer's duties and who has successfully completed requalification training.

SEC. 17. Section 7587.11 is added to the Business and Professions Code, to read:

7587.11. Notwithstanding any other law, the failure of any person licensed to do business as a corporation in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau shall result in the automatic suspension of the licensee by operation of law. The bureau shall notify the licensee in writing of its failure to be registered and in good standing with the Secretary of State or Franchise Tax Board, or both, and that the licensee shall be suspended 30 days from the date of the notice if the licensee does not provide proof satisfactory to the bureau that it is properly registered and in good standing with the Secretary of State or Franchise Tax Board, or both. Reinstatement may be made at any time following the suspension by providing proof satisfactory to the bureau that the license is properly registered and in good standing and the payment of the reinstatement fee as prescribed by this chapter.

SEC. 18. Section 7588 of the Business and Professions Code is amended to read:

7588. The fees prescribed by this chapter are as follows:

(a) The application and examination fee for an original license for a private patrol operator shall be at least five hundred fifty dollars (\$550) and may be increased to an amount not to exceed six hundred five dollars (\$605).

(b) The application fee for an original branch office certificate for a private patrol operator shall be at least two hundred fifty dollars (\$250) and may be increased to an amount not to exceed two hundred seventy-five dollars (\$275).

(c) The fee for an original license for a private patrol operator shall be at least seven hundred seventy dollars (\$770) and may be increased to an amount not to exceed eight hundred forty-seven dollars (\$847).

(d) The renewal fee is as follows:

(1) For a license as a private patrol operator, the fee shall be at least nine hundred dollars (\$900) and may be increased to an amount not to exceed nine hundred ninety dollars (\$990).

(2) For a branch office certificate for a private patrol operator, the fee shall be at least one hundred fifty dollars (\$150) and may be increased to an amount not to exceed one hundred sixty-five dollars (\$165).

(e) The delinquency fee is 50 percent of the renewal fee in effect on the date of expiration but not less than twenty-five dollars (\$25).

(f) A reinstatement fee is equal to the amount of the renewal fee plus the regular delinquency fee.

(g) The fee for reexamination of an applicant or the applicant's manager shall be at least sixty dollars (\$60) and may be increased to an amount not to exceed sixty-six dollars (\$66).

(h) Registration fees pursuant to this chapter are as follows:

(1) A registration fee for a security guard shall be at least fifty-five dollars (\$55) and may be increased to an amount not to exceed sixty dollars (\$60).

(2) A security guard registration renewal fee shall be at least forty dollars (\$40) and may be increased to an amount not to exceed forty-four dollars (\$44).

(i) Fees to carry out other provisions of this chapter are as follows:

(1) A firearms permit fee shall be at least one hundred dollars (\$100) and may be increased to an amount not to exceed one hundred ten dollars (\$110).

(2) A firearms permit renewal fee shall be at least eighty dollars (\$80) and may be increased to an amount not to exceed eighty-eight dollars (\$88).

(3) An initial baton permit fee shall be sixty dollars (\$60) and may be increased to an amount not to exceed sixty-six dollars (\$66).

(4) An application fee for certification as a firearms training facility shall be at least eight hundred dollars (\$800) and may be increased to an amount not to exceed eight hundred eighty dollars (\$880).

(5) A renewal fee for certification as a firearms training facility shall be at least seven hundred fifty dollars (\$750) and may be increased to an amount not to exceed eight hundred twenty-five dollars (\$825).

(6) An application fee for certification as a baton training facility shall be at least seven hundred dollars (\$700) and may be increased to an amount not to exceed seven hundred seventy dollars (\$770).

(7) A renewal fee for certification as a baton training facility shall be at least five hundred fifty dollars (\$550) and may be increased to an amount not to exceed six hundred five dollars (\$605).

(8) An application fee for certification as a firearms or baton training instructor shall be at least three hundred fifty dollars (\$350) and may be increased to an amount not to exceed three hundred eighty-five dollars (\$385).

(9) A renewal fee for certification as a firearms training instructor shall be at least three hundred dollars (\$300) and may be increased to an amount not to exceed three hundred thirty dollars (\$330).

(10) A renewal fee for certification as a baton training instructor shall be at least two hundred seventy-five dollars (\$275) and may be increased to an amount not to exceed three hundred three dollars (\$303).

(11) The fee for the replacement of a lost or destroyed registration card, license, certificate, or permit authorized by this chapter shall be twenty-five dollars (\$25). The request for a replacement of a registration card, license, certificate, or permit shall be made in the manner prescribed by the bureau.

(12) The fee for a Certificate of Licensure, as specified in Section 7582.11, shall be twenty-five dollars (\$25).

(j) The fee for an endorsed verification of registration, licensure, certification, or permit shall be twenty-five dollars (\$25). The verification document shall include the registration, license, certificate, or permit number, the registration, license, certificate, or

permit history and current status, the date of the endorsement, an embossed seal, and the signature of the chief.

(k) The reinstatement fee following a suspension pursuant to Section 7587.11 shall be 25 percent of the renewal fee.

SEC. 19. Section 7590.1 of the Business and Professions Code is amended to read:

7590.1. The following terms as used in this chapter have the meaning expressed in this article:

(a) (1) "Advertisement" means:

(A) Any written or printed communication for the purpose of soliciting, describing, or promoting the licensed business of the licensee, including a brochure, letter, pamphlet, newspaper, periodical, publication, or other writing.

(B) A directory listing caused or permitted by the licensee which indicates their licensed activity.

(C) A radio, television, or similar airwave transmission that solicits or promotes the licensed business of the licensee.

(2) "Advertisement" does not include any of the following:

(A) Any printing or writing used on buildings, vehicles, uniforms, badges, or other property where the purpose of the printing or writing is identification.

(B) Any printing or writing on communications, memoranda, or any other writings used in the ordinary course of business where the sole purpose of the writing is other than the solicitation or promotion of business.

(C) Any printing or writing on novelty objects used in the promotion of the licensee's business where the printing of the information required by this chapter would be impractical due to the available area or surface.

(b) "Alarm agent" means a person employed by an alarm company operator whose duties, being physically conducted within the state, include selling on premises, altering, installing, maintaining, moving, repairing, replacing, servicing, responding, or monitoring an alarm system, and those ancillary devices connected to and controlled by the alarm system, including supplementary smoke detectors, or a person who manages or supervises a person employed by an alarm company to perform any of the duties described in this subdivision or any person in training for any of the duties described in this subdivision.

(c) (1) "Alarm system" means an assembly of equipment and devices arranged to detect a hazard or signal the presence of an off-normal situation.

(2) "Alarm system" does not include a fire protection system, as defined in the California Fire Code.

(d) "Branch office" means any location, other than the principal place of business of the licensee, which is licensed as set forth in Article 11 (commencing with Section 7599.20).

(e) "Branch office manager" means an individual designated by the qualified manager to manage the licensee's branch office and who has met the requirements as set forth in Article 11 (commencing with Section 7599.20).

(f) "Bureau" means the Bureau of Security and Investigative Services.

(g) "Chief" means the Chief of the Bureau of Security and Investigative Services.

(h) "Deadly weapon" means and includes any instrument or weapon of the kind commonly known as a blackjack, slungshot, billy, sandclub, sandbag, or metal knuckles; any dirk, dagger, pistol, revolver, or any other firearm; any knife having a blade longer than five inches; any razor with an unguarded blade; or any metal pipe or bar used or intended to be used as a club.

(i) "Department" means the Department of Consumer Affairs.

(j) "Director" means the Director of Consumer Affairs.

(k) "Employee" means an individual who works for an employer, is listed on the employer's payroll records, and is under the employer's direction and control.

(l) "Employer" means a person who employs an individual for wages or salary, lists the individual on the employer's payroll records, and withholds all legally required deductions and contributions.

(m) "Employer-employee relationship" means an individual who works for another and where the individual's name appears on the payroll records of the employer.

(n) "Firearm permit" means and includes "firearms permit," "firearms qualification card," "firearms qualification," and "firearms qualification permit."

(o) "Firearms permit" means a permit issued by the bureau, pursuant to Article 6 (commencing with Section 7596), to a licensee, a qualified manager, or an alarm agent, to carry an exposed firearm while on duty.

(p) "Licensee" means a business entity, whether an individual, partnership, limited liability company, or corporation licensed under this chapter.

(q) "Manager" means an individual designated under an operating agreement of a manager-managed limited liability company who is responsible for performing the management functions for the limited liability company specified in subdivision (c) of Section 17704.07 of the Corporations Code.

(r) "Member" means an individual who is a member of a limited liability company as defined in subdivision (p) of Section 17701.02 of the Corporations Code.

(s) "Person" means any individual, firm, company, association, organization, partnership, limited liability company, or corporation.

(t) "Qualified manager" means an individual who is in active control, management, and direction of the licensee's business, and who is in possession of a current and valid qualified manager's certificate pursuant to this chapter.

(u) "Registrant" means any person registered or who has applied for registration under this chapter.

(v) "Residential sales agreement" means and includes an agreement between an alarm company operator and an owner or tenant for the purchase of an alarm system to be utilized in the personal residence of the owner or tenant.

SEC. 20. Section 7590.2 of the Business and Professions Code is amended to read:

7590.2. (a) An "alarm company operator" means a person who, for any consideration whatsoever, engages in business or accepts employment to install, maintain, alter, sell on premises, monitor, or service alarm systems, and those ancillary devices connected to and controlled by the alarm system, including supplementary smoke detectors, or who responds to alarm systems except for any alarm agent. "Alarm company operator," includes any entity that is retained by a licensed alarm company operator, a customer, or any other person or entity, to monitor one or more alarm systems, whether or not the entity performs any other duties within the definition of an alarm company operator. The provisions of this chapter, to the extent that they can be made applicable, shall be applicable to the duties and functions performed in monitoring alarm systems.

(b) A person licensed as an alarm company operator shall not conduct any investigation or investigations except those that are incidental to personal injury, or the theft, loss, embezzlement, misappropriation, or concealment of any property, or any other thing enumerated in this section, which they have been hired or engaged to protect.

(c) A person who is licensed, certified, or registered pursuant to this chapter is exempt from locksmithing requirements, pursuant to subdivision (e) of Section 6980.12, if the duties performed that constitute locksmithing are performed in combination with the installation, maintenance, moving, repairing, replacing, servicing, or reconfiguration of an alarm system, as defined in Section 7590.1, and limited to work on electronic locks or access control devices that are controlled by an alarm system control device, including the removal of existing hardware.

SEC. 21. Section 7590.6 is added to the Business and Professions Code, immediately following Section 7590.5, to read:

7590.6. (a) Notwithstanding any law, any application for a license, registration, certification, or permit required by this chapter shall be submitted electronically through the online licensing and enforcement platform, including, but not limited to, applications for an original, renewal, reinstatement, or replacement license, registration, certificate, or permit.

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

SEC. 22. Section 7592.9 of the Business and Professions Code is amended to read:

7592.9. Notwithstanding Section 7592.8, a city, county, or city and county that requires a person who owns, leases, rents, or otherwise possesses an alarm system to obtain a local use permit to operate the alarm system shall not fine an alarm company for requesting dispatch to a customer, whether residential or commercial, that does not have a current local use permit if either apply:

(a) It was not the alarm company's legal responsibility to obtain the local use permit for the customer or renew the local use permit for the customer.

(b) If it is the alarm company's legal responsibility to renew the local use permit for the customer, the alarm company was not notified that the customer's local use permit had expired.

(c) Except as otherwise required by this chapter, this section shall not be construed to require the bureau to investigate, hear, or adjudicate a cause of action between an alarm company and a city, county, or city and county that pertains to liability for penalties imposed under an ordinance enacted by the city, county, or city and county.

SEC. 23. Section 7593.1 of the Business and Professions Code, as amended by Section 10 of Chapter 406 of the Statutes of 2018, is amended to read:

7593.1. (a) Each individual applicant, partner of a partnership, designated officer of a corporation, member, officer, or manager of a limited liability company, and a qualified manager shall submit with the application one personal identification form provided by the chief, with two legible sets of fingerprints, one set of which shall be forwarded to the Federal Bureau of Investigation for purposes of a background check, and personal description of each such person, respectively. The identification form shall include residence addresses and employment history for the previous five years.

(b) The bureau may impose a fee not to exceed three dollars (\$3) for processing classifiable fingerprint cards submitted by applicants excluding those submitted into an electronic fingerprint system using electronic fingerprint technology.

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

SEC. 24. Section 7593.1 of the Business and Professions Code, as amended by Section 11 of Chapter 406 of the Statutes of 2018, is amended to read:

7593.1. (a) Each individual applicant, partner of a partnership, designated officer of a corporation, and a qualified manager shall submit with the application, one personal identification form provided by the chief, with two legible sets of fingerprints, one set of which shall be forwarded to the Federal Bureau of Investigation for purposes of a background check, and personal description of each such person, respectively. The identification form shall include residence addresses and employment history for the previous five years.

(b) The bureau may impose a fee not to exceed three dollars (\$3) for processing classifiable fingerprint cards submitted by applicants excluding those submitted into an electronic fingerprint system using electronic fingerprint technology.

(c) This section shall become operative on January 1, 2024.

SEC. 25. Section 7593.7 of the Business and Professions Code is amended to read:

7593.7. The chief shall issue a pocket identification card to the owner; any partner, officer, member, or manager active in the licensed business; and qualified manager. The chief shall determine the form and content of the card.

SEC. 26. Section 7596.3 of the Business and Professions Code is amended to read:

7596.3. The director shall issue a firearms permit when all of the following conditions exist:

(a) The applicant is a licensee, a qualified manager of a licensee, a designated branch office manager of a licensee, or a registered alarm agent. A firearms permit may only be associated with the following:

- (1) A sole owner of a sole ownership licensee.
- (2) A partner of a partnership licensee.
- (3) A qualified manager of a licensee.
- (4) A designated branch office manager of a licensee.
- (5) A registered alarm agent.

(b) The applicant has filed with the bureau a classifiable fingerprint card, a completed application for a firearms permit on a form prescribed by the director, dated and signed by the applicant, certifying under penalty of perjury that the information in the application is true and correct. In lieu of a classifiable fingerprint card, the applicant may submit fingerprints into an electronic fingerprinting system administered by the Department of Justice. An applicant who submits their fingerprints by electronic means shall have their fingerprints entered into the system through a terminal operated by a law enforcement agency or other facility authorized by the Department of Justice to conduct electronic fingerprinting. The terminal operator may charge a fee sufficient to reimburse it for the costs incurred in providing this service.

(c) (1) A bureau-certified firearms training instructor certifies that the applicant has successfully completed a written examination prepared by the bureau and a training course in the carrying and use of firearms approved by the bureau.

(2) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of paragraph (1) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(d) The applicant has provided the bureau with evidence that the applicant has completed a course in the exercise of the powers to arrest.

(e) The applicant is at least 21 years of age and the bureau has determined, after investigation, that the carrying and use of a firearm by the applicant, in the course of their duties, presents no apparent threat to the public safety, or the carrying and use of a firearm by the applicant is not in violation of the Penal Code.

(f) The applicant has produced evidence to the firearm training facility that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status shall be that deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, Department of Justice, Immigration and Naturalization Service Form I-151 or United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(g) The application is accompanied by the fee prescribed in this chapter.

SEC. 26.1. Section 7596.3 of the Business and Professions Code is amended to read:

7596.3. The director shall issue a firearms permit when all of the following conditions exist:

(a) The applicant is a licensee, a qualified manager of a licensee, a designated branch office manager of a licensee, or a registered alarm agent. A firearms permit may only be associated with the following:

- (1) A sole owner of a sole ownership licensee.
- (2) A partner of a partnership licensee.
- (3) A qualified manager of a licensee.
- (4) A designated branch office manager of a licensee.
- (5) A registered alarm agent.

(b) The applicant has filed with the bureau a classifiable fingerprint card, a completed application for a firearms permit on a form prescribed by the director, dated and signed by the applicant, certifying under penalty of perjury that the information in the application is true and correct. In lieu of a classifiable fingerprint card, the applicant may submit fingerprints into an electronic fingerprinting system administered by the Department of Justice. An applicant who submits their fingerprints by electronic means shall have their fingerprints entered into the system through a terminal operated by a law enforcement agency or other facility authorized by the Department of Justice to conduct electronic fingerprinting. The terminal operator may charge a fee sufficient to reimburse it for the costs incurred in providing this service.

(c) (1) A bureau-certified firearms training instructor certifies that the applicant has successfully completed a written examination prepared by the bureau and a training course in the carrying and use of firearms approved by the bureau.

(2) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of paragraph (1) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(d) The applicant has provided the bureau with evidence that the applicant has completed a course in the exercise of the powers to arrest.

(e) The applicant is at least 21 years of age and the bureau has determined, after investigation, that the carrying and use of a firearm by the applicant, in the course of their duties, presents no apparent threat to the public safety, or the carrying and use of a firearm by the applicant is not in violation of the Penal Code.

(f) The applicant has produced evidence to the firearm training facility that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status shall be that deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, Department of Justice, Immigration and Naturalization Service Form I-151 or United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(g) The application is accompanied by the fee prescribed in this chapter.

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

SEC. 26.2. Section 7596.3 is added to the Business and Professions Code, to read:

7596.3. The director shall issue a firearms permit when all of the following conditions exist:

(a) The applicant is a licensee, a qualified manager of a licensee, a designated branch office manager of a licensee, or a registered alarm agent. A firearms permit may only be associated with the following:

- (1) A sole owner of a sole ownership licensee.
- (2) A partner of a partnership licensee.
- (3) A qualified manager of a licensee.
- (4) A designated branch office manager of a licensee.
- (5) A registered alarm agent.

(b) The applicant has filed with the bureau a classifiable fingerprint card, a completed application for a firearms permit on a form prescribed by the director, dated and signed by the applicant, certifying under penalty of perjury that the information in the application is true and correct. In lieu of a classifiable fingerprint card, the applicant may submit fingerprints into an electronic fingerprinting system administered by the Department of Justice. An applicant who submits their fingerprints by electronic means shall have their fingerprints entered into the system through a terminal operated by a law enforcement agency or other facility authorized by the Department of Justice to conduct electronic fingerprinting. The terminal operator may charge a fee sufficient to reimburse it for the costs incurred in providing this service.

(c) (1) A bureau-certified firearms training instructor certifies that the applicant has successfully completed a written examination prepared by the bureau and a training course in the carrying and use of firearms approved by the bureau.

(2) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of paragraph (1) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(d) The applicant has provided the bureau with evidence that the applicant has completed a course in the exercise of the power to arrest and the appropriate use of force.

(e) The applicant is at least 21 years of age and the bureau has determined, after investigation, that the carrying and use of a firearm by the applicant, in the course of their duties, presents no apparent threat to the public safety, or the carrying and use of a firearm by the applicant is not in violation of the Penal Code.

(f) The applicant has produced evidence to the firearm training facility that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status shall be that deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, Department of Justice, Immigration and Naturalization Service Form I-151 or United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(g) The application is accompanied by the fee prescribed in this chapter.

(h) This section shall become operative on January 1, 2023.

SEC. 27. Section 7596.7 of the Business and Professions Code is amended to read:

7596.7. A firearms qualification card expires two years from the date of issuance, if not renewed. A person who wishes to renew a firearms qualification card shall file an application for renewal at least 60 days prior to the card's expiration. A person whose card has expired shall not carry a firearm until the person has been issued a renewal card by the bureau.

The director shall not renew a firearms qualification card unless all of the following conditions exist:

(a) The cardholder has filed with the bureau a completed application for renewal of a firearms qualification card, on a form prescribed by the director, dated and signed by the applicant under penalty of perjury certifying that the information on the application is true and correct.

(b) The application is accompanied by a firearms requalification fee as prescribed in this chapter.

(c) (1) The applicant has requalified on the range and has successfully passed a written examination based on course content as specified in the firearms training manual approved by the department and taught at a training facility approved by the bureau.

(2) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of paragraph (1) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(d) The applicant has produced evidence to the firearm training facility, either upon receiving an original qualification card or upon filing for renewal of that card, that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status is that deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(e) An expired firearms qualification card may not be renewed. A person with an expired firearms qualification card is required to apply for a new card in the manner required of persons not previously registered. A person whose card has expired shall not carry a firearm until the person has been issued a new firearms qualification card by the bureau.

SEC. 28. Section 7598.14 of the Business and Professions Code is amended to read:

7598.14. Upon approval of an application for registration, the chief shall cause to be issued to the applicant, at their last known address, a registration card in a form approved by the director. The applicant may request to be issued an enhanced pocket card that shall be composed of a durable material and may incorporate technologically advanced security features. The bureau may charge a fee sufficient to reimburse the department's costs for furnishing the enhanced license. The fee charged may not exceed the actual costs for system development, maintenance, and processing necessary to provide this service, and may not exceed six dollars (\$6). If the applicant does not request an enhanced card, the department shall issue a standard card at no cost to the applicant. Every person, while engaged in any activity for which registration is required, shall display their valid pocket card as provided by regulation.

SEC. 29. Section 7598.51 of the Business and Professions Code is amended to read:

7598.51. (a) (1) An alarm agent shall carry on their person, while on duty, either a valid and current registration card or a temporary application for registration and a valid photo identification. The registration card or temporary application may be in a digital format.

(2) The temporary application shall include the application number that is assigned at the time that the application is received.

(b) For purposes of this section, "digital format" shall include, but not be limited to, an easily legible screenshot or image of the registration card or temporary application.

(c) A fine of one hundred fifty dollars (\$150) may be assessed for each violation of subdivision (a).

SEC. 30. Section 7599 of the Business and Professions Code is amended to read:

7599. Except as otherwise provided in this chapter, an applicant for a qualified manager certificate for an alarm company operator license shall:

(a) Have had at least two years' experience in alarm company work or the equivalent thereof as determined by the director.

A year's experience shall consist of not less than 2,000 hours of actual compensated alarm company work performed by each applicant preceding the filing of an application.

Applicants shall substantiate the claimed years and hours of qualifying experience and the exact details as to the character and nature thereof by written certifications from employers on forms prescribed by the director, subject to independent verification by the director as they may determine. In the event the applicant is unable to supply a written certification from an employer, the applicant may offer such other written certifications as may be properly considered by the director. In addition, applicants shall supply such evidence for consideration, as may be required by the director.

(b) Be at least 18 years of age.

(c) Complete and forward to the bureau an application for a qualified manager certificate for an alarm company operator license, which shall be on a form prescribed by the director. The application shall be accompanied by two classifiable sets of the

applicant's fingerprints.

(d) Pass the required examination.

(e) Pay the required application and examination fees to the chief.

SEC. 31. Section 7599.54 of the Business and Professions Code is amended to read:

7599.54. (a) Except as provided by Section 7599.56, every agreement, including, but not limited to, lease agreements, monitoring agreements, and service agreements, including all labor, services, and materials to be provided for the installation of an alarm system, shall be in writing. Except as provided by Section 7599.56, all amendments subject to the provisions of this section to an initial agreement shall be in writing. Each initial agreement shall contain, but not be limited to, the following:

(1) (A) The name, business address, business telephone number, and, except as provided in subparagraphs (B) and (C), license number of the licensed alarm company operator and the name and registration number of any alarm agent who solicited or negotiated the agreement.

(B) An alarm agent that is working with a temporary registration pursuant to Section 7598.7 shall include the application number in lieu of the registration number.

(C) This paragraph does not apply to an agreement that was not solicited or negotiated by a registered alarm agent.

(2) The approximate dates when the work will begin and be substantially completed.

(3) A description of the work to be done, a description of the materials to be used, and the agreed consideration for the work.

(4) A disclosure that alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, including the bureau's current address and contact information.

(5) A description of the alarm system including the major components thereof and services to be provided to the purchaser once the alarm is installed, including response or monitoring services, if any.

(6) Other matters agreed to by the parties of the contract. The agreement shall be legible and shall be in a form as to clearly describe any other document which is to be incorporated into the contract, and, before any work is done, the client shall be furnished with a copy of the written agreement signed by the licensee.

(7) A statement setting forth that upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system.

(8) In the event a mechanic's lien is to be utilized, a notice-to-owner statement which shall describe, in nontechnical language and in a clear and coherent manner using words with common and everyday meaning, the pertinent provisions of this state's mechanics' lien laws and the rights and responsibilities of an owner of property and a contractor thereunder, including the provisions relating to the filing of a contract concerning a work of improvement with the county recorder and the recording in the office of a contractor's payment bond for private work.

(9) For residential agreements entered into on or after January 1, 2017, that include an automatic renewal provision renewing the agreement for a period of more than one month, a clear and distinct disclosure shall be included separate from the terms and conditions of the agreement advising the consumer that the agreement they are entering into contains an automatic renewal provision. The disclosure shall include the length of time of the renewal term and specify that failure to provide notification of nonrenewal to the licensee, as required in the agreement, will result in the automatic renewal of the agreement. The consumer shall acknowledge being advised of the automatic renewal provision by signing or initialing the disclosure. The disclosure may be included on the same document as the right to cancel form required by Section 1689.7 of the Civil Code. The automatic renewal provision shall be void and invalid without a separate acknowledgment of the disclosure by the consumer.

(10) In addition to the above, every initial residential sales and lease agreement, the total cost which over the time period fixed by the agreement exceeds two hundred fifty dollars (\$250), including the cost of all labor, service, or material to be provided by the licensee for the installation, shall include, but not be limited to, the following:

(A) A schedule of payments showing the amount of each payment as a sum in dollars and cents. This schedule of payments shall be referenced to the amount of work for services to be performed or to any materials or equipment to be supplied.

(B) If the payment schedule contained in the agreement provides for a downpayment to be paid to the licensee by the owner or the tenant before commencement of the work, that downpayment shall not exceed one thousand dollars (\$1,000) or 10 percent of the contract price, excluding finance charges, whichever is the lesser.

(C) In no event shall the payment schedule provide that the licensee receive, nor shall the licensee actually receive, payment in excess of 100 percent of the value of the work performed on the project at any time, excluding finance charges, except that the licensee may receive an initial downpayment authorized by subparagraph (B). A failure by the licensee, without legal excuse, to substantially commence work within 20 days of the approximate date specified in the contract when work is to commence, shall postpone the next succeeding payment to the licensee for that period of time equivalent to the time between when substantial commencement was to have occurred and when it did occur.

(D) A notice-to-owner statement which shall describe, in nontechnical language and in a clear and coherent manner using words with common and everyday meaning, the pertinent provisions of this state's mechanics' lien laws and the rights and responsibilities of an owner of property and a contractor thereunder, including the provisions relating to the filing of a contract concerning a work of improvement with the county recorder and the recording in the office of a contractor's payment bond for private work.

(E) A description of what constitutes substantial commencement of work pursuant to the contract.

(F) A disclosure that failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act.

(G) A disclosure informing the buyer of any potential permit fees which may be required by local jurisdictions concerning the monitoring of an existing alarm system.

(H) This section shall not be construed to prohibit the parties to a residential alarm system sale contract from agreeing to a contract or account subject to Chapter 1 (commencing with Section 1801) of Title 2 of Part 4 of Division 3 of the Civil Code.

(b) A violation of this section or failure to commence work pursuant to subparagraph (F) of paragraph (10) of subdivision (a) may result in a fine of one hundred dollars (\$100) for the first violation and a fine of five hundred dollars (\$500) for each subsequent violation.

SEC. 32. Section 7599.62 is added to the Business and Professions Code, to read:

7599.62. Notwithstanding any other law, the failure of any person licensed to do business as a corporation or limited liability company in this state to be registered and in good standing with the Secretary of State and the Franchise Tax Board after notice from the bureau shall result in the automatic suspension of the licensee by operation of law. The bureau shall notify the licensee in writing of its failure to be registered and in good standing with the Secretary of State or the Franchise Tax Board, or both, and that the licensee shall be suspended 30 days from the date of the notice if the licensee does not provide proof satisfactory to the bureau that it is properly registered and in good standing with the Secretary of State or the Franchise Tax Board, or both. Reinstatement may be made at any time following the suspension by providing proof satisfactory to the bureau that the licensee is properly registered and in good standing and the payment of the reinstatement fee as prescribed by this chapter.

SEC. 33. Section 7599.70 of the Business and Professions Code is amended to read:

7599.70. The bureau shall establish and assess fees and penalties for licensure and registration as follows:

(a) An alarm company operator license application fee shall be at least three hundred seventy dollars (\$370) and may be increased to an amount not to exceed four hundred seven dollars (\$407).

(b) An original license fee for an alarm company operator license shall be at least six hundred dollars (\$600) and may be increased to an amount not to exceed six hundred sixty dollars (\$660). A renewal fee for an alarm company operator license shall be seven hundred fifty dollars (\$750) and may be increased to an amount not to exceed eight hundred twenty-five dollars (\$825).

(c) A qualified manager certificate application and examination fee shall be at least three hundred fifty dollars (\$350) and may be increased to an amount not to exceed three hundred eighty-five dollars (\$385).

(d) A renewal fee for a qualified manager certificate shall be at least two hundred twenty-five dollars (\$225) and may be increased to an amount not to exceed two hundred forty-eight dollars (\$248).

(e) An original license fee for a branch office certificate shall be at least two hundred fifty dollars (\$250) and may be increased to an amount not to exceed two hundred seventy-five dollars (\$275). A renewal fee for a branch office certificate shall be at least one hundred fifty dollars (\$150) and may be increased to an amount not to exceed one hundred sixty-five dollars (\$165).

(f) Notwithstanding Section 163.5, the reinstatement fee as required by Sections 7593.12 and 7598.17 is the amount equal to the renewal fee plus a penalty of 50 percent thereof.

(g) A fee for reexamination of an applicant for a qualified manager shall be at least sixty dollars (\$60) and may be increased to an amount not to exceed sixty-six dollars (\$66).

(h) An initial registration fee for an alarm agent shall be at least fifty-five dollars (\$55) and may be increased to an amount not to exceed sixty dollars (\$60).

(i) A registration renewal fee for an alarm agent shall be at least forty dollars (\$40) and may be increased to an amount not to exceed forty-four dollars (\$44).

(j) A firearms permit fee shall be at least one hundred dollars (\$100) and may be increased to an amount not to exceed one hundred ten dollars (\$110), and a firearms permit renewal fee shall be at least eighty dollars (\$80) and may be increased to an amount not to exceed eighty-eight dollars (\$88).

(k) The fingerprint processing fee is that amount charged the bureau by the Department of Justice.

(l) The processing fee required pursuant to Section 7598.14 is the amount equal to the expenses incurred to provide a photo identification card.

(m) The fee for a Certificate of Licensure, as specified in Section 7593.8, shall be twenty-five dollars (\$25).

(n) The delinquency fee is 50 percent of the renewal fee in effect on the date of expiration, but not less than twenty-five dollars (\$25).

(o) The processing fee for the assignment of an alarm company operator license pursuant to Section 7593.15 shall be at least four hundred dollars (\$400) and may be increased to an amount not to exceed four hundred forty dollars (\$440).

(p) The fee for the replacement of a lost or destroyed registration card, license, certificate, or permit authorized by this chapter shall be twenty-five dollars (\$25). The request for a replacement of a registration card, license, certificate, or permit shall be made in the manner prescribed by the bureau.

(q) The fee for an endorsed verification of licensure, certification, registration, or permit shall be twenty-five dollars (\$25). The verification document shall include the license, certificate, registration, or permit number, the license, certificate, registration, or permit history and current status, the date of the endorsement, an embossed seal, and the signature of the chief.

(r) The reinstatement fee following a suspension pursuant to subdivision (f) of Section 7599.34 and Section 7599.62 shall be 25 percent of the renewal fee.

SEC. 34. Section 10140.6 of the Business and Professions Code is amended to read:

10140.6. (a) A real estate licensee shall not publish, circulate, distribute, or cause to be published, circulated, or distributed in any newspaper or periodical, or by mail, any matter pertaining to any activity for which a real estate license is required that does not contain a designation disclosing that the licensee is performing acts for which a real estate license is required.

(b) (1) A real estate licensee shall disclose their name, license identification number and unique identifier assigned to that licensee by the Nationwide Mortgage Licensing System and Registry, if that licensee is a mortgage loan originator, and responsible broker's identity, as defined in Section 10015.4, on all solicitation materials intended to be the first point of contact with consumers and on real property purchase agreements when acting in a manner that requires a real estate license or mortgage loan originator license endorsement in those transactions. The commissioner may adopt regulations identifying the materials in which a licensee must disclose a license identification number and unique identifier assigned to that licensee by the Nationwide Mortgage Licensing System and Registry, and responsible broker's identity.

(2) A real estate licensee who is a natural person and who legally changes the surname in which their license was originally issued may continue to utilize their former surname for the purpose of conducting business associated with their license so long as both names are filed with the department. Use of a former surname shall not constitute a fictitious name for the purposes of Section 10159.5.

(3) For purposes of this section, "solicitation materials" include business cards, stationery, advertising flyers, advertisements on television, in print, or electronic media, "for sale," rent, lease, "open house," and directional signs, and other materials designed to solicit the creation of a professional relationship between the licensee and a consumer.

(4) Nothing in this section shall be construed to limit or change the requirement described in Section 10236.4 as applicable to real estate brokers.

(c) This section shall not apply to "for sale," rent, lease, "open house," and directional signs that do either of the following:

(1) Display the responsible broker's identity, as defined in Section 10015.4, without reference to an associate broker or licensee.

(2) Display no licensee identification information.

(d) "Mortgage loan originator," "unique identifier," and "Nationwide Mortgage Licensing System and Registry" have the meanings set forth in Section 10166.01.

SEC. 35. Section 22351 of the Business and Professions Code is amended to read:

22351. (a) The certificate of registration of a registrant who is a natural person shall contain the following:

(1) The name, age, address, email address, and telephone number of the registrant.

(2) A statement, signed by the registrant under penalty of perjury, that the registrant has not been convicted of a felony, or, if the registrant has been convicted of a felony, a copy of a certificate of rehabilitation, expungement, or pardon.

(3) A statement that the registrant has been a resident of this state for a period of one year immediately preceding the filing of the certificate.

(4) A statement that the registrant will perform their duties as a process server in compliance with the provisions of law governing the service of process in this state.

(b) The certificate of registration of a registrant who is a partnership or corporation shall contain the following:

(1) The names, ages, addresses, email addresses, and telephone numbers of the general partners or officers.

(2) A statement, signed by the general partners or officers under penalty of perjury, that the general partners or officers have not been convicted of a felony.

(3) A statement that the partnership or corporation has been organized and existing continuously for a period of one year immediately preceding the filing of the certificate or a responsible managing employee, partner, or officer has been previously registered under this chapter.

(4) A statement that the partnership or corporation will perform its duties as a process server in compliance with the provisions of law governing the service of process in this state.

(c) The county clerk shall retain the certificate of registration for a period of three years following the expiration date of the certificate, after which time the certificate may be destroyed if it is scanned or if the conditions specified in Section 26205.1 of the Government Code are met. If the certificate is scanned, the scanned image shall be retained for a period of 10 years, after which time that image may be destroyed and, notwithstanding Section 26205.1 of the Government Code, no reproduction thereof need be made or preserved.

SEC. 36. Section 22452 of the Business and Professions Code is amended to read:

22452. (a) The application for registration of a natural person shall contain all of the following statements about the applicant certified to be true:

(1) Name, age, address, email address, and telephone number.

(2) They have not been convicted of a felony.

(3) They will perform their duties as a professional photocopier in compliance with the provisions of law governing the transmittal of confidential documentary information in this state.

(b) The application for registration of a partnership or corporation shall contain all of the following statements about each general partner or corporate officer, and be certified to be true:

(1) The names, ages, addresses, email addresses, and telephone numbers of the general partners or officers.

(2) The general partners or officers have not been convicted of a felony.

(3) The partnership or corporation will perform its duties as a professional photocopier in compliance with the provisions of law governing the transmittal of confidential documentary information in this state.

(c) The county clerk shall retain the application for registration for a period of three years following the expiration date of the application, after which time the application may be destroyed if it is scanned or if the conditions specified in Section 26205.1 of

the Government Code are met. If the application is scanned, the scanned image shall be retained for a period of 10 years, after which time that image may be destroyed and, notwithstanding Section 26205.1 of the Government Code, no reproduction thereof need be made or preserved.

(d) A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation in the minimum amount of two thousand five hundred dollars (\$2,500) and the maximum amount of twenty-five thousand dollars (\$25,000). An action for a civil penalty under this provision may be brought by any public prosecutor in the name of the people of the State of California and the penalty imposed shall be enforceable as a civil judgment.

SEC. 37. Section 8726.2 of the Health and Safety Code is amended to read:

8726.2. (a) On or after January 1, 2021, a cemetery authority, its board of trustees, or its corporate trustee may apply to the Cemetery and Funeral Bureau to convert its endowment care fund from a net income distribution method to a unitrust distribution method.

(b) The bureau shall approve the application described in subdivision (a) only if all of the following conditions are met:

(1) The cemetery authority, its board of trustees, or its corporate trustee provides the investment objectives of the trust and those objectives promote the mutual goals of (A) growing the principal assets to sufficiently cover the cost of future and ongoing care and maintenance of the cemetery and (B) generating income to support the cemetery, as described in Section 8726.

(2) Evidence is provided that the cemetery authority, its board of trustees, or its corporate trustee will invest and manage the trust under the prudent investor rule, as described in Article 2.5 (commencing with Section 16045) of Chapter 1 of Part 4 of Division 9 of the Probate Code, including, but not limited to, the requirements of Section 16050 of the Probate Code.

(3) The cemetery authority, its board of trustees, or its corporate trustee demonstrates sufficient knowledge and expertise in investing and managing an endowment care fund.

(4) The unitrust amount is no more than 5 percent of the average net fair market value of the endowment care fund.

(5) A reserve is created for future maintenance, repair, restoration of property, or embellishments in the cemetery for use when the endowment fund has inadequate funds for full distribution, as described in subparagraph (C) of paragraph (6). The cemetery authority, its board of trustees, or its corporate trustee may set aside a portion of the unitrust amount for the reserve.

(6) (A) The distribution of the unitrust amount may be made to the cemetery authority on a monthly, quarterly, semiannual, or annual basis, unless the endowment care fund has inadequate funds for full distribution.

(B) An endowment care fund has inadequate funds for full distribution if either of the following events occur:

(i) The net fair market value of the endowment care fund, after the distribution, is less than 80 percent of the aggregate fair market value of the endowment care fund as of the end of the immediately preceding fiscal year.

(ii) The endowment care fund is less than the cumulative total of all principal contributions to the fund since inception.

(C) (i) If the endowment care fund has inadequate funds for full distribution, the distribution shall be limited to the lesser of net income distribution or an amount no more than a unitrust distribution of 1.5 percent of the average net fair market value of the assets, and the fees and expenses associated with the management of the fund shall be paid by the cemetery authority.

(ii) The cemetery authority, its board of trustees, or its corporate trustee may draw from the reserve described in paragraph (5) only during a fiscal year where there are inadequate funds for full distribution. An amount drawn from the reserve during that fiscal year shall be the lesser of the difference between the unitrust amount described in paragraph (4) and the limited distribution amount described in clause (i), or one-third of the total amount of the reserve.

(7) (A) Notwithstanding Section 8733 or 8733.5, the compensation of the trustee shall be reasonable and shall meet the following conditions:

(i) If the net fair market value of the endowment care fund as of the end of the immediately preceding fiscal year, as of the last trading day, is less than five hundred thousand dollars (\$500,000), the annual compensation of the trustee shall not exceed three thousand five hundred dollars (\$3,500).

(ii) If the net fair market value of the endowment care fund as of the end of the immediately preceding fiscal year, as of the last trading day, is five hundred thousand dollars (\$500,000) or more, the annual compensation of the trustee shall not exceed:

(I) 0.8 percent of the first one million dollars (\$1,000,000).

(II) 0.6 percent of the next four million dollars (\$4,000,000).

(III) 0.5 percent of the next five million dollars (\$5,000,000).

(IV) 0.15 percent of all amounts above ten million dollars (\$10,000,000).

(B) The payment of the compensation of the trustee as set forth in subparagraph (A) shall be determined by a contractually prescribed schedule that is annual, semiannual, quarterly, or monthly with a schedule adopted for a period of no less than one year, and with relation to the net fair market value of the endowment care fund as of the end of the scheduled period, and the calculation of those fees as a percentage of that value shall be adjusted for that calculation.

(C) Nothing in this paragraph requires the payment of compensation to the trustee in a fiscal year.

(8) The cemetery authority has submitted all annual reports, pursuant to Section 7612.6 of the Business and Professions Code, for the previous five consecutive years.

(c) The bureau shall deny a cemetery authority's application if the bureau has found any of the conditions described in subdivisions (a) to (f), inclusive, of Section 7613.9 of the Business and Professions Code.

(d) To assist the bureau in making its determination, the cemetery authority, its board of trustees, or its corporate trustee shall provide all relevant trust documents, including a proposed trust instrument, if available. If relevant trust documents become available after the bureau makes a determination, the cemetery authority, its board of trustees, or its corporate trustee shall provide it to the bureau.

(e) (1) The bureau shall review on an annual basis whether a cemetery authority continues to meet the conditions of approval, described in subdivision (b), for the use of the unitrust distribution method.

(2) If the net fair market value of an endowment using the unitrust distribution method as of the end of the immediately preceding fiscal year falls to lower than five hundred thousand dollars (\$500,000), the bureau, in its review, shall consider the fees and expenses associated with the management of the fund.

(3) If a cemetery authority is determined not to meet the original conditions of approval described in subdivision (b), or has failed to file an annual report pursuant to Section 7612.6 of the Business and Professions Code, the cemetery authority may be required to revert to the use of the net income distribution method.

(f) The bureau may adopt rules to administer this section and ensure compliance, including, but not limited to, reporting requirements.

(g) The bureau shall evaluate the effectiveness of this section and report at its next two hearings before the Joint Sunset Review Oversight Hearings of the Assembly Committee on Business and Professions and Senate Committee on Business, Professions and Economic Development that occurs after January 1, 2018.

(h) For the purpose of this section, the following words have the following meanings:

(1) "Average net fair market value" means the net fair market value of the assets in the endowment care fund as of the last trading day for each of the three preceding fiscal years. Investment adviser fees and other operating expenses shall be deducted in determining the net fair market value.

(2) "Compensation of the trustee" means the total annual sum of all compensation paid to all trustees of an endowment care fund and to all agents and employees of those trustees.

(3) "Net fair market value" means the fair market value of the endowment care fund at a specified point in time after deducting investment adviser fees and other operating expenses.

(i) Nothing in this section relieves the trustee of the obligation to comply with the prudent investor rule, as described in Article 2.5 (commencing with Section 16045) of Chapter 1 of Part 4 of Division 9 of the Probate Code, including, but not limited to, Section 16050 of the Probate Code.

SEC. 38. Sections 26.1 and 26.2 of this bill incorporates amendments to Section 7596.3 of the Business and Professions Code proposed by both this bill and Assembly Bill 229. Those sections of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2022, (2) each bill amends Section 7596.3 of the Business and Professions Code, and (3) this bill is enacted after Assembly Bill 229, in which case Section 26 of this bill shall not become operative.

SEC. 39. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.