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SB-887 Consumer affairs. (2023-2024)

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Senate Bill No. 887

CHAPTER 510

An act to amend Sections 115.8, 472.4, 2530.3, 2532, 2532.5, 2535.4, 2537.3, 2538.20, 2538.21, 2538.27, 2538.28, 2538.30, 2538.32, 2538.33, 2538.34, 2538.36, 2538.40, 2538.49, 2538.50, 2538.51, 2538.56, 2539.1, 2539.6, 2710, 2728, 2732, 2732.1, 2733, 2734, 2736, 2746.8, 2759, 2760, 2761, 2762, 2765, 2770.11, 2770.7, 2780, 2785.6, 2800, 2811, 2811.5, 2816, 2826, 2828, 2830.6, 2833, 2836, 2838.1, 2838.2, 2915.4, 2915.5, 4427.8, 4846, 4861, 4875.3, 4989.14, 5017.1, 5017.5, 5022, 5028, 5037, 5051, 5053, 5057, 5058.2, 5058.3, 5058.4, 5060, 5063.3, 5070.7, 5076, 5082.4, 5094, 5096.20, 5096.21, 5103.5, 5104, 5107, 5121, 5134, 5550.3, 10471, and 21638.5 of, to amend, repeal, and add Section 7685.3 of, to add Section 4990.13 to, and to repeal Sections 2738, 5029, and 5092.1 of, the Business and Professions Code, and to amend Sections 94874.8, 94874.9, 94878, 94897, 94902, 94905, 94910, 94910.5, 94911, 94913, 94941, 94942, and 94949.73 of the Education Code, relating to consumer affairs.

[Approved by Governor October 08, 2023. Filed with Secretary of State October 08, 2023.]

LEGISLATIVE COUNSEL'S DIGEST

SB 887, Committee on Business, Professions and Economic Development. Consumer affairs.

(1) Existing law requires the Department of Consumer Affairs to compile an annual report for the Legislature containing specified information relating to the professional licensure of veterans, servicemembers, and their spouses from each calendar year.

This bill would instead require the report to contain specified information relating to the professional licensure of military members, military spouses, and honorably discharged military members from each fiscal year. The bill would make corrections and other conforming changes to those provisions.

(2) Existing law requires the Department of Consumer Affairs to establish procedures to assist owners and lessees of new motor vehicles who have complaints regarding the operation of a qualified third-party dispute resolution process. Existing law further requires the department to monitor and inspect qualified third-party dispute resolution processes to determine whether they continue to meet standards for certification, including, among other things, through onsite inspections of each qualified third-party dispute resolution process no less than twice annually.

This bill would also permit those inspections of qualified third-party dispute resolution processes to be conducted virtually.

(3) Existing law, the Nursing Practice Act, establishes the Board of Registered Nursing to license and regulate the practice of nursing. Existing law authorizes special meetings of the board pursuant to a call of the president or board members, as provided, and requires the board to send a notice by mail to board members who are not parties to the call. Existing law authorizes the board to issue an interim permit to practice nursing or a temporary certificate to practice professional nursing, or as a certified public health nurse, certified clinical nurse specialist, or certified nurse-midwife, upon approval of an application to be licensed or

certified, as specified. Under existing law, the interim permit or temporary certificate terminates if the applicant fails the examination or if it is issued by mistake or the application for permanent licensure is denied, as applicable, upon notice by mail.

This bill would instead require the board to send the notice of a special meeting electronically instead of by mail. The bill would delete the notice requirement for terminating an interim permit or temporary certificate.

The act requires the board to establish categories of nurse practitioners and standards for each category, and requires the standards to take into account the types of advanced levels of nursing practice and the education needed to practice at each level.

This bill would require those standards to be as specified in a certain publication of the National Organization of Nurse Practitioner Faculties, or successor.

The act creates within the board a Nursing Education and Workforce Advisory Committee to study and recommend nursing education standards and solutions to workforce issues to the board, and requires one representative from the office of the Chancellor of the California State University to serve on the committee.

This bill would specify an initial appointment for a term of 4 years for the representative from the office of the Chancellor of the California State University.

This bill would also delete a requirement that the board hold at least 2 examinations each year, would update references to the National Board of Certification and Recertification of Nurse Anesthetists, and would make other technical and nonsubstantive changes to the act.

(4) Existing law, the Psychology Licensing Law, establishes the Board of Psychology to license and regulate the practice of psychology. Existing law requires an applicant for licensure to show completion of specified training on suicide risk assessment and intervention and on aging and long-term care by submitting written verification from the registrar or training director of the educational institution or program from which the applicant graduated, except as specified.

This bill would also authorize an applicant to show completion of that training by submitting a transcript to the board indicating completion of the coursework.

(5) Existing law, the Pharmacy Law, establishes the California State Board of Pharmacy within the Department of Consumer Affairs to license and regulate the practice of pharmacy. Existing law requires the board, on or before January 1, 2024, to report to the appropriate committees of the Legislature on the regulation of automated drug delivery system (ADDS) units, as part of the board's sunset evaluation process.

This bill would instead require the board to provide that report on or before January 1, 2025.

(6) Existing law, the Veterinary Medicine Practice Act, establishes the Veterinary Medical Board to license and regulate the practice of veterinary medicine. Existing law requires an individual, in order to obtain a license to practice veterinary medicine, to disclose each state, Canadian province, or United States territory in which the applicant holds or has ever held a license to practice veterinary medicine. Existing law requires license verification to be directly submitted to the board from each state, Canadian province, or United States territory. The act authorizes the board to establish one or more wellness evaluation committees consisting of 3 licensed veterinarians and 2 members of the public, and requires the board, in making appointments of the 3 licensed veterinarians, to consider individuals who have recovered from or who have knowledge and expertise in management of impairment.

This bill would also authorize license verification to be confirmed through electronic means. The bill would revise the composition of wellness evaluation committees to require at least one licensed veterinarian, at least 2 public members, and at least one registered veterinary technician. The bill would require the board to give consideration to appointing individuals with specified experience, knowledge, or expertise in impairment to be applicable to all appointments to a wellness evaluation committee.

The act authorizes an executive officer to issue a citation to a veterinarian, registered veterinary technician, or unlicensed person upon completion of an investigation and probable cause to believe that the person has violated the act. The act requires a veterinarian who reviews and investigates an alleged violation pursuant to those provisions to be licensed in or employed by the state and not out of practice for more than 4 years.

This bill would delete the provision requiring a veterinarian to be licensed or employed by the state and not out of practice for more than 4 years.

(7) Existing law establishes the Board of Behavioral Sciences to license and regulate licensed clinical social workers, licensed educational psychologists, licensed marriage and family therapists, and licensed professional clinical counselors. Existing law requires the board to keep an accurate record of all applicants for licensure and all individuals to whom it has issued a license.

This bill would authorize a person to rely upon the licensing and registration information displayed on the board's internet website for purposes of license and registration verification.

(8) Existing law, the Educational Psychologist Practice Act, provides for the licensing and regulation of the practice of educational psychology by the Board of Behavioral Sciences and defines "educationally related mental health services" for purposes of supervising associate marriage and family therapists, associate clinical social workers, or associate professional clinical counselors.

This bill would also make the definition applicable for purposes of supervising marriage and family therapist trainees.

(9) Existing law establishes the California Board of Accountancy to license and regulate accountants, and authorizes the board to establish an advisory continuing education committee to perform specified duties, including evaluating programs and advising the board as to whether they qualify under regulations adopted by the board. Existing law requires an accounting firm to have a peer review report of its accounting and auditing practice every 3 years in order to renew its registration or convert to an active status, and requires a firm issued a substandard peer review report to submit a copy of the report to the board. Under existing law, an individual whose principal place of business is not in California and who has a valid and current license, certificate, or permit to practice public accountancy from another state may engage in the practice of public accountancy in California through a practice privilege if specified conditions are met. Existing law establishes an annual fee to be charged an individual for a practice privilege.

This bill would delete the provision authorizing the board to establish an advisory continuing education committee. The bill would require a firm issued a peer report with a rating of "fail" instead of a substandard peer report to submit a copy of the report to the board. The bill would delete the annual fee for a practice privilege.

(10) 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 the board to adopt guidelines for the delegation of its authority to grade examinations of applicants for licensure to a vendor under contract to the board for provision of an architect's registration examination, subject to specified procedures and limitations.

This bill would provide that a candidate who received full credit for all divisions of the Architect Registration Examination (ARE) before May 1, 2023, shall be deemed to have passed the ARE.

(11) Existing law, the Cemetery and Funeral Act, establishes the Cemetery and Funeral Bureau within the Department of Consumer Affairs for the licensure and regulation of cemeteries, crematoria, hydrolysis facilities, cremated remains disposers, funeral establishments, and their personnel. Under existing law, the violation of the act is a misdemeanor.

Existing law requires the first page of a contract for goods or services offered by a licensee to include a prescribed statement providing the name, telephone number, and address of the bureau for more information on funeral, cemetery, and cremation matters.

This bill would revise the prescribed statement to add "hydrolysis" as one of the specified matters for which to contact the bureau for more information. By expanding the definition of an existing crime, this bill would impose a state-mandated local program.

Existing law requires the bureau, commencing on January 1, 2027, to license and regulate reduction facilities, as defined, and to enact requirements applicable to reduction facilities substantially similar to those applicable to crematoria and hydrolysis facilities.

This bill, commencing January 1, 2027, would require the licensee to revise the prescribed statement that is required to appear on the first page of a contract to add "reduction" as one of the specified matters. By expanding the definition of an existing crime, this bill would impose a state-mandated local program.

(12) Existing law, the Real Estate Law, provides for the licensure and regulation of real estate brokers and salespersons by the Department of Real Estate. Existing law establishes, within the Real Estate Fund, a Consumer Recovery Account, which is funded by fees and fines imposed on licensees. Existing law authorizes an aggrieved person who obtains either a final order or an arbitration award, as specified, against a licensee for specified misconduct to submit an application for recovery from the Consumer Recovery Account. Existing law requires the application to be delivered in person or by certified mail to an office of the department, as specified.

This bill would additionally allow the application to be delivered electronically in a manner prescribed by the department.

(13) Existing law requires every secondhand dealer and coin dealer to report the receipt or purchase of secondhand tangible personal property, except firearms, to the California Pawn and Secondhand Dealer System (CAPSS), a system operated by the Department of Justice. Existing law requires every secondhand dealer and coin dealer to retain in their possession for 7 days all tangible personal property reported electronically to CAPSS.

This bill would make the holding period specified above inapplicable to personal property pledged to a pawnbroker with respect to the redemption of personal property by the pledgor.

(14) Existing law, the California Private Postsecondary Education Act of 2009, provides for student protections and regulatory oversight of private postsecondary institutions in the state. The act is enforced by the Bureau for Private Postsecondary Education within the Department of Consumer Affairs. Existing law authorizes an institution that has been granted approval to operate by the bureau to indicate that the institution is licensed or licensed to operate.

This bill would delete that authorization, and would make other technical and nonsubstantive changes to the act.

(15) Existing law, the Speech-Language Pathologist and Audiologist and Hearing Aid Dispensers Licensure Act, establishes the Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board to license and regulate speech-language pathologists, audiologists, and hearing aid dispensers. Under the act, when specified conditions are found to exist, a licensed audiologist is required to, prior to fitting or selling a hearing aid to any individual, suggest to that individual in writing that their best interests would be served if they consult a licensed physician specializing in diseases of the ear, or, if no licensed physician is available in the community, then to a duly licensed physician.

This bill would require a licensed audiologist in the above-specified circumstance to suggest the individual consult a licensed physician and surgeon specializing in diseases of the ear, or, if none are available in the community, then to any duly licensed physician and surgeon. The bill would make technical and other nonsubstantive changes to that act and to other provisions in this bill, including changes relating to the elimination of gendered pronouns.

(16) This bill would incorporate additional changes to Section 5134 of the Business and Professions Code proposed by SB 816 to be operative only if this bill and SB 816 are enacted and this bill is enacted last.

(17) 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 115.8 of the Business and Professions Code is amended to read:

115.8. The Department of Consumer Affairs shall compile information on military and spouse licensure into an annual report for the Legislature, which shall be submitted in conformance with Section 9795 of the Government Code. The report shall include all of the following for each license type of each board:

- (a) The number of applications for a temporary license submitted by military spouses per fiscal year, pursuant to Section 115.6.
- (b) The number of applications for expedited licenses received from honorably discharged military members and military spouses pursuant to Sections 115.4 and 115.5.
- (c) The number of licenses issued and denied per fiscal year pursuant to Sections 115.4, 115.5, and 115.6.
- (d) The number of licenses issued pursuant to Section 115.6 that were suspended or revoked per fiscal year.
- (e) The number of applications for waived renewal fees received and granted pursuant to Section 114.3 per fiscal year.
- (f) The average length of time between application and issuance of licenses pursuant to Sections 115.4, 115.5, and 115.6.

SEC. 2. Section 472.4 of the Business and Professions Code is amended to read:

472.4. In addition to any other requirements of this chapter, the department shall do all of the following:

- (a) Establish procedures to assist owners or lessees of new motor vehicles who have complaints regarding the operation of a qualified third-party dispute resolution process.
- (b) Establish methods for measuring customer satisfaction and to identify violations of this chapter, which shall include an annual random postcard or telephone survey by the department of the customers of each qualified third-party dispute resolution process.
- (c) Monitor and inspect, on a regular basis, qualified third-party dispute resolution processes to determine whether they continue to meet the standards for certification. Monitoring and inspection shall include, but not be limited to, all of the following:

(1) Virtual or onsite inspections of each qualified third-party dispute resolution process not less frequently than twice annually.

(2) Investigation of complaints from consumers regarding the operation of qualified third-party dispute resolution processes and analyses of representative samples of complaints against each process.

(3) Analyses of the annual surveys required by subdivision (b).

(d) Notify the Department of Motor Vehicles of the failure of a manufacturer to honor a decision of a qualified third-party dispute resolution process to enable the Department of Motor Vehicles to take appropriate enforcement action against the manufacturer pursuant to Section 11705.4 of the Vehicle Code.

(e) Submit a biennial report to the Legislature evaluating the effectiveness of this chapter, make available to the public summaries of the statistics and other information supplied by each qualified third-party dispute resolution process, and publish educational materials regarding the purposes of this chapter.

(f) Adopt regulations as necessary and appropriate to implement this chapter and subdivision (d) of Section 1793.22 of the Civil Code.

(g) Protection of the public shall be the highest priority for the department in exercising its certification, regulatory, and disciplinary functions. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.

SEC. 3. Section 2530.3 of the Business and Professions Code is amended to read:

2530.3. (a) A person represents themselves to be a speech-language pathologist when they hold themselves out to the public by any title or description of services incorporating the words "speech pathologist," "speech pathology," "speech therapy," "speech correction," "speech correctionist," "speech therapist," "speech clinic," "speech clinician," "language pathologist," "language pathology," "logopedics," "logopedist," "communicology," "communicologist," "aphasiologist," "voice therapy," "voice therapist," "voice pathology," or "voice pathologist," "language therapist," or "phoniatrist," or any similar titles; or when they purport to treat stuttering, stammering, or other disorders of speech.

(b) A person represents themselves to be an audiologist when they hold themselves out to the public by any title or description of services incorporating the terms "audiology," "audiologist," "audiological," "hearing clinic," "hearing clinician," "hearing therapist," or any similar titles.

SEC. 4. Section 2532 of the Business and Professions Code is amended to read:

2532. No person shall engage in the practice of speech-language pathology or audiology or represent themselves as a speech-language pathologist or audiologist unless they are licensed in accordance with this chapter.

SEC. 5. Section 2532.5 of the Business and Professions Code is amended to read:

2532.5. Every person holding a license under this chapter shall display it conspicuously in their primary place of practice.

SEC. 6. Section 2535.4 of the Business and Professions Code is amended to read:

2535.4. A person who fails to renew their license within the five years after its expiration may not renew it, and it may not be restored, reissued, or reinstated thereafter, but that person may apply for and obtain a new license if they meet all of the following requirements:

(a) Have not committed any acts or crimes constituting grounds for denial of licensure under Division 1.5 (commencing with Section 475).

(b) Take and pass the examination or examinations, if any, that would be required of them if an initial application for licensure was being made, or otherwise establishes to the satisfaction of the board that, with due regard for the public interest, they are qualified to practice as a speech-language pathologist or audiologist, as the case may be.

(c) Pays all of the fees that would be required if an initial application for licensure was being made. In addition, the board may charge the applicant a fee to cover the actual costs of any examination that it may administer.

SEC. 7. Section 2537.3 of the Business and Professions Code is amended to read:

2537.3. The income of a speech-language pathology corporation or an audiology corporation attributable to professional services rendered while a shareholder is a disqualified person, as defined in Section 13401 of the Corporations Code, shall not in any manner accrue to the benefit of that shareholder or their share in the speech-language pathology or audiology corporation.

SEC. 8. Section 2538.20 of the Business and Professions Code is amended to read:

2538.20. It is unlawful for an individual to engage in the practice of fitting or selling hearing aids, or to display a sign or in any other way to advertise or hold themselves out as being so engaged without having first obtained a license from the board under the provisions of this article. Nothing in this article shall prohibit a corporation, partnership, trust, association, or other like organization maintaining an established business address from engaging in the business of fitting or selling, or offering for sale, hearing aids at retail without a license, provided that any and all fitting or selling of hearing aids is conducted by the individuals who are licensed pursuant to the provisions of this article. A person whose license as a hearing aid dispenser has been suspended or revoked shall not be the proprietor of a business that engages in the practice of fitting or selling hearing aids nor shall that person be a partner, shareholder, member, or fiduciary in a partnership, corporation, association, or trust that maintains or operates that business, during the period of the suspension or revocation. This restriction shall not apply to stock ownership in a corporation that is listed on a stock exchange regulated by the Securities and Exchange Commission if the stock is acquired in a transaction conducted through that stock exchange.

SEC. 9. Section 2538.21 of the Business and Professions Code is amended to read:

2538.21. This article does not apply to a person engaged in the practice of fitting hearing aids if their practice is for a governmental agency, or private clinic, or is part of the academic curriculum of an accredited institution of higher education, or part of a program conducted by a public, charitable institution or other nonprofit organization, and who does not engage directly or indirectly in the sale or offering for sale of hearing aids.

SEC. 10. Section 2538.27 of the Business and Professions Code is amended to read:

2538.27. (a) An applicant who has fulfilled the requirements of Section 2538.24 and has made application therefor, may have a temporary license issued to them upon satisfactory proof to the board that the applicant holds a hearing aid dispenser's license in another state, that the licensee has not been subject to formal disciplinary action by another licensing authority, and that the applicant has been engaged in the fitting and sale of hearing aids for the two years immediately prior to application.

(b) A temporary license issued pursuant to this section shall be valid for one year from date of issuance and is not renewable. A temporary license shall automatically terminate upon issuance of a license prior to expiration of the one-year period.

(c) The holder of a temporary license issued pursuant to this section who fails either license examination shall be subject to and shall comply with the supervision requirements of Section 2538.28 and any regulations adopted pursuant thereto.

SEC. 11. Section 2538.28 of the Business and Professions Code is amended to read:

2538.28. (a) An applicant who has fulfilled the requirements of Section 2538.24, and has made application therefor, and who proves to the satisfaction of the board that they will be supervised and trained by a hearing aid dispenser who is approved by the board may have a trainee license issued to them. The trainee license shall entitle the trainee licensee to fit or sell hearing aids as set forth in regulations of the board. The supervising dispenser shall be responsible for any acts or omissions committed by a trainee licensee under their supervision that may constitute a violation of this chapter.

(b) The board shall adopt regulations setting forth criteria for its refusal to approve a hearing aid dispenser to supervise a trainee licensee, including procedures to appeal that decision.

(c) A trainee license issued pursuant to this section is effective and valid for six months from date of issue. The board may renew the trainee license for an additional period of six months. Except as provided in subdivision (d), the board shall not issue more than two renewals of a trainee license to any applicant. Notwithstanding subdivision (d), if a trainee licensee who is entitled to renew a trainee license does not renew the trainee license and applies for a new trainee license at a later time, the new trainee license shall only be issued and renewed subject to the limitations set forth in this subdivision.

(d) A new trainee license may be issued pursuant to this section if a trainee license issued pursuant to subdivision (c) has lapsed for a minimum of three years from the expiration or cancellation date of the previous trainee license. The board may issue only one new trainee license under this subdivision.

SEC. 12. Section 2538.30 of the Business and Professions Code is amended to read:

2538.30. (a) A temporary or trainee licensee shall not be the sole proprietor of, manage, or independently operate a business that engages in the fitting or sale of hearing aids.

(b) A temporary or trainee licensee shall not advertise or otherwise represent that they hold a license as a hearing aid dispenser.

SEC. 13. Section 2538.32 of the Business and Professions Code is amended to read:

2538.32. Every applicant who obtains a passing score determined by the Angoff criterion-referenced method of establishing the point in each examination shall be deemed to have passed that examination. An applicant shall pass the written examination before they may take the practical examination. An applicant shall obtain a passing score on both the written and the practical examination in order to be issued a license.

SEC. 14. Section 2538.33 of the Business and Professions Code is amended to read:

2538.33. (a) Before engaging in the practice of fitting or selling hearing aids, each licensee shall notify the board in writing of the address or addresses where they are to engage, or intend to engage, in the practice of fitting or selling hearing aids, and of any changes in their place of business within 30 days of engaging in that practice.

(b) If a street address is not the address at which the licensee receives mail, the licensee shall also notify the board in writing of the mailing address for each location where the licensee is to engage, or intends to engage, in the practice of fitting or selling hearing aids, and of any change in the mailing address of their place or places of business.

SEC. 15. Section 2538.34 of the Business and Professions Code is amended to read:

2538.34. (a) Every licensee who engages in the practice of fitting or selling hearing aids shall have and maintain an established retail business address to engage in that fitting or selling, routinely open for service to customers or clients. The address of the licensee's place of business shall be registered with the board as provided in Section 2538.33.

(b) Except as provided in subdivision (c), if a licensee maintains more than one place of business within this state, they shall apply for and procure a duplicate license for each branch office maintained. The application shall state the name of the person and the location of the place or places of business for which the duplicate license is desired.

(c) A hearing aid dispenser may, without obtaining a duplicate license for a branch office, engage on a temporary basis in the practice of fitting or selling hearing aids at the primary or branch location of another licensee's business or at a location or facility that they may use on a temporary basis, provided that the hearing aid dispenser notifies the board in advance in writing of the dates and addresses of those businesses, locations, or facilities at which they will engage in the practice of fitting or selling hearing aids.

SEC. 16. Section 2538.36 of the Business and Professions Code is amended to read:

2538.36. (a) Whenever any of the following conditions are found to exist, either from observations by the licensee or based on information furnished by the prospective hearing aid user, a licensee shall, before fitting or selling a hearing aid to any individual, suggest to that individual in writing that it would be in the individual's best interest to consult with a licensed physician and surgeon specializing in diseases of the ear, or, if none are available in the community, then to any duly licensed physician and surgeon:

- (1) Visible congenital or traumatic deformity of the ear.
- (2) History of, or active drainage from the ear within the previous 90 days.
- (3) History of sudden or rapidly progressive hearing loss within the previous 90 days.
- (4) Acute or chronic dizziness.
- (5) Unilateral hearing loss of sudden or recent onset within the previous 90 days.
- (6) Significant air-bone gap when generally acceptable standards have been established.
- (7) Visible evidence of significant cerumen accumulation or a foreign body in the ear canal.
- (8) Pain or discomfort in the ear.

(b) No referral for medical opinion need be made by any licensee in the instance of replacement only of a hearing aid that has been lost or damaged beyond repair within one year of the date of purchase. A copy of the written recommendation shall be

retained by the licensee for the period provided for in Section 2538.38. A person receiving the written recommendation who elects to purchase a hearing aid shall sign a receipt, and the receipt shall be kept with other documents retained by the licensee for the period provided for in Section 2538.38. Nothing in this section required to be performed by a licensee shall mean that the licensee is engaged in the diagnosis of illness or the practice of medicine or any other activity prohibited by the provisions of this code.

SEC. 17. Section 2538.40 of the Business and Professions Code is amended to read:

2538.40. (a) Upon denial of an application for license, the board shall notify the applicant in writing of the following:

- (1) The reason for the denial.
- (2) That the applicant has a right to a hearing under Section 2533.2 if they make a written request within 60 days after notice of denial.

(b) Service of the notice required by this section may be made by certified mail addressed to the applicant at the latest address filed by the applicant in writing with the board in their application or otherwise.

SEC. 18. Section 2538.49 of the Business and Professions Code is amended to read:

2538.49. It is unlawful for a licensed hearing aid dispenser to fit or sell a hearing aid unless they first do all of the following:

- (a) Comply with all provisions of state laws and regulations relating to the fitting or selling of hearing aids.
- (b) Conduct a direct observation of the purchaser's ear canals.
- (c) Inform the purchaser of the address and office hours at which the licensee shall be available for fitting or postfitting adjustments and servicing of the hearing aid or aids sold.

SEC. 19. Section 2538.50 of the Business and Professions Code is amended to read:

2538.50. It is unlawful to advertise by displaying a sign or otherwise or hold themselves out to be a person engaged in the practice of fitting or selling hearing aids without having at the time of so doing a valid, unrevoked license or temporary license.

SEC. 20. Section 2538.51 of the Business and Professions Code is amended to read:

2538.51. It is unlawful to engage in the practice of fitting or selling hearing aids without the licensee having and maintaining an established business address, routinely open for service to their clients.

SEC. 21. Section 2538.56 of the Business and Professions Code is amended to read:

2538.56. A license that is not renewed within three years after its expiration may not be renewed, restored, reissued, or reinstated thereafter, but the holder of the expired license may apply for and obtain a new license if all of the following apply:

- (a) They have not committed acts or crimes constituting grounds for denial of licensure under Section 480.
- (b) They pay all of the fees that would be required if they were applying for a license for the first time.
- (c) They take and pass the examination that would be required if they were applying for a license for the first time, or otherwise establish to the satisfaction of the board that they are qualified to engage in the practice of fitting or selling hearing aids. The board may, by regulation, provide for the waiver or refund of all or any part of the application fee in those cases in which a license is issued without an examination under this section.

SEC. 22. Section 2539.1 of the Business and Professions Code is amended to read:

2539.1. (a) (1) On and after January 1, 2010, in addition to satisfying the licensure and examination requirements described in Sections 2532, 2532.2, and 2532.25, no licensed audiologist shall sell hearing aids unless they complete an application for a dispensing audiology license, pay all applicable fees, and pass an examination, approved by the board, relating to selling hearing aids.

- (2) The board shall issue a dispensing audiology license to a licensed audiologist who meets the requirements of paragraph (1).

(b) (1) On and after January 1, 2010, a licensed audiologist with an unexpired license to sell hearing aids pursuant to Article 8 (commencing with Section 2538.10) may continue to sell hearing aids pursuant to that license until that license expires pursuant

to Section 2538.53, and upon that expiration the licensee shall be deemed to have satisfied the requirements described in subdivision (a) and may continue to sell hearing aids pursuant to their audiology license subject to the provisions of this chapter. Upon the expiration of the audiologist's license to sell hearing aids, the board shall issue them a dispensing audiology license pursuant to paragraph (2) of subdivision (a). This paragraph shall not prevent an audiologist who also has a hearing aid dispenser's license from maintaining dual or separate licenses if they choose to do so.

(2) A licensed audiologist whose license to sell hearing aids, issued pursuant to Article 8 (commencing with Section 2538.10), is suspended, surrendered, or revoked shall not be authorized to sell hearing aids pursuant to this subdivision and they shall be subject to the requirements described in subdivision (a) as well as the other provisions of this chapter.

(c) A licensed hearing aid dispenser who meets the qualifications for licensure as an audiologist shall be deemed to have satisfied the requirements of paragraph (1) of subdivision (a) for the purposes of obtaining a dispensing audiology license.

(d) For purposes of subdivision (a), the board shall provide the hearing aid dispenser's examination provided by the former Hearing Aid Dispensers Bureau until such time as the next examination validation and occupational analysis is completed by the Department of Consumer Affairs pursuant to Section 139 and a determination is made that a different examination is to be administered.

SEC. 23. Section 2539.6 of the Business and Professions Code is amended to read:

2539.6. (a) Whenever any of the following conditions are found to exist either from observations by the licensed audiologist or on the basis of information furnished by the prospective hearing aid user, a licensed audiologist shall, prior to fitting or selling a hearing aid to any individual, suggest to that individual in writing that the individual's best interests would be served if they consult a licensed physician and surgeon specializing in diseases of the ear or, if none are available in the community, a duly licensed physician and surgeon:

- (1) Visible congenital or traumatic deformity of the ear.
- (2) History of, or active, drainage from the ear within the previous 90 days.
- (3) History of sudden or rapidly progressive hearing loss within the previous 90 days.
- (4) Acute or chronic dizziness.
- (5) Unilateral hearing loss of sudden or recent onset within the previous 90 days.
- (6) Significant air-bone gap (when generally acceptable standards have been established).
- (7) Visible evidence of significant cerumen accumulation or a foreign body in the ear canal.
- (8) Pain or discomfort in the ear.

(b) No referral for medical opinion need be made by any licensed audiologist in the instance of replacement only of a hearing aid that has been lost or damaged beyond repair within one year of the date of purchase. A copy of the written recommendation shall be retained by the licensed audiologist for the period provided for in Section 2539.10. A person receiving the written recommendation who elects to purchase a hearing aid shall sign a receipt for the same, and the receipt shall be kept with the other papers retained by the licensed audiologist for the period provided for in Section 2539.10. Nothing in this section required to be performed by a licensed audiologist shall mean that the licensed audiologist is engaged in the diagnosis of illness or the practice of medicine or any other activity prohibited by the provisions of this code.

SEC. 24. Section 2710 of the Business and Professions Code is amended to read:

2710. (a) Special meetings may be held at such times as the board may elect, or on the call of the president of the board, or of not less than three members thereof.

(b) A written notice of the time, place, and object of any special meeting shall be sent electronically by the executive officer to all members of the board who are not parties to the call, at least 15 days before the day of the meeting.

SEC. 25. Section 2728 of the Business and Professions Code is amended to read:

2728. If adequate medical and nursing supervision by a professional nurse or nurses is provided, nursing service may be given by attendants, psychiatric technicians, or psychiatric technician interim permittees in institutions under the jurisdiction of the State Department of State Hospitals or the State Department of Developmental Services or subject to visitation by the State Department of Public Health or the Department of Corrections and Rehabilitation. Services given by a psychiatric technician shall

be limited to services that they are authorized to perform by their license as a psychiatric technician. Services given by a psychiatric technician interim permittee shall be limited to skills included in their basic course of study and performed under the supervision of a licensed psychiatric technician or registered nurse.

The Director of State Hospitals, the Director of Developmental Services, and the State Public Health Officer shall determine what shall constitute adequate medical and nursing supervision in any institution under the jurisdiction of the State Department of State Hospitals or the State Department of Developmental Services or subject to visitation by the State Department of Public Health.

Notwithstanding any other provision of law, institutions under the jurisdiction of the State Department of State Hospitals or the State Department of Developmental Services may utilize graduates of accredited psychiatric technician training programs who are not licensed psychiatric technicians or psychiatric technician interim permittees to perform skills included in their basic course of study when supervised by a licensed psychiatric technician or registered nurse, for a period not to exceed nine months.

SEC. 26. Section 2732 of the Business and Professions Code is amended to read:

2732. No person shall engage in the practice of nursing, as defined in Section 2725, without holding a license that is in an active status issued under this chapter except as otherwise provided in this act.

Every licensee may be known as a registered nurse and may place the letters "R.N." after their name.

SEC. 27. Section 2732.1 of the Business and Professions Code is amended to read:

2732.1. (a) An applicant for license by examination shall submit a written application in the form prescribed by the board.

Upon approval of the application, the board may issue an interim permit authorizing the applicant to practice nursing pending the results of the first licensing examination following completion of their nursing course or for a maximum period of six months, whichever occurs first.

If the applicant passes the examination, the interim permit shall remain in effect until a regular renewable license is issued by the board. If the applicant fails the examination, the interim permit shall terminate.

(b) The board upon written application may issue a license without examination to any applicant who is licensed or registered as a nurse in a state, district, or territory of the United States or Canada having, in the opinion of the board, requirements for licensing or registration equal to or higher than those in California at the time the application is filed with the Board of Registered Nursing, if they have passed an examination for the license or registration that is, in the board's opinion, comparable to the board's examination, and if they meet all the other requirements set forth in Section 2736.

(c) Each application shall be accompanied by the fee prescribed by this chapter for the filing of an application for a regular renewable license.

The interim permit shall terminate if it is issued by mistake or if the application for permanent licensure is denied.

SEC. 28. Section 2733 of the Business and Professions Code is amended to read:

2733. (a) (1) (A) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (k) of Section 2815, the board may issue a temporary license to practice professional nursing, and a temporary certificate to practice as a certified public health nurse for a period of six months from the date of issuance.

(B) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (d) of Section 2838.2, the board may issue a temporary certificate to practice as a certified clinical nurse specialist for a period of six months from the date of issuance.

(C) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (e) of Section 2815.5, the board may issue a temporary certificate to practice as a certified nurse-midwife for a period of six months from the date of issuance.

(D) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (d) of Section 2830.7, the board may issue a temporary certificate to practice as a certified nurse anesthetist for a period of six months from the date of issuance.

(E) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (p) of Section 2815, the board may issue a temporary certificate to practice as a certified nurse practitioner for a period of six months from the date of issuance.

(2) A temporary license or temporary certificate shall terminate if it is issued by mistake or if the application for permanent licensure is denied.

(b) Upon written application, the board may reissue a temporary license or temporary certificate to any person who has applied for a regular renewable license pursuant to subdivision (b) of Section 2732.1 and who, in the judgment of the board has been excusably delayed in completing their application for or the minimum requirements for a regular renewable license, but the board may not reissue a temporary license or temporary certificate more than twice to any one person.

(c) The board shall prominently display on the front page of its website the availability of temporary licenses and certificates pursuant to this section.

SEC. 29. Section 2734 of the Business and Professions Code is amended to read:

2734. Upon application in writing to the board and payment of the biennial renewal fee, a licensee may have their license placed in an inactive status for an indefinite period of time. A licensee whose license is in an inactive status may not practice nursing. However, a licensee does not have to comply with the continuing education standards of Section 2811.5.

SEC. 30. Section 2736 of the Business and Professions Code is amended to read:

2736. (a) An applicant for licensure as a registered nurse shall comply with each of the following:

(1) Have completed such general preliminary education requirements as shall be determined by the board.

(2) Have successfully completed the courses of instruction prescribed by the board for licensure, in a program in this state accredited by the board for training registered nurses, or have successfully completed courses of instruction in a school of nursing outside of this state which, in the opinion of the board at the time the application is filed with the Board of Registered Nursing, are equivalent to the minimum requirements of the board for licensure established for an accredited program in this state.

(3) Not be subject to denial of licensure under Section 480.

(b) An applicant who has received their training from a school of nursing in a country outside the United States and who has complied with the provisions of subdivision (a), or has completed training equivalent to that required by subdivision (a), shall qualify for licensure by successfully passing the examination prescribed by the board.

SEC. 31. Section 2738 of the Business and Professions Code is repealed.

SEC. 32. Section 2746.8 of the Business and Professions Code is amended to read:

2746.8. (a) Each certificate issued pursuant to this article shall be renewable biennially, and each person holding a certificate under this article shall apply for a renewal of the certificate and pay the biennial renewal fee required by Section 2815.5 every two years on or before the last day of the month following the month in which their birthday occurs, beginning with the second birthday following the date on which the certificate was issued, whereupon the board shall renew the certificate.

(b) Each certificate that is not renewed in accordance with this section shall expire, but may, within a period of eight years, be reinstated upon payment of the biennial renewal fee and penalty fee required by Section 2815.5 and submission of proof of the applicant's qualifications as may be required by the board. During the eight-year period, no examination shall be required as a condition for the reinstatement of an expired certificate that has lapsed solely by reason of nonpayment of the renewal fee. After the expiration of the eight-year period, the board may require, as a condition of reinstatement, that the applicant pass an examination as it deems necessary to determine the applicant's present fitness to resume the practice of nurse-midwifery.

SEC. 33. Section 2759 of the Business and Professions Code is amended to read:

2759. The board shall discipline the holder of any license, whose default has been entered or who has been heard by the board and found guilty, by any of the following methods:

(a) Suspending judgment.

(b) Placing upon them probation.

(c) Suspending their right to practice nursing for a period not exceeding one year.

(d) Revoking their license.

(e) Taking other action in relation to disciplining them as the board in its discretion may deem proper.

SEC. 34. Section 2760 of the Business and Professions Code is amended to read:

2760. (a) If the holder of a license is suspended, they shall not be entitled to practice nursing during the term of suspension.

(b) Upon expiration of the term of suspension, they shall be reinstated by the board and shall be entitled to resume the practice of nursing unless it is established to the satisfaction of the board that they have practiced nursing in this state during the term of suspension. In this event, the board shall revoke their license.

SEC. 35. Section 2761 of the Business and Professions Code is amended to read:

2761. (a) The board may take disciplinary action against a certified or licensed nurse or deny an application for a certificate or license for any of the following:

(1) Unprofessional conduct, which includes, but is not limited to, the following:

(2) Incompetence or gross negligence in carrying out usual certified or licensed nursing functions.

(A) A conviction of practicing medicine without a license in violation of Chapter 5 (commencing with Section 2000), in which event the record of conviction shall be conclusive evidence thereof.

(B) The use of advertising relating to nursing that violates Section 17500.

(C) Denial of licensure, revocation, suspension, restriction, or any other disciplinary action against a health care professional license or certificate by another state or territory of the United States, by any other government agency, or by another California health care professional licensing board. A certified copy of the decision or judgment shall be conclusive evidence of that action.

(3) Procuring their certificate or license by fraud, misrepresentation, or mistake.

(4) Procuring, or aiding, or abetting, or attempting, or agreeing, or offering to procure or assist at a criminal abortion.

(5) Violating or attempting to violate, directly or indirectly, or assisting in or abetting the violating of, or conspiring to violate any provision or term of this chapter or regulations adopted pursuant to it.

(6) Making or giving any false statement or information in connection with the application for issuance of a certificate or license.

(7) Conviction of a felony or of any offense substantially related to the qualifications, functions, and duties of a registered nurse, in which event the record of the conviction shall be conclusive evidence thereof.

(8) Impersonating any applicant or acting as proxy for an applicant in any examination required under this chapter for the issuance of a certificate or license.

(9) Impersonating another certified or licensed practitioner, or permitting or allowing another person to use their certificate or license for the purpose of nursing the sick or afflicted.

(10) Aiding or assisting, or agreeing to aid or assist any person or persons, whether a licensed physician or not, in the performance of, or arranging for, a violation of any of the provisions of Article 12 (commencing with Section 2220) of Chapter 5.

(11) Holding oneself out to the public or to any practitioner of the healing arts as a nurse practitioner or as meeting the standards established by the board for a nurse practitioner unless meeting the standards established by the board pursuant to Article 8 (commencing with Section 2834) or holding oneself out to the public as being certified by the board as a nurse anesthetist, nurse midwife, clinical nurse specialist, or public health nurse unless the person is at the time certified by the board.

(12) Except for good cause, the knowing failure to protect patients by failing to follow infection control guidelines of the board, thereby risking transmission of blood-borne infectious diseases from licensed or certified nurse to patient, from patient to patient, and from patient to licensed or certified nurse. In administering this subdivision, the board shall consider referencing the standards, regulations, and guidelines of the State Department of Health Services developed pursuant to Section 1250.11 of the Health and Safety Code and the standards, guidelines, and regulations pursuant to the California Occupational Safety and Health Act of 1973 (Part 1 (commencing with Section 6300) of Division 5 of the Labor Code) for preventing the transmission of HIV, hepatitis B, and other blood-borne pathogens in health care settings. As necessary, the board shall consult with the Medical Board of California, the Board of Podiatric Medicine, the Dental Board of California, and the Board of

Vocational Nursing and Psychiatric Technicians, to encourage appropriate consistency in the implementation of this subdivision.

(b) The board shall seek to ensure that licentiates and others regulated by the board are informed of the responsibility of licentiates to minimize the risk of transmission of blood-borne infectious diseases from health care provider to patient, from patient to patient, and from patient to health care provider, and of the most recent scientifically recognized safeguards for minimizing the risks of transmission.

SEC. 36. Section 2762 of the Business and Professions Code is amended to read:

2762. In addition to other acts constituting unprofessional conduct within the meaning of this chapter, it is unprofessional conduct for a person licensed under this chapter to do any of the following:

(a) Obtain or possess in violation of law, or prescribe, or except as directed by a licensed physician and surgeon, dentist, or podiatrist administer to themselves, or furnish or administer to another, any controlled substance as defined in Division 10 (commencing with Section 11000) of the Health and Safety Code or any dangerous drug or dangerous device as defined in Section 4022.

(b) Use any controlled substance as defined in Division 10 (commencing with Section 11000) of the Health and Safety Code, or any dangerous drug or dangerous device as defined in Section 4022, or alcoholic beverages, to an extent or in a manner dangerous or injurious to themselves, any other person, or the public or to the extent that such use impairs their ability to conduct with safety to the public the practice authorized by their license.

(c) Be convicted of a criminal offense involving the prescription, consumption, or self-administration of any of the substances described in subdivisions (a) and (b) of this section, or the possession of, or falsification of a record pertaining to, the substances described in subdivision (a) of this section, in which event the record of the conviction is conclusive evidence thereof.

(d) Be committed or confined by a court of competent jurisdiction for intemperate use of or addiction to the use of any of the substances described in subdivisions (a) and (b) of this section, in which event the court order of commitment or confinement is prima facie evidence of such commitment or confinement.

(e) Falsify, or make grossly incorrect, grossly inconsistent, or unintelligible entries in any hospital, patient, or other record pertaining to the substances described in subdivision (a) of this section.

SEC. 37. Section 2765 of the Business and Professions Code is amended to read:

2765. A plea or verdict of guilty or a conviction following a plea of nolo contendere made to a charge substantially related to the qualifications, functions, and duties of a registered nurse is deemed to be a conviction within the meaning of this article. The board may order the license or certificate suspended or revoked, or may decline to issue a license or certificate, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing the person to withdraw a plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment.

SEC. 38. Section 2770.11 of the Business and Professions Code is amended to read:

2770.11. (a) Each registered nurse who requests participation in an intervention program shall agree to cooperate with the rehabilitation program designed by the committee and approved by the program manager. Any failure to comply with a rehabilitation program may result in termination of the registered nurse's participation in a program. The name and license number of a registered nurse who is terminated for any reason, other than successful completion, shall be reported to the board's enforcement program.

(b) If the program manager determines that a registered nurse, who is denied admission into the program or terminated from the program, presents a threat to the public or their own health and safety, the program manager shall report the name and license number, along with a copy of all intervention program records for that registered nurse, to the board's enforcement program. The board may use any of the records it receives under this subdivision in any disciplinary proceeding.

SEC. 39. Section 2770.7 of the Business and Professions Code is amended to read:

2770.7. (a) The board shall establish criteria for the acceptance, denial, or termination of registered nurses in the intervention program. Only those registered nurses who have voluntarily requested to participate in the intervention program shall participate in the program.

(b) A registered nurse under current investigation by the board may request entry into the intervention program by contacting the board. Before authorizing a registered nurse to enter into the intervention program, the board may require the registered nurse under current investigation for any violations of this chapter or any other provision of this code to execute a statement of understanding that states that the registered nurse understands that any violations that would otherwise be the basis for discipline may still be investigated and may be the subject of disciplinary action in accordance with this section.

(c) (1) Neither acceptance nor participation in the intervention program shall preclude the board from investigating or continuing to investigate, or, except as provided in this subdivision, taking disciplinary action or continuing to take disciplinary action against, any registered nurse for any unprofessional conduct committed before, during, or after participation in the intervention program.

(2) The board may investigate at its discretion complaints against registered nurses participating in the intervention program.

(3) Disciplinary action with regard to acts committed before or during participation in the intervention program shall not take place unless the registered nurse withdraws or is terminated from the program.

(d) All registered nurses shall sign an agreement of understanding that the withdrawal or termination from the intervention program at a time when the program manager or intervention evaluation committee determines the licensee presents a threat to the public's health and safety shall result in the utilization by the board of intervention program treatment records in disciplinary or criminal proceedings.

(e) Any registered nurse terminated from the intervention program for failure to comply with program requirements is subject to disciplinary action by the board for acts committed before, during, and after participation in the intervention program. A registered nurse who has been under investigation by the board and has been terminated from the intervention program by an intervention evaluation committee shall be reported by the intervention evaluation committee to the board.

SEC. 40. Section 2780 of the Business and Professions Code is amended to read:

2780. The income of a nursing corporation attributable to professional services rendered while a shareholder is a disqualified person, as defined in Section 13401 of the Corporations Code, shall not in any manner accrue to the benefit of the shareholder or their shares in the nursing corporation.

SEC. 41. Section 2785.6 of the Business and Professions Code is amended to read:

2785.6. There is created within the jurisdiction of the board a Nursing Education and Workforce Advisory Committee, which shall solicit input from approved nursing programs and members of the nursing and health care professions to study and recommend nursing education standards and solutions to workforce issues to the board.

(a) The committee shall be comprised of the following:

(1) One nursing program director representative of a statewide association for associate's degrees in nursing programs.

(2) One nursing program director representative of a statewide association representing bachelor's degrees in nursing programs.

(3) One California Community Colleges Chancellor's Office representative.

(4) One California State University Office of the Chancellor representative.

(5) One currently practicing registered nurse representative.

(6) Two currently practicing advanced practice registered nurse representatives.

(7) Two registered nurse employer representatives in nursing service administration.

(8) One professional nursing organization representative.

(9) Three nursing union organization representatives.

(10) One public representative.

(11) One Health Workforce Development Division representative.

(12) One board research vendor.

(13) Any other members representing an organization in the nursing education or workforce field that the board determines is necessary for the work of the committee and is not listed under this subdivision.

(b) (1) Except as provided in paragraph (2), all appointments shall be for a term of four years and vacancies shall be filled for the unexpired term. No person shall serve more than two consecutive terms except for the representatives from organizations.

(2) (A) The initial appointments for the education representatives shall be for the following terms:

(i) One Nursing Program Director who is a member of a statewide association for associate's degrees in nursing programs shall serve three years.

(ii) One nursing program director who is a member of a statewide association representing bachelor's degrees in nursing programs shall serve a term of two years.

(iii) One California Community Colleges Chancellor's Office representative shall serve a term of four years.

(iv) One representative from the California State University Office of the Chancellor shall serve a term of four years.

(B) The initial appointments for the workforce representatives shall be for the following terms:

(i) One practicing registered nurse representative shall serve a term of four years.

(ii) One of the two practicing advanced practice registered nurse representatives shall serve a term of three years and the other shall serve a term of two years.

(C) The initial appointments for the employer representatives shall be for the following terms:

(i) One of the two registered nurse employer representatives shall serve a term of three years and the other shall serve a term of four years.

(ii) One professional nursing organization representative shall serve a term of two years.

(D) The public member shall serve a term of four years.

(c) The committee shall meet a minimum of two times per year and shall appoint officers annually.

(d) (1) The committee shall dedicate a minimum of one meeting each towards nursing education issues and nursing workforce issues.

(2) The committee may establish subcommittees to study issues specific to education, workforce, or any other topic relevant to the purpose of the committee.

(e) The committee may refer information and recommendations to the board or other committees of the board.

(f) (1) The board may implement, interpret, or make specific this section by means of a charter, or other similar document, approved by the board.

(2) The board may revise the charter, or other similar document, developed pursuant to this section, as necessary. The development or revision of the charter, or other similar document, shall be exempt from the requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Title 2 of the Government Code).

(g) The committee shall study and recommend standards for simulated clinical experiences based on the best practices published by the International Nursing Association for Clinical Simulation and Learning, the National Council of State Boards of Nursing, the Society for Simulation in Healthcare, or equivalent standards.

SEC. 42. Section 2800 of the Business and Professions Code is amended to read:

2800. None of the sections in this article, except Sections 2796 and 2797, shall be applicable to any person or persons specifically exempted from the general provisions of this act by Section 2731 hereof, or to schools conducted by any well-recognized church or denomination for the purpose of training the adherents of the church or denomination in the care of the sick in accordance with its religious tenets. An adherent of any well-recognized church or denomination who engages in nursing or the care of the sick in connection with the practice of the religious tenets of the well-recognized church or denomination may use the word "nurse" in connection with or following their name, provided they shall not use the title "registered nurse," the letters "R.N.," the words "graduate nurse," "trained nurse," "nurse anesthetist," or any other name, word, or symbol in connection with or following their name so as to lead another or others to believe that they are a professional nurse licensed under the provisions of this chapter.

SEC. 43. Section 2811 of the Business and Professions Code is amended to read:

2811. (a) Each person holding a regular renewable license under this chapter, whether in an active or inactive status, shall apply for a renewal of their license and pay the biennial renewal fee required by this chapter every two years on or before the last day of the month following the month in which their birthday occurs, beginning with the second birthday following the date on which the license was issued, whereupon the board shall renew the license.

(b) A license not renewed in accordance with this section shall expire but may within a period of eight years thereafter be reinstated upon payment of the fee required by this chapter and upon submission of proof of the applicant's qualifications as may be required by the board. During the eight-year period, no examination shall be required as a condition for the reinstatement of an expired license that has lapsed solely by reason of nonpayment of the renewal fee. After the expiration of the eight-year period, the board may require as a condition of reinstatement that the applicant pass an examination as the board deems necessary to determine their present fitness to resume the practice of professional nursing.

(c) A license in an inactive status may be restored to an active status if the licensee meets the continuing education standards of Section 2811.5.

SEC. 44. Section 2811.5 of the Business and Professions Code is amended to read:

2811.5. (a) Each person renewing their license under Section 2811 shall submit proof satisfactory to the board that, during the preceding two-year period, they have been informed of the developments in the registered nurse field or in any special area of practice engaged in by the licensee, occurring since the last renewal thereof, either by pursuing a course or courses of continuing education in the registered nurse field or relevant to the practice of the licensee, and approved by the board, or by other means deemed equivalent by the board.

(b) Notwithstanding Section 10231.5 of the Government Code, the board, in compliance with Section 9795 of the Government Code, shall do the following:

(1) By January 1, 2019, deliver a report to the appropriate legislative policy committees detailing a comprehensive plan for approving and disapproving continuing education opportunities.

(2) By January 1, 2020, report to the appropriate legislative committees on its progress implementing this plan.

(c) For purposes of this section, the board shall, by regulation, establish standards for continuing education. The standards shall be established in a manner to ensure that a variety of alternative forms of continuing education are available to licensees, including, but not limited to, online, academic studies, in-service education, institutes, seminars, lectures, conferences, workshops, extension studies, and home study programs. The standards shall take cognizance of specialized areas of practice, and content shall be relevant to the practice of nursing and shall be related to the scientific knowledge or technical skills required for the practice of nursing or be related to direct or indirect patient or client care. The continuing education standards established by the board shall not exceed 30 hours of direct participation in a course or courses approved by the board, or its equivalent in the units of measure adopted by the board.

(d) The board shall audit continuing education providers at least once every five years to ensure adherence to regulatory requirements, and shall withhold or rescind approval from any provider that is in violation of the regulatory requirements.

(e) The board shall encourage continuing education in spousal or partner abuse detection and treatment. In the event the board establishes a requirement for continuing education coursework in spousal or partner abuse detection or treatment, that requirement shall be met by each licensee within no more than four years from the date the requirement is imposed.

(f) In establishing standards for continuing education, the board shall consider including a course in the special care needs of individuals and their families, including, but not limited to, all of the following:

(1) Pain and symptom management, including palliative care.

(2) The psychosocial dynamics of death.

(3) Dying and bereavement.

(4) Hospice care.

(g) This section shall not apply to licensees during the first two years immediately following their initial licensure in California or any other governmental jurisdiction, except that, beginning January 1, 2023, those licensees shall complete one hour of direct participation in an implicit bias course offered by a continuing education provider approved by the board that meets all the same requirements outlined in paragraph (1) of subdivision (f) of Section 2786, including, but not limited to, the identification of the licensees previous or current unconscious biases and misinformation and corrective measures to decrease implicit bias at the interpersonal and institutional levels, including ongoing policies and practices for that purpose.

(h) The board may, in accordance with the intent of this section, make exceptions from continuing education requirements for licensees residing in another state or country, or for reasons of health, military service, or other good cause.

SEC. 45. Section 2816 of the Business and Professions Code is amended to read:

2816. The nonrefundable fee to be paid by a registered nurse for an evaluation of their qualifications to use the title "public health nurse" shall not be less than three hundred dollars (\$300) or more than one thousand dollars (\$1,000). The fee to be paid upon the application for renewal of the certificate to practice as a public health nurse shall not be less than one hundred twenty-five dollars (\$125) and not more than five hundred dollars (\$500). The penalty fee for failure to renew a certificate to practice as a public health nurse within the prescribed time shall be 50 percent of the renewal fee in effect on the date of renewal of the certificate, but not less than sixty-two dollars and fifty cents (\$62.50), and not more than two hundred fifty dollars (\$250). All fees payable under this section shall be collected by and paid to the Board of Registered Nursing Fund. It is the intention of the Legislature that the costs of carrying out the purposes of this article shall be covered by the revenue collected pursuant to this section. The board shall refund any registered nurse who paid more than three hundred dollars (\$300) for an evaluation of their qualifications to use the title "public health nurse" between April 5, 2018, and December 31, 2018.

SEC. 46. Section 2826 of the Business and Professions Code is amended to read:

2826. As used in this article:

(a) "Nurse anesthetist" means a person who is a registered nurse licensed by the board who has met standards for certification from the board. In the certification and recertification process, the board shall consider the standards of the National Board of Certification and Recertification for Nurse Anesthetists, or a successor national professional organization approved by the board, and may develop new standards if there is a public safety need for standards more stringent than the councils' standards. In determining the adequacy for public safety of the councils' standards or in developing board standards, the board shall comply with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) "Accredited Program" means a program for the education of nurse anesthetists that has received approval from the board. In the approval process, the board shall consider the standards of the Council on Accreditation of Nurse Anesthesia Education Programs and Schools and may develop new standards if the councils' standards are determined to be inadequate for public safety. In determining the adequacy for public safety of the councils' standards or in developing board standards, the board shall comply with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) "Appropriate committee" means the committee responsible for anesthesia practice that is responsible to the executive committee of the medical staff.

(d) "Trainee" means a registered nurse enrolled in an accredited program of nurse anesthesia.

(e) "Graduate" means a nurse anesthetist who is a graduate of an accredited program of nurse anesthesia awaiting initial certification results for not more than one year from the date of graduation.

SEC. 47. Section 2828 of the Business and Professions Code is amended to read:

2828. In an acute care facility, a nurse anesthetist who is not an employee of the facility shall, nonetheless, be subject to the bylaws of the facility and may be required by the facility to provide proof of current professional liability insurance coverage. Notwithstanding any other provision of law, a nurse anesthetist shall be responsible for their own professional conduct and may be held liable for those professional acts.

SEC. 48. Section 2830.6 of the Business and Professions Code is amended to read:

2830.6. Notwithstanding Section 2830, the board shall certify all applicants who can show certification by the National Board of Certification and Recertification for Nurse Anesthetists or a successor national professional organization approved by the board. This certification shall be documented to the board in a manner to be determined by the board. Proof of certification shall be filed with the board within six months from the effective date of this article and the board shall, within one year from the effective date of this article, issue a certificate to applicants who have filed proof of certification within that six-month period.

SEC. 49. Section 2833 of the Business and Professions Code is amended to read:

2833. (a) Each certificate issued pursuant to this article shall be renewable biennially, and each person holding a certificate under this article shall apply for a renewal of their certificate and pay the biennial renewal fee required by Section 2830.7 every two

years on or before the last day of the month following the month in which their birthday occurs, beginning with the second birthday following the date on which the certificate was issued, whereupon the board shall renew the certificate.

(b) Each certificate not renewed in accordance with this section shall expire but may within a period of eight years thereafter be reinstated upon payment of the biennial renewal fee and penalty fee required by Section 2830.7 and upon submission of proof of the applicant's qualifications as may be required by the board. During the eight-year period, no examination shall be required as a condition for the reinstatement of any expired certificate that has lapsed solely by reason of nonpayment of the renewable fee. After the expiration of the eight-year period the board may require, as a condition of reinstatement, that the applicant pass an examination as it deems necessary to determine their present fitness to resume the practice of nurse anesthesia.

SEC. 50. Section 2836 of the Business and Professions Code is amended to read:

2836. (a) The board shall establish categories of nurse practitioners and standards for nurses to hold themselves out as nurse practitioners in each category. The standards shall take into account the types of advanced levels of nursing practice that are or may be performed and the clinical and didactic education, as outlined in the nurse practitioner curriculum core competencies specified in the National Organization of Nurse Practitioner Faculties' Nurse Practitioner Role Core Competencies (2022), or a successor approved by the board, experience, or both, needed to practice safely at those levels. In setting the standards, the board shall consult with nurse practitioners, physicians and surgeons with expertise in the nurse practitioner field, and health care organizations using nurse practitioners. Established standards shall apply to persons without regard to the date of meeting the standards. If the board sets standards for use of nurse practitioner titles that include completion of an academically affiliated program, it shall provide equivalent standards for registered nurses who have not completed the program.

(b) Any regulations promulgated by a state department that affect the scope of practice of a nurse practitioner shall be developed in consultation with the board.

SEC. 51. Section 2838.1 of the Business and Professions Code is amended to read:

2838.1. (a) On and after July 1, 1998, any registered nurse who holds themselves out as a clinical nurse specialist or who desires to hold themselves out as a clinical nurse specialist shall, within the time prescribed by the board and before their next license renewal or the issuance of an initial license, submit their education, experience, and other credentials, and any other information required by the board to determine that the person qualifies to use the title "clinical nurse specialist."

(b) Upon finding that a person is qualified to hold themselves out as a clinical nurse specialist, the board shall appropriately indicate on the license issued or renewed that the person is qualified to use the title "clinical nurse specialist." The board shall also issue to each qualified person a certificate indicating that the person is qualified to use the title "clinical nurse specialist."

SEC. 52. Section 2838.2 of the Business and Professions Code is amended to read:

2838.2. (a) A clinical nurse specialist is a registered nurse with advanced education, who participates in expert clinical practice, education, research, consultation, and clinical leadership as the major components of their role.

(b) The board may establish categories of clinical nurse specialists and the standards required to be met for nurses to hold themselves out as clinical nurse specialists in each category. The standards shall take into account the types of advanced levels of nursing practice that are or may be performed and the clinical and didactic education, experience, or both needed to practice safely at those levels. In setting the standards, the board shall consult with clinical nurse specialists, physicians and surgeons appointed by the Medical Board of California with expertise with clinical nurse specialists, and health care organizations that use clinical nurse specialists.

(c) A registered nurse who meets one of the following requirements may apply to become a clinical nurse specialist:

(1) Possession of a master's degree in a clinical field of nursing.

(2) Possession of a master's degree in a clinical field related to nursing with coursework in the components referred to in subdivision (a).

(3) On or before July 1, 1998, meets the following requirements:

(A) Current licensure as a registered nurse.

(B) Performs the role of a clinical nurse specialist as described in subdivision (a).

(C) Meets any other criteria established by the board.

(d) (1) A nonrefundable fee of not less than five hundred dollars (\$500), but not to exceed one thousand five hundred dollars (\$1,500) shall be paid by a registered nurse applying to be a clinical nurse specialist for the evaluation of their qualifications to use the title "clinical nurse specialist."

(2) The fee to be paid for a temporary certificate to practice as a clinical nurse specialist shall be not less than thirty dollars (\$30) nor more than fifty dollars (\$50).

(3) A biennial renewal fee shall be paid upon submission of an application to renew the clinical nurse specialist certificate and shall be established by the board at no less than one hundred fifty dollars (\$150) and no more than one thousand dollars (\$1,000).

(4) The penalty fee for failure to renew a certificate within the prescribed time shall be 50 percent of the renewal fee in effect on the date of the renewal of the license, but not less than seventy-five dollars (\$75) nor more than five hundred dollars (\$500).

(5) The fees authorized by this subdivision shall not exceed the amount necessary to cover the costs to the board to administer this section.

SEC. 53. Section 2915.4 of the Business and Professions Code is amended to read:

2915.4. (a) Effective January 1, 2020, an applicant for licensure as a psychologist shall show, as part of the application, that they have completed a minimum of six hours of coursework or applied experience under supervision in suicide risk assessment and intervention. This requirement shall be met in one of the following ways:

(1) Obtained as part of the applicant's qualifying graduate degree program. To satisfy this requirement, the applicant shall submit to the board a transcript indicating completion of this coursework. In the absence of this coursework title in the transcript, the applicant shall submit a written certification from the registrar, department chair, or training director of the educational institution or program from which the applicant graduated stating that the coursework required by this section is included within the institution's curriculum required for graduation at the time the applicant graduated, or within the coursework that was completed by the applicant.

(2) Obtained as part of the applicant's applied experience. Applied experience can be met in any of the following settings: practicum, internship, or formal postdoctoral placement that meets the requirement of Section 2911, or other qualifying supervised professional experience. To satisfy this requirement, the applicant shall submit to the board a written certification from the director of training for the program or primary supervisor where the qualifying experience has occurred stating that the training required by this section is included within the applied experience.

(3) By taking a continuing education course that meets the requirements of subdivision (e) or (f) of Section 2915 and that qualifies as a continuing education learning activity category specified in paragraph (2) or (3) of subdivision (c) of Section 2915. To satisfy this requirement, the applicant shall submit to the board a certification of completion.

(b) Effective January 1, 2020, as a one-time requirement, a licensee prior to the time of their first renewal after the operative date of this section, or an applicant for reactivation or reinstatement to an active license status, shall have completed a minimum of six hours of coursework or applied experience under supervision in suicide risk assessment and intervention, as specified in subdivision (a). Proof of compliance with this section shall be certified under penalty of perjury that they are in compliance with this section and shall be retained for submission to the board upon request.

SEC. 54. Section 2915.5 of the Business and Professions Code is amended to read:

2915.5. (a) Any applicant for licensure as a psychologist as a condition of licensure, a minimum of six contact hours of coursework or applied experience in aging and long-term care, which may include, but need not be limited to, the biological, social, and psychological aspects of aging. This coursework shall include instruction on the assessment and reporting of, as well as treatment related to, elder and dependent adult abuse and neglect.

(b) In order to satisfy the coursework requirement of this section, the applicant shall submit to the board a transcript indicating completion of this coursework. In the absence of this coursework title in the transcript, the applicant shall submit a written certification from the registrar, department chair, or training director of the educational institution or program from which the applicant graduated stating that the coursework required by this section is included within the institution's required curriculum for graduation at the time the applicant graduated, or within the coursework, that was completed by the applicant.

(c) (1) If an applicant does not have coursework pursuant to this section, the applicant may obtain evidence of compliance as part of their applied experience in a practicum, internship, or formal postdoctoral placement that meets the requirement of Section 2911, or other qualifying supervised professional experience.

(2) To satisfy the applied experience requirement of this section, the applicant shall submit to the board a written certification from the director of training for the program or primary supervisor where the qualifying experience occurred stating that the training required by this section is included within the applied experience.

(d) If an applicant does not meet the curriculum or coursework requirement pursuant to this section, the applicant may obtain evidence of compliance by taking a continuing education course that meets the requirements of subdivision (d) or (e) of Section 2915 and that qualifies as a learning activity category specified in paragraph (2) or (3) of subdivision (c) of Section 2915. To satisfy this requirement, the applicant shall submit to the board a certification of completion.

(e) A written certification made or submitted pursuant to this section shall be done under penalty of perjury.

SEC. 55. Section 4427.8 of the Business and Professions Code is amended to read:

4427.8. (a) This article shall become operative on July 1, 2019.

(b) On or before January 1, 2025, as part of the board's sunset evaluation process, and notwithstanding Sections 9795 and 10231.5 of the Government Code, the board shall report to the appropriate committees of the Legislature on the regulation of ADDS units as provided in this article. At a minimum, this report shall require all of the following:

- (1) The use and dispersion of ADDS throughout the health care system.
- (2) The number of ADDS inspections conducted by the board each year and the findings from the inspections.
- (3) Public safety concerns relating to the use of ADDS as identified by the board.

SEC. 56. Section 4846 of the Business and Professions Code is amended to read:

4846. (a) In order to obtain a license to practice veterinary medicine in California, an individual shall meet the following requirements:

(1) Graduate from a veterinary college recognized by the board or receive a certificate from the Educational Commission for Foreign Veterinary Graduates (ECFVG) or the Program for the Assessment of Veterinary Education Equivalence (PAVE). Proof of graduation must be directly submitted to the board by the veterinary college or from the American Association of Veterinary State Boards (AAVSB). Proof of certificate must be directly submitted to the board by ECFVG or PAVE.

(2) Complete a board-approved license application.

(3) Pay the applicable fees specified in Section 4905.

(4) As directed by the board pursuant to Section 144, submit a full set of fingerprints for the purpose of conducting a criminal history record check and undergo a state and federal criminal offender record information search conducted through the Department of Justice, pursuant to subdivision (u) of Section 11105 of the Penal Code. The Department of Justice shall provide a state or federal response to the board pursuant to paragraph (1) of subdivision (p) of Section 11105 of the Penal Code.

(5) Pass an examination consisting of the following:

(A) A licensing examination that is administered on a national basis. If the applicant passed the national licensing examination over five years from the date of submitting the California veterinarian license application, the applicant shall satisfy one of the following:

(i) Retake and pass the national licensing examination.

(ii) Submit proof of having practiced clinical veterinary medicine for a minimum of two years and completed a minimum of 2,500 hours of clinical practice in another state, Canadian province, or United States territory within the three years immediately preceding filing an application for licensure in this state.

(iii) Complete the minimum continuing education requirements of Section 4846.5 for the current and preceding year.

(B) A veterinary law examination administered by the board concerning the Veterinary Medicine Practice Act statutes and regulations. The examination may be administered by regular mail, email, or by other electronic means. The applicant shall certify that the applicant personally completed the examination. Any false statement is a violation subject to Section 4831. Every applicant who obtains a score of at least 80 percent on the veterinary law examination shall be deemed to have passed. University of California and Western University of Health Sciences veterinary medical students who have successfully completed a board-approved course on veterinary law and ethics covering the Veterinary Medicine Practice Act shall be exempt from this subparagraph.

(b) The applicant shall disclose each state, Canadian province, or United States territory in which the applicant currently holds or has ever held a license to practice veterinary medicine. License verification, including any disciplinary or enforcement history, shall be confirmed through electronic means or direct submission from each state, Canadian province, or United States territory in which the applicant has identified the applicant holds or has ever held a license to practice veterinary medicine.

(c) A veterinarian license application shall be subject to denial pursuant to Sections 480, 4875, and 4883.

SEC. 57. Section 4861 of the Business and Professions Code is amended to read:

4861. (a) One or more wellness evaluation committees is hereby authorized to be established by the board. Each wellness evaluation committee shall be composed of five persons appointed by the board. The board, in making its appointments, shall give consideration to recommendations of state and local associations and shall consider, among others, where appropriate, the appointment of individuals who have recovered from impairment or who have knowledge and expertise in the management of impairment.

(b) Each wellness evaluation committee shall have the following composition:

(1) At least one veterinarian licensed under this chapter.

(2) At least two public members.

(3) At least one registered veterinary technician registered under this chapter.

(c) Each person appointed to a wellness evaluation committee shall have experience or knowledge in the evaluation or management of persons who are impaired due to alcohol or drug abuse.

(d) It shall require the majority vote of the board to appoint a person to a wellness evaluation committee. Each appointment shall be at the pleasure of the board for a term not to exceed four years. In its discretion the board may stagger the terms of the initial members appointed.

(e) The board president may suspend any wellness evaluation committee member pending an investigation into allegations of existing alcohol or drug addiction. If, after investigation, there is evidence of an alcohol or drug addiction relapse, the board president shall have authorized discretion to remove the member without input from the board.

(f) The board may appoint a program director and other personnel as necessary to carry out this article.

SEC. 58. Section 4875.3 of the Business and Professions Code is amended to read:

4875.3. If the board determines, as a result of its inspection of the premises pursuant to Section 4809.5, or any other place where veterinary medicine, veterinary dentistry, veterinary surgery, or the various branches thereof is practiced, or that is otherwise in the possession of a veterinarian for purpose of that practice, that it is not in compliance with the standards established by the board, the board shall provide a notice of any deficiencies and provide a reasonable time for compliance with those standards prior to commencing any further action pursuant to this article. The board may issue an interim suspension order pursuant to Section 494 in those cases where the violations represent an immediate threat to the public and animal health and safety.

SEC. 59. Section 4989.14 of the Business and Professions Code is amended to read:

4989.14. (a) The practice of educational psychology is the performance of any of the following professional functions pertaining to academic learning processes or the educational system or both:

(1) Educational evaluation.

(2) Diagnosis of psychological disorders related to academic learning processes.

(3) Administration of diagnostic tests related to academic learning processes including tests of academic ability, learning patterns, achievement, motivation, and personality factors.

(4) Interpretation of diagnostic tests related to academic learning processes including tests of academic ability, learning patterns, achievement, motivation, and personality factors.

(5) Providing psychological counseling for individuals, groups, and families.

(6) Consultation with other educators and parents on issues of social development and behavioral and academic difficulties.

(7) Conducting psychoeducational assessments for the purposes of identifying special needs.

(8) Developing treatment programs and strategies to address problems of adjustment.

(9) Coordinating intervention strategies for management of individual crises.

(b) For purposes of supervising an associate marriage and family therapist or a marriage and family therapist trainee pursuant to Section 4980.03, an associate clinical social worker pursuant to Section 4996.20, or an associate professional clinical counselor pursuant to Section 4999.12, "educationally related mental health services" are mental health services provided to clients who have social, emotional, or behavioral issues that interfere with their educational progress. These services include all of the following:

(1) Educationally related counseling services to clients qualified for special education that are necessary to receive a free appropriate public education in the least restrictive environment pursuant to the federal requirements of Section 1412 of Title 20 of the United States Code.

(2) Intensive counseling services on a continuum that may reflect an increase in frequency, duration, or staff specialization to address the client's emotional and behavioral needs.

(3) Counseling services provided by qualified practitioners.

(4) Parent counseling and training.

(5) Psychological services that include consulting with staff members in planning school programs to meet the client's educational needs and assisting in developing positive behavioral intervention strategies for the client.

(6) Social work services such as preparing a social or developmental history on a client with a disability.

(7) Group and individualized counseling with the client and family.

(8) Mobilizing school and community resources to enable the client to learn as effectively as possible in their educational program, as outlined in Section 300.34 of Title 34 of the Code of Federal Regulations.

SEC. 60. Section 4990.13 is added to the Business and Professions Code, to read:

4990.13. For purposes of license and registration verification, a person may rely upon the licensing and registration information as it is displayed on the board's internet website that includes the issuance and expiration dates of any license or registration issued by the board.

SEC. 61. Section 5017.1 of the Business and Professions Code is amended to read:

5017.1. The board shall post, within 10 days of board approval, the finalized minutes from meetings of the board that are open and public pursuant to Section 5017 on the board's internet website. The minutes shall remain on the board's internet website for at least three years. Providing a link on the internet website to the minutes shall satisfy this requirement.

SEC. 62. Section 5017.5 of the Business and Professions Code is amended to read:

5017.5. (a) The board shall provide a live audio or video broadcast, on its internet website, of each of its board meetings that are open and public.

(b) (1) If technical failure prevents the board from providing a live broadcast as specified in subdivision (a), that failure shall not constitute a violation of this section if the board exercised reasonable diligence in providing a live broadcast.

(2) Failure to provide a live broadcast of its board meetings due to technical failure shall not prohibit the board from meeting and taking actions.

(c) The recording of the live audio or video broadcast shall remain on the internet website for at least three years. Providing a link on the internet website to the recording of the live audio or video broadcast shall satisfy this requirement.

SEC. 63. Section 5022 of the Business and Professions Code is amended to read:

5022. The qualifications committee shall make recommendations and forward its report to the board for action on any matter on which it is authorized to act. An applicant for registration as a certified public accountant who is aggrieved by any action taken by the committee with respect to their qualifications may appeal to the board in accordance with rules or regulations prescribed by the board. The board on the appeal may give an oral or written examination as an aid in determining whether the applicant is qualified under the terms of this chapter.

SEC. 64. Section 5028 of the Business and Professions Code is amended to read:

5028. The board may, in accordance with the intent of this article, make exceptions from continuing education requirements for licensees not engaged in public practice, or for reasons of health, military service, or other good cause. If the licensee returns to the practice of public accounting, they shall meet continuing education requirements as the board may determine.

SEC. 65. Section 5029 of the Business and Professions Code is repealed.

SEC. 66. Section 5037 of the Business and Professions Code is amended to read:

5037. (a) All statements, records, schedules, working papers and memoranda made by a licensee or a partner, shareholder, officer, director, or employee of a licensee, incident to, or in the course of, rendering services to a client in the practice of public accountancy, except the reports submitted by the licensee to the client and except for records that are part of the client's records, shall be and remain the property of the licensee in the absence of an express agreement between the licensee and the client to the contrary. No such statement, record, schedule, working paper, or memoranda shall be sold, transferred, or bequeathed, without the consent of the client or their personal representative or assignee, to anyone other than one or more surviving partners or stockholders or new partners or stockholders of the licensee, or any combined or merged firm or successor in interest to the licensee.

(b) A licensee shall furnish to their client or former client, upon request and reasonable notice:

(1) A copy of the licensee's working papers, to the extent that those working papers include records that would ordinarily constitute part of the client's records and are not otherwise available to the client.

(2) Any accounting or other records belonging to, or obtained from or on behalf of, the client that the licensee removed from the client's premises or received for the client's account. The licensee may make and retain copies of documents of the client when they form the basis for work done by them.

SEC. 67. Section 5051 of the Business and Professions Code is amended to read:

5051. Except as provided in Sections 5052 and 5053, a person shall be deemed to be engaged in the practice of public accountancy within the meaning and intent of this chapter if they do any of the following:

(a) Hold themselves out to the public in any manner as one skilled in the knowledge, science, and practice of accounting, and as qualified and ready to render professional service as a public accountant for compensation.

(b) Maintain an office for the transaction of business as a public accountant.

(c) Offer to prospective clients to perform for compensation, or does perform on behalf of clients for compensation, professional services that involve or require an audit, examination, verification, investigation, certification, presentation, or review of financial transactions and accounting records.

(d) Prepare or certify for clients reports on audits or examinations of books or records of account, balance sheets, and other financial, accounting and related schedules, exhibits, statements, or reports that are to be used for publication, for the purpose of obtaining credit, for filing with a court of law or with any governmental agency, or for any other purpose.

(e) In general or as an incident to that work, render professional services to clients for compensation in any or all matters relating to accounting procedure and to the recording, presentation, or certification of financial information or data.

(f) Keep books, make trial balances, prepare statements, make audits, or prepare reports, all as a part of bookkeeping operations for clients.

(g) Prepare or sign, as the tax preparer, tax returns for clients.

(h) Prepare personal financial or investment plans or provide to clients products or services of others in implementation of personal financial or investment plans.

(i) Prepare management consulting services to clients.

The activities set forth in subdivisions (f) to (i), inclusive, are "public accountancy" only when performed by a certified public accountant or public accountant, as defined in this chapter.

A person is not engaged in the practice of public accountancy if the only services they engage in are those defined by subdivisions (f) to (i), inclusive, and they do not hold themselves out, solicit, or advertise for clients using the certified public

accountant or public accountant designation. A person is not holding themselves out, soliciting, or advertising for clients within the meaning of this section solely by reason of displaying a CPA or PA certificate in their office or identifying themselves as a CPA or PA on other than signs, advertisements, letterhead, business cards, publications directed to clients or potential clients, or financial or tax documents of a client.

SEC. 68. Section 5053 of the Business and Professions Code is amended to read:

5053. Nothing contained in this chapter precludes a person who is not a certified public accountant or public accountant from serving as an employee of, or an assistant to, a certified public accountant or public accountant or partnership or a corporation composed of certified public accountants or public accountants holding a permit to practice pursuant to this chapter if the employee or assistant works under the control and supervision of a certified public accountant, or a public accountant authorized to practice public accountancy pursuant to this chapter and if the employee or assistant does not issue any statement over their name.

This section does not apply to an attorney at law in connection with the practice of law.

SEC. 69. Section 5057 of the Business and Professions Code is amended to read:

5057. Notwithstanding any other provision of law, an individual holding a valid and current license, certificate, or permit to practice public accountancy from another state shall be exempt from the requirement to obtain a permit to practice public accountancy issued by the board under this chapter or to secure a practice privilege pursuant to Article 5.1 (commencing with Section 5096) if all of the following conditions are satisfied:

- (a) The individual's client is located in another state.
- (b) The individual's engagement with the client relates to work product to be delivered in another state.
- (c) The individual does not solicit California clients, or have their principal place of business in this state.
- (d) The individual does not assert or imply that they are licensed to practice public accountancy in California.
- (e) The individual's practice of public accountancy in this state on behalf of the client located in another state is of a limited duration, not extending beyond the period required to service the engagement for the client located in another state.
- (f) The individual's practice of public accountancy in this state specifically relates to servicing the engagement for the client located in another state.

SEC. 70. Section 5058.2 of the Business and Professions Code is amended to read:

5058.2. The holder of an inactive license issued by the board pursuant to Section 462, when lawfully using the title "certified public accountant," the CPA designation, or any other reference that would suggest that the person is licensed by the board on materials such as correspondence, internet websites, business cards, nameplates, or name plaques, shall place the term "inactive" immediately after that designation.

SEC. 71. Section 5058.3 of the Business and Professions Code is amended to read:

5058.3. The holder of a retired license issued by the board pursuant to Section 5070.1, when lawfully using the title "certified public accountant," the CPA designation, or any other reference that would suggest that the person is licensed by the board on materials such as correspondence, internet websites, business cards, nameplates, or name plaques, shall place the term "retired" immediately after that title, designation, or reference.

SEC. 72. Section 5058.4 of the Business and Professions Code is amended to read:

5058.4. The holder of a permit in a military inactive status issued by the board pursuant to Section 5070.2, when lawfully using the title "certified public accountant," the CPA designation, or any other reference that would suggest that the person is licensed by the board, on materials such as correspondence, internet websites, business cards, nameplates, or name plaques, shall place the term "military inactive" immediately after that title, designation, or reference.

SEC. 73. Section 5060 of the Business and Professions Code is amended to read:

5060. (a) No person or firm may practice public accountancy under any name which is false or misleading.

(b) No person or firm may practice public accountancy under any name other than the name under which the person or firm holds a valid permit to practice issued by the board.

(c) Notwithstanding subdivision (b), a sole proprietor may practice under a name other than the name set forth on their permit to practice, provided the name is registered by the board, is in good standing, and complies with the requirements of subdivision (a).

(d) The board may adopt regulations to implement, interpret, and make specific the provisions of this section including, but not limited to, regulations designating particular forms of names as being false or misleading.

SEC. 74. Section 5063.3 of the Business and Professions Code is amended to read:

5063.3. (a) No confidential information obtained by a licensee, in their professional capacity, concerning a client or a prospective client shall be disclosed by the licensee without the written permission of the client or prospective client, except the following:

(1) Disclosures made by a licensee in compliance with a subpoena or a summons enforceable by order of a court.

(2) Disclosures made by a licensee regarding a client or prospective client to the extent the licensee reasonably believes it is necessary to maintain or defend themselves in a legal proceeding initiated by the client or prospective client.

(3) Disclosures made by a licensee in response to an official inquiry from a federal or state government regulatory agency.

(4) Disclosures made by a licensee or a licensee's duly authorized representative to another licensee or person in connection with a proposed sale or merger of the licensee's professional practice, provided the parties enter into a written nondisclosure agreement with regard to all client information shared between the parties.

(5) Disclosures made by a licensee to either of the following:

(A) Another licensee to the extent necessary for purposes of professional consultation.

(B) Organizations that provide professional standards review and ethics or quality control peer review.

(6) Disclosures made when specifically required by law.

(7) Disclosures specified by the board in regulation.

(b) In the event that confidential client information may be disclosed to persons or entities outside the United States of America in connection with the services provided, the licensee shall inform the client in writing and obtain the client's written permission for the disclosure.

SEC. 75. Section 5070.7 of the Business and Professions Code is amended to read:

5070.7. (a) A permit that is not renewed within five years following its expiration may not be renewed, restored, or reinstated thereafter, and the certificate of the holder of the permit shall be canceled immediately upon expiration of the five-year period, except as provided in subdivision (e).

(b) A partnership or corporation whose certificate has been canceled by operation of this section may obtain a new certificate and permit only if it again meets the requirements set forth in this chapter relating to registration and pays the registration fee and initial permit fee.

(c) A certified public accountant whose certificate is canceled by operation of this section may apply for and obtain a new certificate and permit if the applicant:

(1) Is not subject to denial of a certificate and permit under Section 480.

(2) Pays all of the fees that would be required of them if they were then applying for the certificate and permit for the first time.

(3) Takes and passes the examination that would be required of them if they were then applying for the certificate for the first time. The examination may be waived in any case in which the applicant establishes to the satisfaction of the board that, with due regard for the public interest, they are qualified to engage in practice as a certified public accountant.

(d) The board may, by appropriate regulation, provide for the waiver or refund of all or any part of the application fee in those cases in which a certificate is issued without an examination under this section.

(e) Revoked permits may not be renewed, but may be reinstated by the board, without regard to the length of time that has elapsed since the permit was revoked, and with conditions and restrictions as the board shall determine.

SEC. 76. Section 5076 of the Business and Professions Code is amended to read:

5076. (a) In order to renew its registration in an active status or convert to an active status, a firm, as defined in Section 5035.1, shall have a peer review report of its accounting and auditing practice accepted by a board-recognized peer review program no less frequently than every three years.

(b) For purposes of this article, the following definitions apply:

(1) "Peer review" means a study, appraisal, or review conducted in accordance with professional standards of the professional work of a firm, and may include an evaluation of other factors in accordance with the requirements specified by the board in regulations. The peer review report shall be issued by an individual who has a valid and current license, certificate, or permit to practice public accountancy from this state or another state and is unaffiliated with the firm being reviewed.

(2) "Accounting and auditing practice" includes any services that were performed in the prior three years using professional standards defined by the board in regulations.

(c) The board shall adopt regulations as necessary to implement, interpret, and make specific the peer review requirements in this section, including, but not limited to, regulations specifying the requirements for board recognition of a peer review program, standards for administering a peer review, extensions of time for fulfilling the peer review requirement, exclusions from the peer review program, and document submission.

(d) Nothing in this section shall prohibit the board from initiating an investigation and imposing discipline against a firm or licensee, either as the result of a complaint that alleges violations of statutes, rules, or regulations, or from information contained in a peer review report received by the board.

(e) A firm issued a peer reviewed report with a rating of "fail," as defined by the board in regulation, shall submit a copy of that report to the board. The board shall establish in regulation the time period that a firm must submit the report to the board. This period shall not exceed 60 days from the time the report is accepted by a board-recognized peer review program provider to the date the report is submitted to the board.

(f) (1) A board-recognized peer review program provider shall file a copy with the board of all peer review reports issued to California-licensed firms with a rating of "fail." The board shall establish in regulation the time period that a board-recognized peer review program provider shall file the report with the board. This period shall not exceed 60 days from the time the report is accepted by a board-recognized peer review program provider to the date the report is filed with the board. These reports may be filed with the board electronically.

(2) Nothing in this subdivision shall require a board-recognized peer review program provider, when administering peer reviews in another state, to violate the laws of that state.

(g) The board shall define a peer review report rating of "fail" in regulation.

(h) Any requirements imposed by a board-recognized peer review program on a firm in conjunction with the completion of a peer review shall be separate from, and in addition to, any action by the board pursuant to this section.

(i) Any peer review report with a rating of "fail" submitted to the board in conjunction with this section shall be collected for investigatory purposes.

(j) Nothing in this section affects the discovery or admissibility of evidence in a civil or criminal action.

(k) Nothing in this section requires any firm to become a member of any professional organization.

(l) A peer reviewer shall not disclose information concerning licensees or their clients obtained during a peer review, unless specifically authorized pursuant to this section, Section 5076.1, or regulations prescribed by the board.

SEC. 77. Section 5082.4 of the Business and Professions Code is amended to read:

5082.4. A Canadian Chartered Accountant in good standing may be deemed by the board to have met the examination requirements of Section 5082, 5092, or 5093 if they have successfully passed the Canadian Chartered Accountant Uniform Certified Public Accountant Qualification Examination of the American Institute of Certified Public Accountants or the International Uniform Certified Public Accountant Qualification Examination referenced in subdivision (b) Section 5082.3.

SEC. 78. Section 5092.1 of the Business and Professions Code is repealed.

SEC. 79. Section 5094 of the Business and Professions Code is amended to read:

5094. (a) In order for education to be qualifying, it shall meet the standards described in subdivision (b) or (c) of this section.

(b) At a minimum, education shall be from a degree-granting university, college, or other institution of learning accredited by a regional or national accrediting agency included in a list of these agencies published by the United States Secretary of Education under the requirements of the Higher Education Act of 1965 as amended (20 U.S.C. Sec. 1001 et seq.).

(c) Education from a college, university, or other institution of learning located outside the United States may be qualifying provided it is deemed by the board to be equivalent to education obtained under subdivision (b). The board may require an applicant to submit documentation of their education to a credential evaluation service approved by the board for evaluation and to cause the results of this evaluation to be reported to the board in order to assess educational equivalency.

(d) The board shall adopt regulations specifying the criteria and procedures for approval of credential evaluation services. These regulations shall, at a minimum, require that the credential evaluation service (1) furnish evaluations directly to the board, (2) furnish evaluations written in English, (3) be a member of the American Association of Collegiate Registrars and Admissions Officers, NAFSA: Association of International Educators, or the National Association of Credential Evaluation Services, (4) be used by accredited colleges and universities, (5) be reevaluated by the board every five years, (6) maintain a complete set of reference materials as specified by the board, (7) base evaluations only upon authentic, original transcripts and degrees and have a written procedure for identifying fraudulent transcripts, (8) include in the evaluation report, for each degree held by the applicant, the equivalent degree offered in the United States, the date the degree was granted, the institution granting the degree, an English translation of the course titles, and the semester unit equivalence for each of the courses, (9) have an appeal procedure for applicants, and (10) furnish the board with information concerning the credential evaluation service that includes biographical information on evaluators and translators, three letters of references from public or private agencies, statistical information on the number of applications processed annually for the past five years, and any additional information the board may require in order to ascertain that the credential evaluation service meets the standards set forth in this subdivision and in any regulations adopted by the board.

SEC. 80. Section 5096.20 of the Business and Professions Code is amended to read:

5096.20. (a) To ensure that Californians are protected from out-of-state licensees with disqualifying conditions who may unlawfully attempt to practice in this state under a practice privilege, prior to July 1, 2013, the board shall add an out-of-state licensee feature to its license lookup tab of the home page of its internet website that allows consumers to obtain information about an individual whose principal place of business is not in this state and who seeks to exercise a practice privilege in this state, that is at least equal to the information that was available to consumers through its home page prior to January 1, 2013, through the practice privilege form previously filed by out-of-state licensees pursuant to Section 5096, as added by Chapter 921 of the Statutes of 2004, and the regulations adopted thereunder. At minimum, these features shall include all of the following:

(1) The ability of the consumer to search by name and state of licensure.

(2) The disclosure of information in the possession of the board, which the board is otherwise authorized to publicly disclose, about an individual exercising a practice privilege in this state, including, but not limited to, whether the board has taken action of any form against that individual and, if so, what the action was or is.

(3) A disclaimer that the consumer must click through prior to being referred to any other internet website, which in plain language explains that the consumer is being referred to an internet website that is maintained by a regulatory agency or other entity that is not affiliated with the board. This disclaimer shall include a link to relevant sections of this article that set forth disqualifying conditions, including, but not limited to, Section 5096.2.

(4) A statement in plain language that notifies consumers that they are permitted to file complaints against such individuals with the board.

(5) A link to the internet website or sites that the board determines, in its discretion, provides the consumer the most complete and reliable information available about the individual's status as a licenseholder, permitholder, or certificate holder.

(6) If the board of another state does not maintain an internet website that allows a consumer to obtain information about its licensees including, but not limited to, disciplinary history, and that information is not available through a link to an internet website maintained by another entity, a link to contact information for that board, which contains a disclaimer in plain language that explains that the consumer is being referred to a board that does not permit the consumer to obtain information, including, but not limited to, disciplinary history, about individuals through the internet website, and that the out-of-state board is not affiliated with the board.

(b) The board shall biennially survey the internet websites and disclosure policies of other boards to ensure that its disclaimers are accurate.

SEC. 81. Section 5096.21 of the Business and Professions Code is amended to read:

5096.21. (a) (1) On and after January 1, 2016, if the board determines, through a majority vote of the board at a regularly scheduled meeting, that allowing individuals from a particular state to practice in this state pursuant to a practice privilege as described in Section 5096, violates the board's duty to protect the public, pursuant to Section 5000.1, the board shall require out-of-state individuals licensed from that state, as a condition to exercising a practice privilege in this state, to file the notification form and pay the applicable fees as required by Section 5096.22.

(2) A state for which the board has made a determination pursuant to paragraph (1) to require individuals licensed from that state to file a notification form and pay the applicable fees may subsequently be redetermined by the board, by majority vote of the board at a regularly scheduled meeting, to allow individuals from that state to practice in this state pursuant to a practice privilege as described in Section 5096.

(b) The board shall, at minimum, consider the following factors when making a determination or redetermination pursuant to subdivision (a):

(1) Whether the state timely and adequately addresses enforcement referrals made by the board to the accountancy regulatory board of that state, or otherwise fails to respond to requests the board deems necessary to meet its obligations under this article.

(2) Whether the state makes the disciplinary history of its licensees publicly available through the Internet in a manner that allows the board to adequately link consumers to an internet website to obtain information that was previously made available to consumers about individuals from the state prior to January 1, 2013, through the notification form.

(3) Whether the state imposes discipline against licensees that is appropriate in light of the nature of the alleged misconduct.

(4) Whether the state has in place and is operating pursuant to enforcement practices substantially equivalent to the current best practices guidelines adopted by the National Association of State Boards of Accountancy provided those guidelines have been determined by the board to meet or exceed the board's own enforcement practices.

(c) On or before July 1, 2014, the board shall convene a stakeholder group consisting of members of the board, board enforcement staff, and representatives of the accounting profession and consumer representatives to consider whether the provisions of this article are consistent with the board's duty to protect the public consistent with Section 5000.1, and whether the provisions of this article satisfy the objectives of stakeholders of the accounting profession in this state, including consumers. The group, at its first meeting, shall adopt policies and procedures relative to how it will conduct its business, including, but not limited to, policies and procedures addressing periodic reporting of its findings to the board. The group shall provide recommendations to the board on any matter upon which it is authorized to act.

SEC. 82. Section 5103.5 of the Business and Professions Code is amended to read:

5103.5. (a) The board shall post on its internet website, in an easily marked and identifiable location, notice of all formal accusations. The notice of any formal accusation shall contain a link to where a person may request and have sent to them a copy of the formal accusation, and the basis for the accusation and alleged violations filed by the board against a licensee.

(b) The link to where a person may request and have sent to them a copy of the formal accusation shall be clearly and conspicuously located on the same internet website page on which the notice is posted and shall authorize a person to request and receive the information described in subdivision (a) by regular mail or electronic mail.

(c) The board shall develop a statement that informs any person requesting a copy of a formal accusation and any person receiving a copy of a formal accusation that any allegations contained in the accusation are not a final determination of wrongdoing and are subject to adjudication and final review by the board pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). This statement shall be provided to a person requesting and receiving a copy of a formal accusation in a manner to be determined by the board.

SEC. 83. Section 5104 of the Business and Professions Code is amended to read:

5104. Any certified public accountant or public accountant whose certificate, registration, or permit has been revoked or suspended shall, upon request of the board, relinquish their certificate or permit. However, upon the expiration of the period of suspension, the board shall immediately return any suspended certificate or permit that has been relinquished.

SEC. 84. Section 5107 of the Business and Professions Code is amended to read:

5107. (a) The executive officer of the board may request the administrative law judge, as part of the proposed decision in a disciplinary proceeding, to direct any holder of a permit or certificate found to have committed a violation or violations of this chapter to pay to the board all reasonable costs of investigation and prosecution of the case, including, but not limited to, attorney's fees. The board shall not recover costs incurred at the administrative hearing.

(b) A certified copy of the actual costs, or a good faith estimate of costs where actual costs are not available, signed by the executive officer, shall be prima facie evidence of reasonable costs of investigation and prosecution of the case.

(c) The administrative law judge shall make a proposed finding of the amount of reasonable costs of investigation and prosecution of the case when requested to do so by the executive officer pursuant to subdivision (a). Costs are payable 120 days after the board's decision is final, unless otherwise provided for by the administrative law judge or if the time for payment is extended by the board.

(d) The finding of the administrative law judge with regard to cost shall not be reviewable by the board to increase the cost award. The board may reduce or eliminate the cost award, or remand to the administrative law judge where the proposed decision fails to make a finding on costs requested by the executive officer pursuant to subdivision (a).

(e) The administrative law judge may make a further finding that the amount of reasonable costs awarded shall be reduced or eliminated upon a finding that respondent has demonstrated that they cannot pay all or a portion of the costs or that payment of the costs would cause an unreasonable financial hardship that cannot be remedied through a payment plan.

(f) When an administrative law judge makes a finding that costs be waived or reduced, they shall set forth the factual basis for their finding in the proposed decision.

(g) Where an order for recovery of costs is made and timely payment is not made as directed by the board's decision, the board may enforce the order for payment in any appropriate court. This right of enforcement shall be in addition to any other rights the board may have as to any holder of a permit or certificate directed to pay costs.

(h) In a judicial action for the recovery of costs, proof of the board's decision shall be conclusive proof of the validity of the order of payment and the terms of payment.

(i) All costs recovered under this section shall be deposited in the Accountancy Fund.

(j) (1) Except as provided in paragraph (2), the board shall not renew or reinstate the permit or certificate of a holder who has failed to pay all of the costs ordered under this section.

(2) Notwithstanding paragraph (1) or paragraph (2) of subdivision (g) of Section 125.3, the board may, in its discretion, conditionally renew or reinstate for a maximum of three years the permit or certificate of a holder who demonstrates financial hardship and who enters into a formal agreement with the board to reimburse the board within that three-year period for those unpaid costs.

(k) Nothing in this section shall preclude the board from seeking recovery of costs in an order or decision made pursuant to an agreement entered into between the board and the holder of a permit or certificate.

(l) (1) Costs may not be recovered under this section as a result of a citation issued pursuant to Section 125.9 and its implementing language if the licensee complies with the citation.

(2) The Legislature hereby finds and declares that this subdivision is declaratory of existing law.

SEC. 85. Section 5121 of the Business and Professions Code is amended to read:

5121. The display or uttering by a person of a card, sign, advertisement or other printed, engraved or written instrument or device, bearing a person's name in conjunction with the words "certified public accountant" or any abbreviation thereof or the words "public accountant" or any abbreviation thereof shall be prima facie evidence in any prosecution, proceeding or hearing brought under this article that the person whose name is so displayed caused or procured the display or uttering of such card, sign, advertisement or other printed, engraved or written instrument or device. Any such display or uttering shall be prima facie evidence that the person whose name is so displayed holds themselves out as a certified public accountant, or a public accountant holding a permit to practice public accountancy in this state under the provisions of this chapter. In any prosecution or hearing under this chapter, evidence of the commission of a single act prohibited by this chapter shall be sufficient to justify a conviction without evidence of a general course of conduct.

SEC. 86. Section 5134 of the Business and Professions Code is amended to read:

5134. The amount of fees prescribed by this chapter is as follows:

- (a) The fee to be charged to each applicant for the certified public accountant examination shall be fixed by the board at an amount not to exceed six hundred dollars (\$600). The board may charge a reexamination fee not to exceed seventy-five dollars (\$75) for each part that is subject to reexamination.
- (b) The fee to be charged to out-of-state candidates for the certified public accountant examination shall be fixed by the board at an amount not to exceed six hundred dollars (\$600) per candidate.
- (c) The application fee to be charged to each applicant for issuance of a certified public accountant certificate shall be fixed by the board at an amount not to exceed two hundred fifty dollars (\$250).
- (d) The application fee to be charged to each applicant for issuance of a certified public accountant certificate by waiver of examination shall be fixed by the board at an amount not to exceed two hundred fifty dollars (\$250).
- (e) The fee to be charged to each applicant for registration as a partnership or professional corporation shall be fixed by the board at an amount not to exceed two hundred fifty dollars (\$250).
- (f) The biennial fee for the renewal of each of the permits to engage in the practice of public accountancy specified in Section 5070 shall not be less than two hundred fifty dollars (\$250) and shall not exceed two hundred eighty dollars (\$280).
- (g) The application fee to be charged to each applicant for a retired status license, as described in Section 5070.1, shall be fixed by the board at an amount not to exceed two hundred fifty dollars (\$250).
- (h) The application fee to be charged to each applicant for restoration of a license in a retired status to an active status pursuant to subdivision (f) of Section 5070.1 shall be fixed by the board at an amount not to exceed one thousand dollars (\$1,000).
- (i) The delinquency fee shall be 50 percent of the accrued renewal fee.
- (j) The initial permit fee is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the permit is issued, except that, if the permit is issued one year or less before it will expire, then the initial permit fee is an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the permit is issued. The board may, by regulation, provide for the waiver or refund of the initial permit fee where the permit is issued less than 45 days before the date on which it will expire.
- (k) The fee to be charged for the certification of documents evidencing passage of the certified public accountant examination, the certification of documents evidencing the grades received on the certified public accountant examination, or the certification of documents evidencing licensure shall be twenty-five dollars (\$25).
- (l) The board shall fix the fees in accordance with the limits of this section and any increase in a fee fixed by the board shall be pursuant to regulation duly adopted by the board in accordance with the limits of this section.
- (m) It is the intent of the Legislature that, to ease entry into the public accounting profession in California, any administrative cost to the board related to the certified public accountant examination or issuance of the certified public accountant certificate that exceeds the maximum fees authorized by this section shall be covered by the fees charged for the biennial renewal of the permit to practice.

SEC. 86.5. Section 5134 of the Business and Professions Code is amended to read:

5134. The amount of fees prescribed by this chapter is as follows:

- (a) The fee to be charged to each applicant for the certified public accountant examination shall be fixed by the board at an amount not to exceed six hundred dollars (\$600). The board may charge a reexamination fee not to exceed seventy-five dollars (\$75) for each part that is subject to reexamination.
- (b) The application fee to be charged to each applicant for issuance of a certified public accountant certificate shall be fixed by the board at an amount not to exceed seven hundred dollars (\$700).
- (c) After June 30, 2024, the fee to be charged to each applicant for registration as a partnership or professional corporation shall not be less than two hundred fifty dollars (\$250) and shall not exceed two thousand dollars (\$2,000).
- (d) (1) The biennial renewal fee for a certified public accountant to engage in the practice of public accountancy, as specified in Section 5070, shall be three hundred forty dollars (\$340) for permits expiring after June 30, 2024.
- (2) The biennial renewal fee for a certified public accountant to engage in the practice of public accountancy, as specified in Section 5070, shall be four hundred dollars (\$400) for permits expiring after June 30, 2026.

(e) (1) The biennial renewal fee for a partnership or professional corporation shall be four hundred dollars (\$400) for permits expiring after June 30, 2024.

(2) The biennial renewal fee for a partnership or professional corporation shall be five hundred twenty dollars (\$520) for permits expiring after June 30, 2026.

(f) If the board has unencumbered funds in an amount that is equal to more than the board's operating budget for the next two fiscal years, the board may fix the biennial renewal fees by regulation at an amount less than those identified in subdivision (d) for certified public accountants and subdivision (e) for partnerships and professional corporations.

(g) The application fee to be charged to each applicant for a retired status license, as described in Section 5070.1, shall be fixed by the board at an amount not to exceed two hundred fifty dollars (\$250).

(h) The application fee to be charged to each applicant for restoration of a license in a retired status to an active status pursuant to subdivision (f) of Section 5070.1 shall be fixed by the board at an amount not to exceed one thousand dollars (\$1,000).

(i) The delinquency fee shall be 50 percent of the accrued renewal fee.

(j) The initial permit fee is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the permit is issued, except that, if the permit is issued one year or less before it will expire, then the initial permit fee is an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the permit is issued. The board may, by regulation, provide for the waiver or refund of the initial permit fee where the permit is issued less than 45 days before the date on which it will expire.

(k) The fee to be charged for the certification of documents evidencing passage of the certified public accountant examination, the certification of documents evidencing the grades received on the certified public accountant examination, or the certification of documents evidencing licensure shall be twenty-five dollars (\$25).

(l) The board shall fix the fees in accordance with the limits of this section and any increase in a fee fixed by the board shall be pursuant to regulation duly adopted by the board in accordance with the limits of this section.

(m) It is the intent of the Legislature that, to ease entry into the public accounting profession in California, any administrative cost to the board related to the certified public accountant examination or issuance of the certified public accountant certificate that exceeds the maximum fees authorized by this section shall be covered by the fees charged for the biennial renewal of the permit to practice.

SEC. 87. Section 5550.3 of the Business and Professions Code is amended to read:

5550.3. (a) Notwithstanding Section 111, the board may adopt guidelines for the delegation of its authority to grade the examinations of applicants for licensure to any vendor under contract to the board for provision of an architect's registration examination. The guidelines shall be within the board's legal authority to establish the standards for registration in this state, and shall include, but not be limited to:

(1) Goals for the appropriate content, development, grading, and administration of an examination, against which the vendor's rules and procedures can be judged.

(2) Procedures through which the board can reasonably assure itself that the vendor adequately meets the goals established by the board.

(b) The board shall not delegate its authority to grade the examinations of candidates for registration in this state to any vendor or any party not in compliance with Section 111 or with the guidelines established in subdivision (a).

(c) A candidate who received full credit for all divisions of the Architect Registration Examination (ARE) prior to May 1, 2023, shall be deemed to have passed the ARE.

SEC. 88. Section 7685.3 of the Business and Professions Code is amended to read:

7685.3. (a) The current address, telephone number, and name of the Department of Consumer Affairs, Cemetery and Funeral Bureau shall appear on the first page of any contract for goods and services offered by a licensee. At a minimum, the information shall be in 8-point boldface type and make this statement:

"FOR MORE INFORMATION ON FUNERAL, CEMETERY, CREMATION, AND HYDROLYSIS MATTERS, CONTACT: DEPARTMENT OF CONSUMER AFFAIRS, CEMETERY AND FUNERAL BUREAU (ADDRESS), (TELEPHONE NUMBER)."

(b) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 89. Section 7685.3 is added to the Business and Professions Code, to read:

7685.3. (a) The current address, telephone number, and name of the Department of Consumer Affairs, Cemetery and Funeral Bureau shall appear on the first page of any contract for goods and services offered by a licensee. At a minimum, the information shall be in 8-point boldface type and make this statement:

"FOR MORE INFORMATION ON FUNERAL, CEMETERY, CREMATION, HYDROLYSIS, AND REDUCTION MATTERS, CONTACT: DEPARTMENT OF CONSUMER AFFAIRS, CEMETERY AND FUNERAL BUREAU (ADDRESS), (TELEPHONE NUMBER)."

(b) This section shall become operative on January 1, 2027.

SEC. 90. Section 10471 of the Business and Professions Code is amended to read:

10471. (a) When an aggrieved person obtains (1) a final judgment in a court of competent jurisdiction, including, but not limited to, a criminal restitution order issued pursuant to subdivision (f) of Section 1202.4 of the Penal Code or Section 3663 of Title 18 of the United States Code, or (2) an arbitration award that includes findings of fact and conclusions of law rendered in accordance with the rules established by the American Arbitration Association or another recognized arbitration body, and in accordance with Sections 1281 to 1294.2, inclusive, of the Code of Civil Procedure when applicable, and when the arbitration award has been confirmed and reduced to judgment pursuant to Section 1287.4 of the Code of Civil Procedure, against a defendant based upon the defendant's fraud, misrepresentation, or deceit, made with intent to defraud, or conversion of trust funds, arising directly out of any transaction in which the defendant, while licensed under this part, performed acts for which a real estate license or a prepaid rental listing service license was required, the aggrieved person may, upon the judgment becoming final, file an application with the Department of Real Estate for payment from the Consumer Recovery Account, within the limitations specified in Section 10474, of the amount unpaid on the judgment that represents an actual and direct loss to the claimant in the transaction. As used in this chapter, "court of competent jurisdiction" includes the federal courts, but does not include the courts of another state.

(b) The application shall be delivered in person, by certified mail, or electronically in a manner prescribed by the department, to an office of the department not later than one year after the judgment has become final.

(c) The application shall be made on a form prescribed by the department, verified by the claimant, and shall include the following:

(1) The name and address of the claimant.

(2) If the claimant is represented by an attorney, the name, business address, and telephone number of the attorney.

(3) The identification of the judgment, the amount of the claim and an explanation of its computation.

(4) A detailed narrative statement of the facts in explanation of the allegations of the complaint upon which the underlying judgment is based.

(5) (A) Except as provided in subparagraph (B), a statement by the claimant, signed under penalty of perjury, that the complaint upon which the underlying judgment is based was prosecuted conscientiously and in good faith. As used in this section, "conscientiously and in good faith" means that no party potentially liable to the claimant in the underlying transaction was intentionally and without good cause omitted from the complaint, that no party named in the complaint who otherwise reasonably appeared capable of responding in damages was dismissed from the complaint intentionally and without good cause, and that the claimant employed no other procedural means contrary to the diligent prosecution of the complaint in order to seek to qualify for the Consumer Recovery Account.

(B) For the purpose of an application based on a criminal restitution order, all of the following statements by the claimant:

(i) The claimant has not intentionally and without good cause failed to pursue any person potentially liable to the claimant in the underlying transaction other than a defendant who is the subject of a criminal restitution order.

(ii) The claimant has not intentionally and without good cause failed to pursue in a civil action for damages all persons potentially liable to the claimant in the underlying transaction who otherwise reasonably appeared capable of responding in damages other than a defendant who is the subject of a criminal restitution order.

(iii) The claimant employed no other procedural means contrary to the diligent prosecution of the complaint in order to seek to qualify for the Consumer Recovery Account.

(6) The name and address of the judgment debtor or, if not known, the names and addresses of persons who may know the judgment debtor's present whereabouts.

(7) The following representations and information from the claimant:

(A) That the claimant is not a spouse of the judgment debtor nor a personal representative of the spouse.

(B) That the claimant has complied with all of the requirements of this chapter.

(C) That the judgment underlying the claim meets the requirements of subdivision (a).

(D) A description of searches and inquiries conducted by or on behalf of the claimant with respect to the judgment debtor's assets liable to be sold or applied to satisfaction of the judgment, an itemized valuation of the assets discovered, and the results of actions by the claimant to have the assets applied to satisfaction of the judgment.

(E) That the claimant has diligently pursued collection efforts against all judgment debtors and all other persons liable to the claimant in the transaction that is the basis for the underlying judgment.

(F) That the underlying judgment and debt have not been discharged in bankruptcy, or, in the case of a bankruptcy proceeding that is open at or after the time of the filing of the application, that the judgment and debt have been declared to be nondischargeable.

(G) That the application was submitted to the department, as prescribed in subdivision (b), no later than one year after the underlying judgment became final.

(d) If the claimant is basing the application upon a judgment against a salesperson, and the claimant has not obtained a judgment against that salesperson's employing broker, if any, or has not diligently pursued the assets of that broker, the application shall be denied for failure to diligently pursue the assets of all other persons liable to the claimant in the transaction unless the claimant can demonstrate, by clear and convincing evidence, either that the salesperson was not employed by a broker at the time of the transaction, or that the salesperson's employing broker would not have been liable to the claimant because the salesperson was acting outside the scope of their employment by the broker in the transaction.

(e) The application form shall include detailed instructions with respect to documentary evidence, pleadings, court rulings, the products of discovery in the underlying litigation, and a notice to the applicant of their obligation to protect the underlying judgment from discharge in bankruptcy, to be appended to the application.

(f) An application for payment from the Consumer Recovery Account that is based on a criminal restitution order shall comply with all of the requirements of this chapter. For the purpose of an application based on a criminal restitution order, the following terms have the following meanings:

(1) "Judgment" means the criminal restitution order.

(2) "Complaint" means the facts of the underlying transaction upon which the criminal restitution order is based.

(3) "Judgment debtor" means any defendant who is the subject of the criminal restitution order.

SEC. 91. Section 21638.5 of the Business and Professions Code is amended to read:

21638.5. Sections 21636, 21636.1, 21637, and 21638, insofar as they apply to holding periods for personal property, are not applicable to personal property pledged to a pawnbroker with respect to the redemption of personal property by the pledgor.

SEC. 92. Section 94874.8 of the Education Code is amended to read:

94874.8. (a) An institution exempt from all or part of this chapter pursuant to subdivision (i) of Section 94874 or Section 94874.1 may apply to the bureau for an approval to operate pursuant to this section, but only subject to all of the following provisions:

(1) The bureau may approve the operation of an institution that is exempt from all or part of this chapter as specified above in accordance with the authority granted pursuant to Article 6 (commencing with Section 94885). Upon issuing an approval to operate to an institution pursuant to this section, the bureau is authorized to regulate that institution through the full set of powers granted, and duties imposed, by this chapter, as those powers and duties would apply to an institution that is not exempt from this chapter.

(2) Notwithstanding any other law, upon issuance of an approval to operate pursuant to this section, the institution is no longer eligible for exemption, from the provisions of this chapter pursuant to subdivision (i) of Section 94874 or Section 94874.1, unless authorized by subsequent legislation.

(3) Upon issuance of an approval to operate pursuant to this section, an institution is subject to all provisions of this chapter, and any regulations adopted pursuant to this chapter, that apply to an institution subject to this chapter, except as expressly provided in paragraph (4).

(4) (A) With respect to the placement and salary or wage data required to be collected, calculated, and reported by Article 16 (commencing with Section 94928), an institution issued an approval to operate pursuant to this section is not required to report on its first School Performance Fact Sheet any data from the period prior to the date of the issuance of the approval to operate that the institution was not required to collect and does not have available to it. An institution shall, however, report available data collected and calculated in accordance with this chapter and applicable regulations, regardless of the purpose for which the data was collected. If the required data is unavailable, the institution shall also disclose the unavailability of the data on all documents required by this chapter and regulations adopted pursuant to this chapter. Upon receiving an approval to operate pursuant to this section, an institution shall commence to collect and calculate all information necessary to comply with Article 16 (commencing with Section 94928).

(B) An institution receiving an approval to operate pursuant to this section shall provide to prospective students the School Performance Fact Sheet, file that fact sheet with the bureau, and post it on the institution's internet website no later than the first August 1 after the institution is approved to operate and no later than August 1 of each year thereafter. These School Performance Fact Sheets shall report data for the previous two calendar years based upon the number of students who began the program or the number of graduates for each reported calendar year. If two calendar years have not passed since the issuance of the approval to operate by the August 1 deadline for the School Performance Fact Sheet, unless data for two years is available, the institution shall report the required data for the period subsequent to the date of the issuance of the notice of approval.

(b) An institution exempt from all or part of this chapter pursuant to subdivision (i) of Section 94874 or Section 94874.1 that was approved to operate by the bureau before the effective date of this section shall be deemed to have been approved pursuant to this section.

SEC. 93. Section 94874.9 of the Education Code is amended to read:

94874.9. (a) An independent institution of higher education, as defined in Section 66010, that is exempt from this chapter pursuant to subdivision (i) of Section 94874 shall comply with all applicable state and federal laws, including laws relating to fraud, abuse, and false advertising.

(b) An institution described in subdivision (a) may execute a contract with the bureau for the bureau to review and, as appropriate, act on complaints concerning the institution, in accordance with Section 600.9 of Title 34 of the Code of Federal Regulations.

(c) The execution of a contract by the bureau with an institution pursuant to subdivision (b) shall constitute establishment by the state of that institution to offer programs beyond secondary education, including programs leading to a degree or certificate, in accordance with Section 600.9 of Title 34 of the Code of Federal Regulations.

(d) The bureau shall use a standard form contract for purposes of this section.

(e) A contract executed pursuant to this section shall, at a minimum, do all of the following:

(1) Require an institution to do all of the following:

(A) Cooperate with the bureau to resolve complaints received pursuant to this section.

(B) Provide the following disclosure notice in all written and internet-based documentation in which the institution's complaint process is described, including the student catalog, student handbook, and the institution's internet website:

"An individual may contact the Bureau for Private Postsecondary Education for review of a complaint. The bureau may be contacted at (address), Sacramento, CA (ZIP Code), (internet website address), (telephone and fax numbers)."

(C) Designate a person at the institution to act as a liaison to the bureau.

(D) Pay one thousand seventy-six dollars (\$1,076) each year for costs incurred by the bureau to perform activities pursuant to the contract, unless another amount is determined by the bureau.

(2) (A) Authorize the bureau, for any complaint it receives, including any complaints related to the institution's policies or procedures, or both, as determined by the bureau, to refer the complaint to the institution, an accrediting agency, or another appropriate entity for resolution.

(B) The bureau shall notify the complainant and the institution of a referral.

(C) This paragraph shall not be construed to relieve the bureau of its responsibility to ensure that a complaint it has referred for purposes of resolution is resolved by the receiving entity.

(f) The bureau may terminate a contract executed pursuant to this section if an institution is no longer an independent institution of higher education as defined in Section 66010 or fails to comply with the provisions of the contract.

(g) All moneys collected by the bureau that relate to a contract executed pursuant to this section, including payments collected in accordance with subparagraph (D) of paragraph (1) of subdivision (e), shall be deposited in the Private Postsecondary Education Administration Fund.

(h) The bureau shall maintain, on its internet website, both of the following:

(1) The provisions of the standard form contract used for purposes of this section.

(2) A list of institutions with which the bureau has executed a contract pursuant to this section.

(i) On or before February 1, 2017, and each year thereafter, the bureau shall report to the Director of Finance and, in conformity with Section 9795 of the Government Code, to the Legislature regarding implementation of this section. The report shall include all of the following information:

(1) A list of institutions with which the bureau has executed a contract pursuant to this section.

(2) The total number of complaints received by the bureau relating to institutions listed in paragraph (1).

(3) The general nature of those complaints.

(4) The total number of those complaints referred to another entity, disaggregated by the entity to which each complaint was referred.

(5) The total number of complaints resolved, disaggregated by the entity that resolved each complaint.

(6) The total number of complaints pending, disaggregated by the entity to which each complaint was referred.

(j) Notwithstanding any other law, the Department of General Services, at the request of the bureau, may exempt contracts executed pursuant to this section from any laws, rules, resolutions, or procedures that are otherwise applicable to public contracts that the Department of General Services administers.

SEC. 94. Section 94878 of the Education Code is amended to read:

94878. (a) The bureau shall establish an internet website that includes at least all of the following information:

(1) An explanation of the bureau's scope of authority.

(2) (A) A directory of approved institutions, and a link, if feasible, to the internet website of each institution.

(B) For each institution, the directory shall be developed in a manner that allows the user to search by institution and shall include all of the following information:

(i) The status of the institution's approval to operate.

(ii) The information provided by the institutions, including, but not limited to, the annual report, as required by Section 94934, including the school catalog and the School Performance Fact Sheet. The School Performance Fact Sheet shall be maintained on the directory for at least five years after the date of its submission to the bureau.

(iii) If a law school satisfies the requirements of this chapter regarding a School Performance Fact Sheet by complying with the requirements of Section 94910.5, the bureau shall include the information provided by the institution pursuant to Section 94910.5 on its internet website and shall maintain the information in the same manner as required by clause (ii).

(iv) The disciplinary history of the institution, which shall include, but shall not be limited to, all of the following:

(I) Pending formal accusations filed by the bureau.

(II) Suspensions, revocations, citations, fines, infractions, probations, pending litigation filed by the bureau, and final judgments resulting from litigation filed by the bureau.

(III) Pending or final civil or criminal cases filed by the Attorney General, a city attorney, or a district attorney in this state, or filed in any state by an attorney general or a federal regulatory or prosecutorial agency of which the bureau has received notice.

(IV) Final administrative actions by the United States Department of Education, including orders requiring restitution to students.

(V) All disciplinary actions ordered by an accreditation agency, including any order to show cause, of which the bureau has received notice pursuant to Section 94934 or other information otherwise publicly available of which the bureau has received notice.

(b) The bureau shall maintain the internet website described in subdivision (a). The bureau shall ensure that the information specified in subdivision (a) is kept current. The bureau shall update the internet website at least annually, to coincide with the submission of annual reports by the institutions pursuant to Section 94934.

(c) (1) The bureau shall post on its internet website a list of all institutions that were denied approval to operate, after the denial is final, and describe in clear and conspicuous language the reason the institution was denied approval. The bureau shall include with this list the statement provided in paragraph (2) on its internet website:

(2) "The following institutions were denied approval to operate by the Bureau for Private Postsecondary Education for failing to satisfy the standards relating to educational quality, or consumer protection, or both. These unlicensed institutions are not operating in compliance with the law, and students are strongly discouraged from attending these institutions."

SEC. 95. Section 94897 of the Education Code is amended to read:

94897. An institution shall not do any of the following:

(a) Use, or allow the use of, any reproduction or facsimile of the Great Seal of the State of California on a diploma.

(b) Promise or guarantee employment, or otherwise overstate the availability of jobs upon graduation.

(c) Advertise concerning job availability, degree of skill, or length of time required to learn a trade or skill unless the information is accurate and not misleading.

(d) Advertise, or indicate in promotional material, without including the fact that the educational programs are delivered by means of distance education if the educational programs are so delivered.

(e) Advertise, or indicate in promotional material, that the institution is accredited, unless the institution has been accredited by an accrediting agency.

(f) Solicit students for enrollment by causing an advertisement to be published in "help wanted" columns in a magazine, newspaper, or publication, or use "blind" advertising that fails to identify the institution.

(g) Offer to compensate a student to act as an agent of the institution with regard to the solicitation, referral, or recruitment of any person for enrollment in the institution, except that an institution may award a token gift to a student for referring an individual, provided that the gift is not in the form of money, no more than one gift is provided annually to a student, and the gift's cost is not more than one hundred dollars (\$100).

(h) Pay any consideration to a person to induce that person to sign an enrollment agreement for an educational program.

(i) Use a name in any manner improperly implying any of the following:

(1) The institution is affiliated with any government agency, public or private corporation, agency, or association if it is not, in fact, thus affiliated.

(2) The institution is a public institution.

(3) The institution grants degrees, if the institution does not grant degrees.

(j) In any manner make an untrue or misleading change in, or untrue or misleading statement related to, a test score, grade or record of grades, attendance record, record indicating student completion, placement, employment, salaries, or financial information, including any of the following:

(1) A financial report filed with the bureau.

(2) Information or records relating to the student's eligibility for student financial aid at the institution.

(3) Any other record or document required by this chapter or by the bureau.

(k) Willfully falsify, destroy, or conceal any document of record while that document of record is required to be maintained by this chapter.

(l) Use the terms "approval," "approved," "approval to operate," or "approved to operate" without stating clearly and conspicuously that approval to operate means compliance with state standards as set forth in this chapter. An institution may not state or imply either of the following:

(1) The institution or its educational programs are endorsed or recommended by the state or by the bureau.

(2) The approval to operate indicates that the institution exceeds minimum state standards as set forth in this chapter.

(m) Direct any individual to perform an act that violates this chapter, to refrain from reporting unlawful conduct to the bureau or another government agency, or to engage in any unfair act to persuade a student not to complain to the bureau or another government agency.

(n) Compensate an employee involved in recruitment, enrollment, admissions, student attendance, or sales of educational materials to students on the basis of a commission, commission draw, bonus, quota, or other similar method related to the recruitment, enrollment, admissions, student attendance, or sales of educational materials to students, except as provided in paragraph (1) or (2):

(1) If the educational program is scheduled to be completed in 90 days or less, the institution shall pay compensation related to a particular student only if that student completes the educational program.

(2) For institutions participating in the federal student financial aid programs, this subdivision shall not prevent the payment of compensation to those involved in recruitment, admissions, or the award of financial aid if those payments are in conformity with federal regulations governing an institution's participation in the federal student financial aid programs.

(o) Require a prospective student to provide personal contact information in order to obtain, from the institution's internet website, educational program information that is required to be contained in the school catalog or any information required pursuant to the consumer information requirements of Title IV of the federal Higher Education Act of 1965, and any amendments thereto.

(p) Offer an associate, baccalaureate, master's, or doctoral degree without disclosing to prospective students before enrollment whether the institution or the degree program is unaccredited and any known limitation of the degree, including, but not limited to, all of the following:

(1) Whether a graduate of the degree program will be eligible to sit for the applicable licensure exam in California and other states.

(2) A statement that reads: "A degree program that is unaccredited or a degree from an unaccredited institution is not recognized for some employment positions, including, but not limited to, positions with the State of California."

(3) That a student enrolled in an unaccredited institution is not eligible for federal financial aid programs.

(q) In any manner commit fraud against, or make a material untrue or misleading statement to, a student or prospective student under the institution's authority or the pretense or appearance of the institution's authority.

(r) Charge or collect any payment for institutional charges that are not authorized by an executed enrollment agreement.

(s) Violate Section 1788.93 of the Civil Code.

(t) Require a prospective, current, or former student or employee to sign a nondisclosure agreement pertaining to their relationship to, or experience with, the institution, except that an institution may use a nondisclosure agreement to protect the institution's intellectual property and trade secrets. Any nondisclosure agreement in violation of this section is void and not enforceable at law or in equity.

(u) Fail to maintain policies related to compliance with this chapter or adhere to the institution's stated policies.

SEC. 96. Section 94902 of the Education Code is amended to read:

94902. (a) A student shall enroll solely by means of executing an enrollment agreement. The enrollment agreement shall be signed by the student and by an authorized employee of the institution.

(b) An enrollment agreement is not enforceable unless all of the following requirements are met:

(1) The student has received the institution's catalog and School Performance Fact Sheet prior to signing the enrollment agreement.

(2) At the time of the execution of the enrollment agreement, the institution held a valid approval to operate.

(3) Prior to the execution of the enrollment agreement, the student and the institution have signed and dated the information required to be disclosed in the School Performance Fact Sheet pursuant to subdivisions (a) to (d), inclusive, of Section 94910. Each of these items in the School Performance Fact Sheet shall include a line for the student to initial and shall be initialed and dated by the student.

(c) A student shall receive a copy of the signed enrollment agreement, in writing or electronically, regardless of whether total charges are paid by the student.

SEC. 97. Section 94905 of the Education Code is amended to read:

94905. (a) During the enrollment process, an institution offering educational programs designed to lead to positions in a profession, occupation, trade, or career field requiring licensure in this state shall exercise reasonable care to determine if the student will not be eligible to obtain licensure in the profession, occupation, trade, or career field at the time of the student's graduation and shall provide all students enrolled in those programs with a written copy of the requirements for licensure established by the state, including any applicable course requirements established by the state.

(1) If the minimum course requirements of the institution exceed the minimum requirements for state licensure, the institution shall disclose this information, including a list of those courses that are not required for state licensure.

(2) The institution shall not execute an enrollment agreement with a student that is known to be ineligible for licensure, unless the student's stated objective is other than licensure.

(b) During the enrollment process, an institution may discuss internships and student jobs available to the student during the student's attendance at the institution. If the institution discusses internships and student jobs, the institution shall disclose the number of requests for internship and student job placement assistance received by the institution during the immediately preceding calendar year and the number of actual placements during that year.

(c) During the enrollment process, an institution offering educational programs designed to lead to positions in a profession, occupation, trade, or career field where voluntary licensure by a government agency is available, shall provide its students seeking to enroll in those programs with a written copy of the requirements for that voluntary licensure.

SEC. 98. Section 94910 of the Education Code is amended to read:

94910. Except as provided in subdivision (d) of Section 94909 and Section 94910.5, prior to enrollment, an institution shall provide a prospective student with a School Performance Fact Sheet containing, at a minimum, the following information, as it relates to the educational program:

(a) Completion rates, as calculated pursuant to Article 16 (commencing with Section 94928).

(b) Placement rates for each educational program, as calculated pursuant to Article 16 (commencing with Section 94928), if the educational program is designed to lead to, or the institution makes any express or implied claim related to preparing students for, a recognized career, occupation, vocation, job, or job title.

(c) License examination passage rates for programs leading to employment for which passage of a state licensing examination is required, as calculated pursuant to Article 16 (commencing with Section 94928).

(d) Salary or wage information, as calculated pursuant to Article 16 (commencing with Section 94928).

(e) If a program is too new to provide data for any of the categories listed in this subdivision, the institution shall state on its fact sheet: "This program is new. Therefore, the number of students who graduate, the number of students who are placed, or the starting salary you can earn after finishing the educational program are unknown at this time. Information regarding general salary and placement statistics may be available from government sources or from the institution, but is not equivalent to actual performance data."

(f) All of the following:

(1) A description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated or a statement informing the reader of where they may obtain a description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated.

(2) A statement informing the reader of where they may obtain from the institution a list of the employment positions determined to be within the field for which a student received education and training for the calculation of job placement rates as required by subdivision (b).

(3) A statement informing the reader of where they may obtain from the institution a list of the objective sources of information used to substantiate the salary disclosure as required by subdivision (d).

(g) The following statements:

(1) "This fact sheet is filed with the Bureau for Private Postsecondary Education. Regardless of any information you may have relating to completion rates, placement rates, starting salaries, or license exam passage rates, this fact sheet contains the information as calculated pursuant to state law."

(2) "Any questions a student may have regarding this fact sheet that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at (address), Sacramento, CA (ZIP Code), (internet website), (telephone and fax numbers)."

(h) If the institution participates in federal financial aid programs, the most recent three-year cohort default rate reported by the United States Department of Education for the institution and the percentage of enrolled students receiving federal student loans.

(i) Data and information disclosed pursuant to subdivisions (a) to (d), inclusive, is not required to include students who satisfy the qualifications specified in subdivision (d) of Section 94909, but an institution shall disclose whether the data, information, or both provided in its fact sheet excludes students pursuant to this subdivision. An institution shall not actively use data specific to the fact sheet in its recruitment materials or other recruitment efforts of students who are not California residents and do not reside in California at the time of their enrollment.

SEC. 99. Section 94910.5 of the Education Code is amended to read:

94910.5. (a) Notwithstanding any other law, a law school that meets the criteria of subdivision (b) shall be deemed to satisfy the requirements of this chapter regarding a School Performance Fact Sheet by doing all of the following:

(1) Complying with Standard 509 of the American Bar Association's Standards and Rules of Procedure for Approval of Law Schools, as that standard may be amended.

(2) Providing completion rates of students and placement rates, bar passage rates, and salary and wage information of graduates to prospective students prior to enrollment through the law school application process administered by the Law School Admission Council.

(3) (A) Providing to prospective students any additional information required to be reported on a School Performance Fact Sheet that is not reported pursuant to paragraphs (1) and (2), including, but not limited to, the most recent three-year cohort default rate reported by the United States Department of Education for the law school and the percentage of enrolled students receiving federal student loans.

(B) If the law school's three-year cohort default rate reported by the United States Department of Education is aggregated with the three-year cohort default rate of an institution to which the law school belongs, then the law school shall provide to prospective students the law school's three-year cohort default rate disaggregated from the institution's three-year cohort default rate.

(C) The law school shall, at a minimum, provide the information described in this paragraph to prospective students by clearly posting the information in a conspicuous location on the law school's internet website.

(4) Annually providing the information required to be disclosed pursuant to this subdivision to the bureau.

(b) Subdivision (a) shall apply to a law school that meets all of the following criteria:

(1) The law school is accredited by the Council of the Section of Legal Education and Admissions to the Bar of the American Bar Association.

(2) The law school is owned by an institution authorized to operate by the bureau.

(3) The law school reports graduate salary information and other information to the National Association for Law Placement.

(4) The law school is approved to operate by the bureau pursuant to Section 94874.8.

SEC. 100. Section 94911 of the Education Code is amended to read:

94911. An enrollment agreement shall include, at a minimum, all of the following:

- (a) The name of the institution and the name of the educational program, including the total number of credit hours, clock hours, or other increment required to complete the educational program.
- (b) A schedule of total charges, including a list of any charges that are nonrefundable and the student's obligations to the Student Tuition Recovery Fund, clearly identified as nonrefundable charges.
- (c) In underlined capital letters on the same page of the enrollment agreement in which the student's signature is required, "THE TOTAL CHARGES FOR THE CURRENT PERIOD OF ATTENDANCE," "THE ESTIMATED TOTAL CHARGES FOR THE ENTIRE EDUCATIONAL PROGRAM," and "THE TOTAL CHARGES THE STUDENT IS OBLIGATED TO PAY UPON ENROLLMENT," followed by the relevant amounts of charges in bold, underlined type.
- (d) A clear and conspicuous statement that the enrollment agreement is legally binding when signed by the student and accepted by the institution.
- (e) (1) A disclosure with a clear and conspicuous caption, "STUDENT'S RIGHT TO CANCEL," under which it is explained that the student has the right to cancel the enrollment agreement and obtain a refund of charges paid through attendance at the first class session, or the seventh day after enrollment, whichever is later.
 - (2) The disclosure shall contain the institution's refund policy and a statement that, if the student has received federal student financial aid funds, the student is entitled to a refund of moneys not paid from federal student financial aid program funds.
 - (3) The text shall also include a description of the procedures that a student is required to follow to cancel the enrollment agreement or withdraw from the institution and obtain a refund.
- (f) A statement specifying that, if the student obtains a loan to pay for an educational program, the student will have the responsibility to repay the full amount of the loan plus interest, less the amount of any refund.
- (g) A statement specifying that, if the student is eligible for a loan guaranteed by the federal or state government and the student defaults on the loan, both of the following may occur:
 - (1) The federal or state government or a loan guarantee agency may take action against the student, including applying any income tax refund to which the person is entitled to reduce the balance owed on the loan.
 - (2) The student may not be eligible for any other federal student financial aid at another institution or other government assistance until the loan is repaid.
- (h) The transferability disclosure that is required to be included in the school catalog, as specified in paragraph (15) of subdivision (a) of Section 94909.
- (i) (1) The following statement: "Prior to signing this enrollment agreement, you must be given a catalog or brochure and a School Performance Fact Sheet, which you are encouraged to review prior to signing this agreement. These documents contain important policies and performance data for this institution. This institution is required to have you sign and date the information included in the School Performance Fact Sheet relating to completion rates, placement rates, license examination passage rates, salaries or wages, and the most recent three-year cohort default rate, if applicable, prior to signing this agreement."
 - (2) Immediately following the statement required by paragraph (1), a line for the student to initial, including the following statement: "I certify that I have received the catalog, School Performance Fact Sheet, and information regarding completion rates, placement rates, license examination passage rates, salary or wage information, and the most recent three-year cohort default rate, if applicable, included in the School Performance Fact Sheet, and have signed, initialed, and dated the information provided in the School Performance Fact Sheet."
- (j) The following statements:
 - (1) "Any questions a student may have regarding this enrollment agreement that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at (address), Sacramento, CA (ZIP Code), (internet website address), (telephone and fax numbers)."
 - (2) "A student or any member of the public may file a complaint about this institution with the Bureau for Private Postsecondary Education by calling (toll-free telephone number) or by completing a complaint form, which can be obtained on the bureau's

internet website (internet website address)."

(k) The following statement above the space for the student's signature:

"I understand that this is a legally binding contract. My signature below certifies that I have read, understood, and agreed to my rights and responsibilities, and that the institution's cancellation and refund policies have been clearly explained to me."

SEC. 101. Section 94913 of the Education Code is amended to read:

94913. (a) An institution that maintains an internet website shall provide on that internet website all of the following:

- (1) The school catalog.
- (2) A School Performance Fact Sheet for each educational program offered by the institution.
- (3) Student brochures offered by the institution.
- (4) A link to the bureau's internet website.
- (5) The institution's most recent annual report submitted to the bureau.

(b) An institution shall include information concerning where students may access the bureau's internet website anywhere the institution identifies itself as being approved by the bureau.

SEC. 102. Section 94941 of the Education Code is amended to read:

94941. (a) An individual who has cause to believe that an institution has violated this chapter, or regulations adopted pursuant to this chapter, may file a complaint with the bureau against the institution. The complaint shall set forth the alleged violation, and shall contain any other information as may be required by the bureau.

(b) To ensure that the bureau's resources are maximized for the protection of the public, the bureau, in consultation with the advisory committee, shall establish priorities for its inspections and other investigative and enforcement resources to ensure that institutions representing the greatest threat of harm to the greatest number of students are identified and disciplined by the bureau or referred to the Attorney General.

(c) In developing its priorities for inspection, investigation, and enforcement regarding institutions, the bureau shall consider as posing heightened risks the characteristics of the following institutions:

- (1) An institution that receives significant public resources, including an institution that receives more than 70 percent of its revenues from federal financial aid, state financial aid, financial aid for veterans, and other public student aid funds.
- (2) An institution with a large number of students defaulting on their federal loans, including an institution with a three-year cohort default rate above 15.5 percent.
- (3) An institution with reported placement rates, completion rates, or licensure rates in an educational program that are far higher or lower than comparable educational institutions or programs.
- (4) An institution that experiences a dramatic increase in enrollment, recently expanded educational programs or campuses, or recently consolidated campuses.
- (5) An institution that offers only nonremedial educational program courses in English, but enrolls students with limited or no English language proficiency.
- (6) An institution that has experienced a recent change of ownership or control, or a change in the business organization of the institution.
- (7) An institution with audited financial statements that do not satisfy the bureau's requirements for financial stability.
- (8) An institution that has recently been the subject of an investigation, judgment, or regulatory action by, or a settlement with, a governmental agency.

(9) An institution that experiences institutional or programmatic accreditation restriction by an accreditor, government restriction of, or injunction against, its approval to operate, or placement on cash-reimbursement or heightened monitoring status by the United States Department of Education.

(d) The bureau shall indicate in an annual report, to be made publicly available on its internet website, the number of temporary restraining orders, interim suspension orders, and disciplinary actions taken by the bureau, disaggregated by each priority category established pursuant to subdivision (b).

(e) The bureau shall, in consultation with the advisory committee, adopt regulations to establish categories of complaints or cases that are to be handled on a priority basis. The priority complaints or cases shall include, but not be limited to, those alleging unlawful, unfair or fraudulent business acts or practices, including unfair, deceptive, untrue, or misleading statements, including all statements made or required to be made pursuant to the requirements of this chapter, related to any of the following:

(1) Degrees, educational programs, or internships offered, the appropriateness of available equipment for a program, or the qualifications or experience of instructors.

(2) Job placement, graduation, time to complete an educational program, or educational program or graduation requirements.

(3) Loan eligibility, terms, whether the loan is federal or private, or default or forbearance rates.

(4) Passage rates on licensing or certification examinations or whether an institution's degrees or educational programs provide students with the necessary qualifications to take these exams and qualify for professional licenses or certifications.

(5) Cost of an educational program, including fees and other nontuition charges.

(6) Affiliation with or endorsement by any government agency, or by any organization or agency related to the Armed Forces, including, but not limited to, groups representing veterans.

(7) Terms of withdrawal and refunds from an institution.

(8) Payment of bonuses, commissions, or other incentives offered by an institution to its employees or contractors.

SEC. 103. Section 94942 of the Education Code is amended to read:

94942. (a) The bureau shall establish a toll-free telephone number staffed by a bureau employee by which a student or a member of the public may file a complaint under this chapter.

(b) The bureau shall make a complaint form available on its internet website. The bureau shall permit students and members of the public to file a complaint under this chapter through the bureau's internet website.

SEC. 104. Section 94949.73 of the Education Code is amended to read:

94949.73. (a) The office shall provide individualized assistance to students to relieve or mitigate the economic and educational opportunity loss incurred by those students who attended a Corinthian Colleges, Inc., institution or other eligible institution.

(b) Specific services provided by the office shall include all of the following:

(1) Outreach and education to students regarding the assistance available from the office.

(2) Screening requests for assistance received by the office and providing individualized assistance to help students determine their relief eligibility, identify and obtain necessary documents, complete and submit applications, and provide additional services as necessary.

(c) For purposes of this section, "other eligible institution" means an institution identified by the office whose unlawful activities or closure has resulted in its students being eligible for repayment from the Student Tuition Recovery Fund, debt relief from the United States Department of Education, or other student financial aid relief.

(d) (1) The office shall quarterly report by posting on the bureau's internet website, through September 1, 2018, on all of the following:

(A) A summary of the outreach and education activities conducted by the office pursuant to the requirements of paragraph (1) of subdivision (b) and the number of students served from Corinthian Colleges, Inc., institutions and every other eligible institution.

(B) A detailed summary of services provided to those students, as follows:

(i) The number of students assisted with submitting Student Tuition Recovery Fund claims to the bureau by the office, and of the claims submitted, the number that are pending, on appeal, or have been approved or denied. For the claims that have been approved, the office shall report the amount of student loans canceled, the total of student loans paid off, the total amount of cash reimbursed to students, and the total amount of educational credit granted.

(ii) The number of students assisted with submitting federal loan forgiveness claims, and of the claims submitted, the number of those claims that are pending, on appeal, or have been approved or denied. For the claims that have been approved, the office shall report the estimated total in student loans canceled and the total amount of funds refunded to students.

(iii) The number of students assisted with private student loan relief, other than through Student Tuition Recovery Fund claims, and a summary of assistance provided and relief outcomes obtained.

(iv) The number of students whom the office helped to obtain income-dependent repayment plans on their federal loans, and of those students, the number of students helped out of default on the federal loans through consolidation or rehabilitation.

(2) The office shall provide, pursuant to Section 9795 of the Government Code, the Legislature, the department, and the bureau a final report summarizing the information submitted pursuant to paragraph (1) by January 1, 2019.

SEC. 105. Section 86.5 of this bill incorporates amendments to Section 5134 of the Business and Professions Code proposed by both this bill and Senate Bill 816. That section shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2024, (2) each bill amends Section 5134 of the Business and Professions Code, and (3) this bill is enacted after Senate Bill 816, in which case Section 86 of this bill shall not become operative.

SEC. 106. 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.