

November 29, 2018

Advisory Council Meeting

Materials Packet

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**Bureau of Electronic and Appliance Repair,
Home Furnishings and Thermal Insulation**
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**ADVISORY COUNCIL MEETING
NOTICE & AGENDA
November 29, 2018 | Thursday | 9:00 am
Until the Completion of Business**

Meeting Location:
Department of Consumer Affairs – DCA HQ2
1747 North Market Blvd, Room 186, Sacramento, CA 95834

Teleconference Participation Option:
Phone Number: (866) 842-2981
Participant Passcode #: 4598662

Webcast Option:

The Bureau plans to webcast this meeting at <https://thedcapage.blog/webcasts/>. Webcast availability cannot, however, be guaranteed due to limited resources or technical difficulties. The meeting will not be cancelled if webcast is not available. If you wish to participate or to have a guaranteed opportunity to observe, please plan to attend at a physical location.

Advisory Council Members:

Sharron Bradley, Industry
Toni Stein, Public
Donald Lucas, Public
Michael Lipsett, Public
Steve Weitekamp, Industry
Chris Higdon, Industry

Burt Grimes, Industry
Judy Levin, Public
Pascal Benyamini, Industry
Steven McDaniel, Industry
David Yarbrough, Industry
Brandon Wilson, Industry

The time and order of agenda items are subject to change at the discretion of the Advisory Council and may be taken out of order. The Bureau welcomes and encourages public participation in its meetings. The public may take appropriate opportunities to comment on any issue before the Bureau at the time the item is heard. If public comment is not specifically requested, members of the public should feel free to request an opportunity to comment, either in person, written or via the conference calling system provided.

This designated meeting facility is accessible to the physically disabled. A person who needs a disability-related accommodation to participate in the meeting may make a request by contacting Rita Wong via email Rita.Wong@dca.ca.gov or for the hearing impaired: TDD (800) 326-2297; or by sending a written request to the address indicated above. Please provide at least five working days' notice before the meeting to help ensure accommodations.

General Bureau Business Agenda Items

1. Welcome and Introductions
 - a. Facility Safety and Courtesy Items
 - b. Roll Call of the Council/Audience/Teleconference Participants Noticed
 - c. Review and Discuss Future Meeting Dates
 - d. August Council Meeting Recap
 2. Statistical Overview
 - a. Licensing Categories
 - b. Consumer Complaints
 - c. Enforcement and Investigations
 - d. Laboratory Testing
 3. Operations Update
 - a. Budget
 - b. Personnel
 - c. Outreach, Consumer Education
 - d. Legislative
 - e. Regulatory
-

Home Furnishings and Thermal Insulation Agenda Items

4. Results of Assessment from the Laboratory's Accreditation Agency (A2LA)
Completed October 9-11, 2018
-

Electronic and Appliance Repair Agenda Items

5. Planned Future Increase of Enforcement Operations - Stings
-

Household Movers Agenda Items

6. Transition of Household Movers Exams to Office of Professional Examination Services (OPES) and New Contract for PSI
 7. Potential Partnership with Federal Motor Carrier Safety Administration (FMCSA)
-

8. Public comment on Items not on the Agenda. (The Advisory Council may not discuss or take action on any matter raised during this public comment section, except to decide whether to place the matter on the agenda of a future meeting pursuant to Government Code sections 11125 and 11125.7(a))
9. Adjournment

Agenda Item 2a: Licensing Categories

LICENSING STATISTICS

September 2015-September 2018 Comparison

<i>EAR Registrations</i>	Sep 2015	Sep 2016	Sep 2017	Sep 2018
Appliance Service Dealer	2,497	2,621	2,632	2,670
Electronic Service Dealer	4,983	5,013	4,914	4,849
Combination Electronic/Appliance Service Dealer	487	624	583	557
Service Contract Administrator	43	44	47	50
Service Contract Seller	10,132	11,575	12,633	12,026
<i>Total Active EAR Registrations</i>	18,142	19,877	20,809	20,152

<i>HFTI Licenses</i>	Sep 2015	Sep 2016	Sep 2017	Sep 2018
Furniture Retailers	2,231	2,282	2,057	2,121
Bedding Retailers	1,589	1,625	2,033	2,172
Furniture & Bedding Retailers	11,783	11,782	11,872	11,554
Custom Upholsterers	496	506	497	483
Supply Dealers	129	130	110	100
Importers (includes overseas Manufacturers)	4,347	4,779	5,096	5,339
Manufacturers	1,453	1,508	1,530	1,522
Sanitizers	12	12	12	14
Wholesalers	147	172	196	188
Thermal Insulation Manufacturers	117	116	109	107
<i>Total Active HFTI Licenses</i>	22,304	22,912	23,512	23,600

<i>Household Mover Permits</i>				Sep 2018
<i>Total Active HFTI Permits</i>				936
1 st Quarter Statistics				
Permits Issued				25
Exams Administered				36

Agenda Item 2b: Consumer Complaints



EAR/HFTI CONSUMER COMPLAINT STATISTICS

TELEPHONE DISCONNECTS ORDERED			
Year	EAR	HFTI	Total
2015-16	78	19	97
2016-17	42	16	58
2017-18	48	17	65
2018-19*	6	2	8

CONSUMER COMPLAINTS						
OPENED				CLOSED		
Year	EAR	HFTI	Total	EAR	HFTI	Total
2015-16	678	299	977	758	303	1,061
2016-17	582	237	819	582	248	830
2017-18	1019	288	1307	1014	281	1295
2018-19*	169	60	229	165	58	223

INTERNAL CASES (Investigations)						
OPENED				CLOSED		
Year	EAR	HFTI	Total	EAR	HFTI	Total
2015-16	1,048	584	1,632	1,109	607	1,716
2016-17	730	451	1,181	790	418	1,208
2017-18	624	355	979	705	388	1093
2018-19*	131	69	200	143	70	213

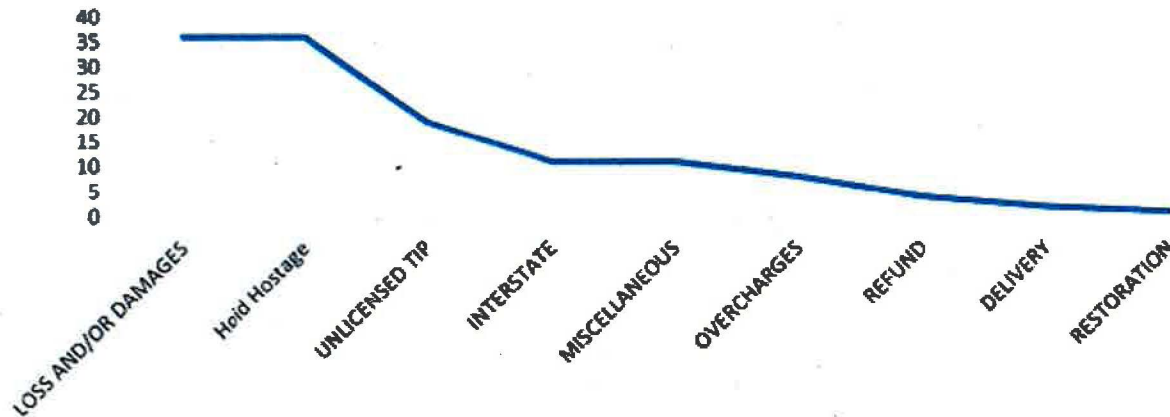
*Through September 30, 2018

HOUSEHOLD MOVERS COMPLAINT STATISTICS

COMPLAINT	Count of COMPLAINT NUMBER
LOSS AND/OR DAMAGES	36
Hold Hostage	36
UNLICENSED TIP	19
INTERSTATE	11
MISCELLANEOUS	11
OVERCHARGES	8
REFUND	4
DELIVERY	2
RESTORATION	1
TOTAL	128

Count of COMPLAINT NUMBER

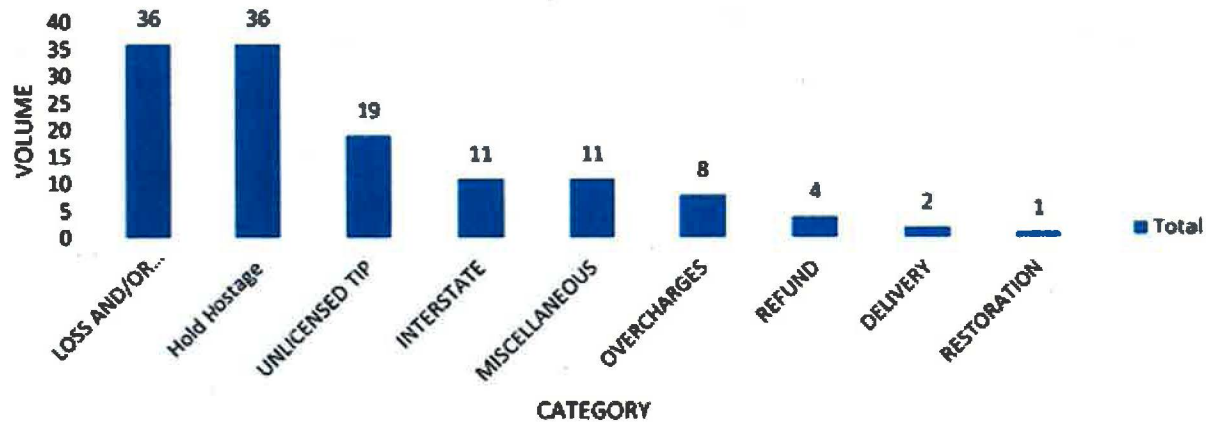
Count of COMPLAINT NUMBER by COMPLAINT TYPE



COMPLAINT

Count of COMPLAINT NUMBER

TOTAL COMPLAINTS BY CATEGORY



COMPLAINT

Agenda Item 2c: Enforcement and Investigations

EAR/HFTI ENFORCEMENT AND INVESTIGATION STATISTICS

- There have been no cases forwarded to the Attorney General's Office in FY 2018/19, and one (1) case currently pending.
- There are currently 4 licensees on Probation.

CITATIONS ISSUED			
Year	EAR	HFTI	Total
2015-16	985	537	1,522
2016-17	684	402	1,086
2017-18	550	305	855
2018-19*	130	81	211

HOUSEHOLD MOVERS ENFORCEMENT AND INVESTIGATION STATISTICS

July 2018-October 2018

<i>Household Mover Cases Under Investigation</i>	
July 2018-October 2018	153

<i>Hold Hostage Situations</i>	
Resolved	26
Pending	6
Forwarded to Other Agencies	6
Total	38

<i>Cease and Desist Letters Issued</i>	
(Failure of Movers to Cease and Desist will result in Administrative Citations)	7

<i>Investigations Referred to District Attorney</i>	
July 2018-October 2018	1

Agenda Item 2d: Laboratory Testing Overview

LAB STATISTICS

Workload Analysis: Data for FYTD 18/19

Type Test	Received 07/01/18 – 11/16/18	Completed Samples 07/01/18 – 11/16/18	
		Pass	Fail
TB117-2013	42	44 (88%)	6 (12%)
16 CFR 1633	21	23 (85%)	4 (15%)
TB133	0	0 (%)	0 (%)
Thermal Insulation	4	0 (%)	0 (%)
*Bedding	16	15 (68%)	7 (32%)
**Labeling	N/A	19 (19%)	80 (81%)
Total	83	---	---

*No flammability tests; finished size and label reviews.

**This category includes labeling results for all products except for TB133 and Thermal Insulation.

FR Chemical Labeling and Analysis: Data for FY 18/19

Samples Received with the Flame Retardant Chemical Statement (TB117-2013) 07/01/18 – 11/16/18				
"NO" Chemicals Checked	Contains Chemicals	No Box Checked	FR Doc Request Sent	DTSC Analysis Conducted
40	2	0	14	14
95%	5%	0%	35% of those marked "NO"	35% of those marked "NO"

Samples Analyzed with the "NO" Flame Retardant Chemical Statement 07/01/18 – 11/16/18				
Type Test	Pass		Fail	
	No.	%	No.	%
DTSC Analysis (14)	12	86	2	14
FR Doc Review (14)	12	86	2	14

Agenda Item 3a: Budget Update



Bureau of Electronic & Appliance Repair (EAR)
Home Furnishings & Thermal Insulation (HFTI)
House Hold Movers (HHM)

Authorized Positions:

EAR: 19.0
HFTI: 28.9
HHM: 11.0

Vacancies: (as of Nov 21, 2018)

EAR: 2.0
HFTI: 3.0
HHM: 6.0

Expenditures

	<u>Budget</u>	<u>Year-to-Date</u>	<u>% Spent</u>	<u>Projected YE \$</u>	<u>Reverted Savings</u>
<u>EAR:</u>					
FY 2018-19:	\$2,706,000	\$647,462	23%	\$2,394,334*	\$311,666*
<i>*projected figures</i>					
<u>HFTI:</u>					
FY 2018-19:	\$4,868,000	\$1,323,991	27%	\$4,766,890*	\$101,110*
<i>*projected figures</i>					
<u>HHM:</u>					
FY 2018-19:	\$2,455,000	\$192,252	8%	\$1,064,008*	\$1,390,992*
<i>*projected figures</i>					

Revenues

	<u>Revenues Collected-to-Date</u>	<u>Fund Reserve</u>
<u>EAR:</u>		
FY 2018-19	\$314,117	\$3,399,000 (14.0 months)*
<i>*projected figures</i>		
<u>HFTI:</u>		
FY 2018-19	\$967,260	\$3,060,000 (7.0 months)*
<i>*projected figures</i>		
<u>HHM:</u>		
FY 2018-19	\$294,778	\$759,000* (3.7 months)*
<i>*projected figures</i>		

Agenda Item 3d: Legislative Update

AMENDED IN ASSEMBLY APRIL 2, 2018
AMENDED IN ASSEMBLY MARCH 15, 2018
california legislature—2017–18 regular session

ASSEMBLY BILL

No. 2110

Introduced by Assembly Member Eggman

February 8, 2018

An act to amend and renumber the heading of Chapter 8.6 (commencing with Section 42490) of, and to add Chapter 8.6 (commencing with Section 42488) to, Part 3 of Division 30 of the Public Resources Code, relating to public resources.

legislative counsel's digest

AB 2110, as amended, Eggman. Electronics: Right to Repair Act.

Existing law, the Electronic Waste Recycling Act of 2003, enacts a comprehensive and innovative system for the reuse, recycling, and proper and legal disposal of covered electronic devices, as defined, and provides incentives to design electronic devices that are less toxic, more recyclable, and that use recycled materials.

Existing law establishes the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation under the supervision and control of the Director of Consumer Affairs. Existing law requires the director to administer and enforce provisions relating to the licensure and regulation of, among others, electronic and appliance repair dealers.

This bill would enact the Right to Repair Act. The bill ~~would~~ *would, except as provided*, require the original equipment manufacturer of electronic equipment or parts sold and used in the state to, among other things, provide to independent repair providers and owners of the equipment certain parts, tools, and information, including diagnostic

and repair information, as specified, for the purpose of providing a fair marketplace for the repair of that equipment. The bill would require compliance with these provisions for equipment or parts that are no longer manufactured for 5 years after the date the original equipment manufacturer ceases to manufacture the equipment or parts. The bill would authorize a city, county, city and county, or the state to impose civil penalties for a violation of these provisions.

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

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

- 1 SECTION 1. (a) The Legislature finds and declares all of the
- 2 following:
- 3 (1) Electronic waste (e-waste) generation globally was
- 4 approximately 44.7 metric tons in 2016, with an expected annual
- 5 growth rate of 3 to 4 percent. The United States alone generated
- 6 6.3 million tons of e-waste in 2016, but only collected 22 percent
- 7 of that total amount.
- 8 (2) Reducing the cost and difficulty of repairing electronics is
- 9 critical to reducing the generation of e-waste.
- 10 (3) Consumers should have the right to repair at a competitive
- 11 price every product that they purchase.
- 12 (4) Lack of competition in the electronics repair industry creates
- 13 high costs for consumers, businesses, and governments.
- 14 (b) It is therefore the intent of the Legislature to support the
- 15 adoption of policies that meaningfully address the growing quantity
- 16 of e-waste that is generated in the state, and to support the reuse,
- 17 repair, redistribution, and refurbishing of electronics.
- 18 SEC. 2. The heading of Chapter 8.6 (commencing with Section
- 19 42490) of Part 3 of Division 30 of the Public Resources Code is
- 20 amended and renumbered to read:
- 21
- 22 **Chapter 8.7. Cell Phone Recycling Act of 2004**
- 23
- 24 SEC. 3. Chapter 8.6 (commencing with Section 42488) is added
- 25 to Part 3 of Division 30 of the Public Resources Code, to read:

Chapter 8.6. The Right to Repair Act

42488. This act shall be known, and may be cited, as the Right to Repair Act.

42488.1. It is the intent of the Legislature to provide a fair marketplace for the repair of electronic equipment and to prohibit intentional barriers and limitations to third-party repair.

42488.2. For purposes of this chapter, the following definitions apply:

(a) "Authorized repair provider" means either of the following:

(1) A person or business that has an arrangement for a definite or indefinite period with an OEM in which the OEM grants to the person or business a license to use a trade name, service mark, or related characteristic for purposes of offering repair services under the name of the OEM.

(2) A person or business retained by the OEM to provide refurbishing services for the OEM's product or products.

(b) "Documentation" means a manual, schematic diagram, reporting output, or service code description provided to the authorized repair provider for purposes of effecting repair.

(c) "Embedded software" means any programmable instructions provided on firmware delivered with equipment for the purposes of equipment operation, including all relevant patches and fixes made by the OEM for that purpose, including, but not limited to, a basic internal operating system, internal operating system, machine code, assembly code, root code, or microcode.

(d) "Equipment" means electronic equipment, or a part of electronic equipment, originally manufactured for distribution and sale in the United States.

(e) "Fair and reasonable terms" means an equitable price in light of relevant factors. "Fair and reasonable terms," with regard to diagnostic and repair information, includes, but is not limited to, all of the following:

(1) The net cost to the authorized repair provider for similar information obtained from the OEM, excluding any discounts, rebates, or other incentive programs.

(2) The cost to the OEM for preparing and distributing the information, excluding any research and development costs incurred in designing and implementing, upgrading, or altering

1 the product, but including amortized capital costs for the
2 preparation and distribution of the information.

3 (3) The price charged by other OEMs for similar information.

4 (4) The price charged by other OEMs for similar information
5 prior to the launch of OEM Internet Web sites.

6 (5) The ability of aftermarket technicians or shops to afford the
7 information.

8 (6) The means by which the information is distributed.

9 (7) The extent to which the information is used, including the
10 number of users, and frequency, duration, and volume of use.

11 (8) Inflation.

12 (f) "Independent repair provider" means a person or business
13 operating in the state that is not affiliated with an OEM or an
14 OEM's authorized repair provider, that is engaged in the diagnosis,
15 service, maintenance, or repair of equipment, except that an OEM
16 shall be considered an "independent repair provider" if the OEM
17 engages in the diagnosis, service, maintenance, or repair of
18 equipment that is not affiliated with that OEM.

19 (g) "Medical device" has the same definition as provided in the
20 federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 321(h)).

21 (h) "Motor vehicle" has the same definition as provided in
22 Section 415 of the Vehicle Code, except that "motor vehicle" does
23 not include a motorcycle or a recreational vehicle or manufactured
24 home equipped for habitation.

25 (i) "Motor vehicle dealer" has the same definition as provided
26 in Section 285 of the Vehicle Code.

27 (j) "Motor vehicle manufacturer" has the same definition as
28 provided in Section 672 of the Vehicle Code.

29 (k) "Original equipment manufacturer" or "OEM" means a
30 person or business that, in the ordinary course of business, is
31 engaged in the business of selling or leasing new equipment or
32 parts of equipment to any person or business, and is engaged in
33 the diagnosis, service, maintenance, or repair of equipment or parts
34 of that equipment. "Original equipment manufacturer" does not
35 include a motor vehicle dealer or the manufacturer of a motor
36 vehicle or a motor vehicle part.

37 (l) "Owner" means a person or business that owns or leases
38 equipment purchased or used in the state.

1 (m) "Part" or "service part" means a replacement part, either
2 new or used, made available by the OEM to the authorized repair
3 provider for purposes of effecting repair.

4 (n) "Remote diagnostics" means a remote data transfer function
5 between equipment and the provider of repair services, including
6 settings controls and location identification.

7 42488.3. (a) The original equipment manufacturer of
8 equipment or parts sold and used in the state shall do both of the
9 following:

10 (1) Make available, in a timely manner, to independent repair
11 providers or owners of equipment manufactured by the OEM the
12 same diagnostic and repair information that the OEM provides to
13 authorized repair providers, including to refurbishment facilities
14 for subcontract repairs. The information shall be provided at no
15 charge or for the same charge that the OEM charges to, and in the
16 same format that the OEM makes the information available to,
17 authorized repair providers and refurbishment facilities for
18 subcontract repair. The information shall include repair technical
19 updates, schematic diagrams, updates, corrections to embedded
20 software, and safety and security patches.

21 (2) (A) Except as provided in subparagraph (B), make available
22 for purchase by the owner, the owner's authorized agent, or an
23 independent repair provider, equipment or service parts, including
24 any updates to the embedded software of the equipment or parts,
25 subject to fair and reasonable terms.

26 (B) Nothing in this chapter requires an OEM to sell equipment
27 or service parts if the parts are no longer available to the OEM or
28 the authorized repair provider of the OEM.

29 (b) An OEM that sells diagnostic, service, or repair
30 documentation to an independent repair provider or to an owner
31 in a format that is standardized with other OEMs, and on terms
32 and conditions more favorable than the manner, terms, and
33 conditions that an authorized repair provider receives for the same
34 diagnostic, service, or repair documentation, shall be prohibited
35 from requiring an authorized repair provider to continue purchasing
36 diagnostic, service, or repair documentation in a proprietary format,
37 unless the proprietary format includes diagnostic, service, or repair
38 documentation or functionality that is not available in the
39 standardized format.

1 (c) (1) An OEM of equipment sold or used in this state shall
2 make available for purchase by owners and independent repair
3 providers, subject to fair and reasonable terms, all diagnostic repair
4 tools incorporating the same diagnostic, repair, and remote
5 communications capabilities that the OEM makes available to its
6 own repair or engineering staff or an authorized repair provider.

7 (2) An OEM that provides diagnostic repair documentation to
8 aftermarket diagnostic tool manufacturers, diagnostics providers,
9 and third-party service information publications and systems shall
10 have fully satisfied its obligations under this chapter and shall not
11 be responsible for the content and functionality of those aftermarket
12 diagnostic tools, diagnostics, or service information publications
13 or systems.

14 (d) OEM equipment or parts sold or used in this state for the
15 purpose of providing security-related functions shall include
16 diagnostic, service, and repair information necessary to reset a
17 security-related electronic function from information provided to
18 owners and independent repair facilities. If not required to be
19 included under this subdivision, the information necessary to reset
20 an immobilizer system or security-related electronic module shall
21 be obtained by owners and independent repair facilities through
22 the appropriate secure data release systems.

23 42488.4. (a) Notwithstanding any other law, nothing in this
24 chapter shall be construed to affect the terms of any agreement
25 executed and in force between an authorized repair provider and
26 an original equipment manufacturer, including, but not limited to,
27 the performance or provision of warranty or recall repair work by
28 an authorized repair provider on behalf of an OEM pursuant to an
29 authorized repair agreement, except that a provision in an
30 agreement that purports to waive, avoid, restrict, or limit an OEM's
31 compliance with this chapter shall be void and unenforceable.

32 (b) Nothing in this chapter shall be construed to require an OEM
33 or authorized repair provider to provide an owner or independent
34 repair provider access to information that is not diagnostic and
35 repair information that an OEM provides to an authorized repair
36 provider pursuant to the terms of the agreement between the OEM
37 and authorized repair provider.

38 (c) Nothing in this chapter applies to a motor vehicle
39 manufacturer, a product or service of a motor vehicle manufacturer,
40 or a motor vehicle dealer.

(d) (1) Nothing in this chapter ~~requires a manufacturer of~~
~~applies to a medical device to implement a provision of this chapter~~
~~that is prohibited pursuant to the federal Food, Drug, and Cosmetic~~
~~Act (21 U.S.C. Sec. 301 et seq.) or any other federal law to the~~
~~extent that law preempts this chapter.~~ *device, a digital electronic*
product or embedded software manufactured exclusively for use
in a health care setting, or a product or service offered in
connection with the use of a digital electronic product
manufactured exclusively for use in a health care setting.
(2) *For purposes of this subdivision, "health care setting"*
includes, but is not limited to, acute care hospitals, long-term care
facilities, such as nursing homes or skilled nursing facilities,
physicians' offices, urgent care centers, outpatient clinics, home
settings where health care is provided at home by professional
health care providers, emergency medical services, and specific
sites within nonhealth care settings where health care is routinely
delivered, such as a medical clinic embedded within a workplace
or school.

42488.5. (a) A city, county, city and county, or the state may
impose civil liability on a person or entity that knowingly violated
this chapter, or reasonably should have known that it violated this
chapter, in the amount of one thousand dollars (\$1,000) per day
for the first violation, two thousand dollars (\$2,000) per day for
the second violation, and five thousand dollars (\$5,000) per day
for the third and subsequent violations.

(b) A civil penalty collected pursuant to subdivision (a) shall
be paid to the city attorney, city prosecutor, or district attorney, or
Attorney General that brought the action, or to the state if the
Attorney General brought the action. The penalties collected
pursuant to this section by the Attorney General may be expended
by the Attorney General, upon appropriation by the Legislature,
to enforce this chapter.

42488.6. This chapter shall apply for equipment or parts that
are no longer manufactured for five years after the date the OEM
ceased to manufacture the equipment or parts. An OEM may
continue to comply with this chapter beyond five years for
equipment or parts the OEM no longer manufactures, at the
discretion of the OEM.

Assembly Bill No. 2138

CHAPTER 995

An act to amend, repeal, and add Sections 7.5, 480, 481, 482, 488, 493, and 11345.2 of, and to add Section 480.2 to, the Business and Professions Code, relating to professions and vocations.

[Approved by Governor September 30, 2018. Filed with
Secretary of State September 30, 2018.]

legislative counsel's digest

AB 2138, Chiu. Licensing boards: denial of application: revocation or suspension of licensure: criminal conviction.

Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law authorizes a board to deny, suspend, or revoke a license or take disciplinary action against a licensee on the grounds that the applicant or licensee has, among other things, been convicted of a crime, as specified. Existing law provides that a person shall not be denied a license solely on the basis that the person has been convicted of a felony if he or she has obtained a certificate of rehabilitation or that the person has been convicted of a misdemeanor if he or she has met applicable requirements of rehabilitation developed by the board, as specified. Existing law also prohibits a person from being denied a license solely on the basis of a conviction that has been dismissed, as specified. Existing law requires a board to develop criteria to aid it when considering the denial, suspension, or revocation of a license to determine whether a crime is substantially related to the qualifications, functions, or duties of the business or profession the board regulates and requires a board to develop criteria to evaluate the rehabilitation of a person when considering the denial, suspension, or revocation of a license.

This bill would revise and recast those provisions to instead authorize a board to, among other things, deny, revoke, or suspend a license on the grounds that the applicant or licensee has been subject to formal discipline, as specified, or convicted of a crime only if the applicant or licensee has been convicted of a crime within the preceding 7 years from the date of application that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, regardless of whether the applicant was incarcerated for that crime, or if the applicant has been convicted of a crime that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made and for which the applicant is presently incarcerated or for which the applicant was released from incarceration within the preceding 7 years, except as specified. The bill would prohibit a board from

denying a person a license based on the conviction of a crime, or on the basis of acts underlying a conviction, as defined, for a crime, if the conviction has been dismissed or expunged, if the person has provided evidence of rehabilitation, if the person has been granted clemency or a pardon, or if an arrest resulted in a disposition other than a conviction.

The bill would require the board to develop criteria for determining whether a crime is substantially related to the qualifications, functions, or duties of the business or profession. The bill would require a board to consider whether a person has made a showing of rehabilitation if certain conditions are met. The bill would require a board to follow certain procedures when requesting or acting on an applicant's or licensee's criminal history information. The bill would also require a board to annually submit a report to the Legislature and post the report on its Internet Web site containing specified deidentified information regarding actions taken by a board based on an applicant or licensee's criminal history information.

Existing law authorizes a board to deny a license on the grounds that an applicant knowingly made a false statement of fact that is required to be revealed in the application for licensure.

This bill would prohibit a board from denying a license based solely on an applicant's failure to disclose a fact that would not have been cause for denial of the license had the fact been disclosed.

Existing law authorizes a board, after a specified hearing requested by an applicant for licensure to take various actions in relation to denying or granting the applicant the license.

This bill would revise and recast those provisions to eliminate some of the more specific options that the board may take in these circumstances.

This bill would clarify that the existing above-described provisions continue to apply to the State Athletic Commission, the Bureau for Private Postsecondary Education, and the California Horse Racing Board.

This bill would also make necessary conforming changes.

This bill would make these provisions operative on July 1, 2020.

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

SECTION 1. Section 7.5 of the Business and Professions Code is amended to read:

7.5. (a) A conviction within the meaning of this code means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action which a board is permitted to take following the establishment of a conviction may be taken 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. However, a board may not deny a license to an applicant who is otherwise qualified pursuant to subdivision (b) of Section 480.

Nothing in this section shall apply to the licensure of persons pursuant to Chapter 4 (commencing with Section 6000) of Division 3.

(b) This section shall become inoperative on July 1, 2020, and, as of January 1, 2021, is repealed.

SEC. 2. Section 7.5 is added to the Business and Professions Code, to read:

7.5. (a) A conviction within the meaning of this code means a judgment following a plea or verdict of guilty or a plea of nolo contendere or finding of guilt. Any action which a board is permitted to take following the establishment of a conviction may be taken 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. However, a board may not deny a license to an applicant who is otherwise qualified pursuant to subdivision (b) or (c) of Section 480.

(b) (1) Nothing in this section shall apply to the licensure of persons pursuant to Chapter 4 (commencing with Section 6000) of Division 3.

(2) This section does not in any way modify or otherwise affect the existing authority of the following entities in regard to licensure:

(A) The State Athletic Commission.

(B) The Bureau for Private Postsecondary Education.

(C) The California Horse Racing Board.

(c) Except as provided in subdivision (b), this section controls over and supersedes the definition of conviction contained within individual practice acts under this code.

(d) This section shall become operative on July 1, 2020.

SEC. 3. Section 480 of the Business and Professions Code is amended to read:

480. (a) A board may deny a license regulated by this code on the grounds that the applicant has one of the following:

(1) Been convicted of a crime. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that a board is permitted to take following the establishment of a conviction may be taken 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, 1203.4a, or 1203.41 of the Penal Code.

(2) Done any act involving dishonesty, fraud, or deceit with the intent to substantially benefit himself or herself or another, or substantially injure another.

(3) (A) Done any act that if done by a licentiate of the business or profession in question, would be grounds for suspension or revocation of license.

(B) The board may deny a license pursuant to this subdivision only if the crime or act is substantially related to the qualifications, functions, or duties of the business or profession for which application is made.

(b) Notwithstanding any other provision of this code, a person shall not be denied a license solely on the basis that he or she has been convicted of a felony if he or she has obtained a certificate of rehabilitation under Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the Penal Code or that he or she has been convicted of a misdemeanor if he or she has met all applicable requirements of the criteria of rehabilitation developed by the board to evaluate the rehabilitation of a person when considering the denial of a license under subdivision (a) of Section 482.

(c) Notwithstanding any other provisions of this code, a person shall not be denied a license solely on the basis of a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the Penal Code. An applicant who has a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the Penal Code shall provide proof of the dismissal.

(d) A board may deny a license regulated by this code on the ground that the applicant knowingly made a false statement of fact that is required to be revealed in the application for the license.

(e) This section shall become inoperative on July 1, 2020, and, as of January 1, 2021, is repealed.

SEC. 4. Section 480 is added to the Business and Professions Code, to read:

480. (a) Notwithstanding any other provision of this code, a board may deny a license regulated by this code on the grounds that the applicant has been convicted of a crime or has been subject to formal discipline only if either of the following conditions are met:

(1) The applicant has been convicted of a crime within the preceding seven years from the date of application that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, regardless of whether the applicant was incarcerated for that crime, or the applicant has been convicted of a crime that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made and for which the applicant is presently incarcerated or for which the applicant was released from incarceration within the preceding seven years from the date of application. However, the preceding seven-year limitation shall not apply in either of the following situations:

(A) The applicant was convicted of a serious felony, as defined in Section 1192.7 of the Penal Code or a crime for which registration is required pursuant to paragraph (2) or (3) of subdivision (d) of Section 290 of the Penal Code.

(B) The applicant was convicted of a financial crime currently classified as a felony that is directly and adversely related to the fiduciary qualifications, functions, or duties of the business or profession for which the application is made, pursuant to regulations adopted by the board, and for which the applicant is seeking licensure under any of the following:

(i) Chapter 1 (commencing with Section 5000) of Division 3.

(ii) Chapter 6 (commencing with Section 6500) of Division 3.

(iii) Chapter 9 (commencing with Section 7000) of Division 3. (iv) Chapter 11.3 (commencing with Section 7512) of Division 3.

(v) Licensure as a funeral director or cemetery manager under Chapter 12 (commencing with Section 7600) of Division 3.

(vi) Division 4 (commencing with Section 10000).

(2) The applicant has been subjected to formal discipline by a licensing board in or outside California within the preceding seven years from the date of application based on professional misconduct that would have been cause for discipline before the board for which the present application is made and that is substantially related to the qualifications, functions, or duties of the business or profession for which the present application is made. However, prior disciplinary action by a licensing board within the preceding seven years shall not be the basis for denial of a license if the basis for that disciplinary action was a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, 1203.41, or 1203.42 of the Penal Code or a comparable dismissal or expungement.

(b) Notwithstanding any other provision of this code, a person shall not be denied a license on the basis that he or she has been convicted of a crime, or on the basis of acts underlying a conviction for a crime, if he or she has obtained a certificate of rehabilitation under Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the Penal Code, has been granted clemency or a pardon by a state or federal executive, or has made a showing of rehabilitation pursuant to Section 482.

(c) Notwithstanding any other provision of this code, a person shall not be denied a license on the basis of any conviction, or on the basis of the acts underlying the conviction, that has been dismissed pursuant to Section 1203.4, 1203.4a, 1203.41, or 1203.42 of the Penal Code, or a comparable dismissal or expungement. An applicant who has a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, 1203.41, or 1203.42 of the Penal Code shall provide proof of the dismissal if it is not reflected on the report furnished by the Department of Justice.

(d) Notwithstanding any other provision of this code, a board shall not deny a license on the basis of an arrest that resulted in a disposition other than a conviction, including an arrest that resulted in an infraction, citation, or a juvenile adjudication.

(e) A board may deny a license regulated by this code on the ground that the applicant knowingly made a false statement of fact that is required to be revealed in the application for the license. A board shall not deny a license based solely on an applicant's failure to disclose a fact that would not have been cause for denial of the license had it been disclosed.

(f) A board shall follow the following procedures in requesting or acting on an applicant's criminal history information:

(1) A board issuing a license pursuant to Chapter 3 (commencing with Section 5500), Chapter 3.5 (commencing with Section 5615), Chapter 10 (commencing with Section 7301), Chapter 20 (commencing with Section 9800), or Chapter 20.3 (commencing with Section 9880), of Division 3, or Chapter 3 (commencing with Section 19000) or Chapter 3.1 (commencing

with Section 19225) of Division 8 may require applicants for licensure under those chapters to disclose criminal conviction history on an application for licensure.

(2) Except as provided in paragraph (1), a board shall not require an applicant for licensure to disclose any information or documentation regarding the applicant's criminal history. However, a board may request mitigating information from an applicant regarding the applicant's criminal history for purposes of determining substantial relation or demonstrating evidence of rehabilitation, provided that the applicant is informed that disclosure is voluntary and that the applicant's decision not to disclose any information shall not be a factor in a board's decision to grant or deny an application for licensure.

(3) If a board decides to deny an application for licensure based solely or in part on the applicant's conviction history, the board shall notify the applicant in writing of all of the following:

(A) The denial or disqualification of licensure.

(B) Any existing procedure the board has for the applicant to challenge the decision or to request reconsideration.

(C) That the applicant has the right to appeal the board's decision.

(D) The processes for the applicant to request a copy of his or her complete conviction history and question the accuracy or completeness of the record pursuant to Sections 11122 to 11127 of the Penal Code.

(g) (1) For a minimum of three years, each board under this code shall retain application forms and other documents submitted by an applicant, any notice provided to an applicant, all other communications received from and provided to an applicant, and criminal history reports of an applicant.

(2) Each board under this code shall retain the number of applications received for each license and the number of applications requiring inquiries regarding criminal history. In addition, each licensing authority shall retain all of the following information:

(A) The number of applicants with a criminal record who received notice of denial or disqualification of licensure.

(B) The number of applicants with a criminal record who provided evidence of mitigation or rehabilitation.

(C) The number of applicants with a criminal record who appealed any denial or disqualification of licensure.

(D) The final disposition and demographic information, consisting of voluntarily provided information on race or gender, of any applicant described in subparagraph (A), (B), or (C).

(3) (A) Each board under this code shall annually make available to the public through the board's Internet Web site and through a report submitted to the appropriate policy committees of the Legislature deidentified information collected pursuant to this subdivision. Each board shall ensure confidentiality of the individual applicants.

(B) A report pursuant to subparagraph (A) shall be submitted in compliance with Section 9795 of the Government Code.

(h) "Conviction" as used in this section shall have the same meaning as defined in Section 7.5.

(i) This section does not in any way modify or otherwise affect the existing authority of the following entities in regard to licensure:

- (1) The State Athletic Commission.
- (2) The Bureau for Private Postsecondary Education.
- (3) The California Horse Racing Board.

(j) This section shall become operative on July 1, 2020.

SEC. 5. Section 480.2 is added to the Business and Professions Code, to read:

480.2. (a) The Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board may deny a license regulated by it on the grounds that the applicant has one of the following:

(1) Been convicted of a crime.

(2) Done any act involving dishonesty, fraud, or deceit with the intent to substantially benefit himself or herself or another, or substantially injure another.

(3) (A) Done any act that if done by a licentiate of the business or profession in question, would be grounds for suspension or revocation of license.

(B) The Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board may deny a license pursuant to this subdivision only if the crime or act is substantially related to the qualifications, functions, or duties of the business or profession for which application is made.

(b) Notwithstanding any other provision of this code, a person shall not be denied a license solely on the basis that he or she has been convicted of a felony if he or she has obtained a certificate of rehabilitation under Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the Penal Code or that he or she has been convicted of a misdemeanor if he or she has met all applicable requirements of the criteria of rehabilitation developed by the Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board to evaluate the rehabilitation of a person when considering the denial of a license under paragraph (1) of subdivision (f).

(c) Notwithstanding any other provisions of this code, a person shall not be denied a license by the Bureau for Private Postsecondary Education, the State Athletic Commission, or the California Horse Racing Board solely on the basis of a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the Penal Code. An applicant who has a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the Penal Code shall provide proof of the dismissal.

(d) The Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board may deny a license regulated by it on the ground that the applicant knowingly made a false

statement of fact that is required to be revealed in the application for the license.

(e) The Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board shall develop criteria to aid it, when considering the denial, suspension or revocation of a license, to determine whether a crime or act is substantially related to the qualifications, functions, or duties of the business or profession it regulates.

(f) (1) The Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board shall develop criteria to evaluate the rehabilitation of a person either when:

(A) Considering the denial of a license under this section.

(B) Considering suspension or revocation of a license under Section 490.

(2) The Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board shall take into account all competent evidence of rehabilitation furnished by the applicant or licensee.

(g) Except as otherwise provided by law, following a hearing requested by an applicant pursuant to subdivision (b) of Section 485, the Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board may take any of the following actions:

(1) Grant the license effective upon completion of all licensing requirements by the applicant.

(2) Grant the license effective upon completion of all licensing requirements by the applicant, immediately revoke the license, stay the revocation, and impose probationary conditions on the license, which may include suspension.

(3) Deny the license.

(4) Take other action in relation to denying or granting the license as the Bureau for Private Postsecondary Education, the State Athletic Commission, or the California Horse Racing Board, in its discretion, may deem proper.

(h) Notwithstanding any other law, in a proceeding conducted by the Bureau for Private Postsecondary Education, the State Athletic Commission, or the California Horse Racing Board to deny an application for a license or to suspend or revoke a license or otherwise take disciplinary action against a person who holds a license, upon the ground that the applicant or the licensee has been convicted of a crime substantially related to the qualifications, functions, and duties of the licensee in question, the record of conviction of the crime shall be conclusive evidence of the fact that the conviction occurred, but only of that fact, and the Bureau for Private Postsecondary Education, the State Athletic Commission, and the California Horse Racing Board may inquire into the circumstances surrounding the commission of the crime in order to fix the degree of discipline or to determine if the conviction is substantially related to the qualifications, functions, and duties of the licensee in question.

(i) Notwithstanding Section 7.5, a conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that the Bureau for Private Postsecondary

Education, the State Athletic Commission, or the California Horse Racing Board is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, 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, 1203.4a, or 1203.41 of the Penal Code.

(j) This section shall become operative on July 1, 2020.

SEC. 6. Section 481 of the Business and Professions Code is amended to read:

481. (a) Each board under the provisions of this code shall develop criteria to aid it, when considering the denial, suspension or revocation of a license, to determine whether a crime or act is substantially related to the qualifications, functions, or duties of the business or profession it regulates.

(b) This section shall become inoperative on July 1, 2020, and, as of January 1, 2021, is repealed.

SEC. 7. Section 481 is added to the Business and Professions Code, to read:

481. (a) Each board under this code shall develop criteria to aid it, when considering the denial, suspension, or revocation of a license, to determine whether a crime is substantially related to the qualifications, functions, or duties of the business or profession it regulates.

(b) Criteria for determining whether a crime is substantially related to the qualifications, functions, or duties of the business or profession a board regulates shall include all of the following:

(1) The nature and gravity of the offense.

(2) The number of years elapsed since the date of the offense.

(3) The nature and duties of the profession in which the applicant seeks licensure or in which the licensee is licensed.

(c) A board shall not deny a license based in whole or in part on a conviction without considering evidence of rehabilitation submitted by an applicant pursuant to any process established in the practice act or regulations of the particular board and as directed by Section 482.

(d) Each board shall post on its Internet Web site a summary of the criteria used to consider whether a crime is considered to be substantially related to the qualifications, functions, or duties of the business or profession it regulates consistent with this section.

(e) This section does not in any way modify or otherwise affect the existing authority of the following entities in regard to licensure:

(1) The State Athletic Commission.

(2) The Bureau for Private Postsecondary Education.

(3) The California Horse Racing Board.

(f) This section shall become operative on July 1, 2020.

SEC. 8. Section 482 of the Business and Professions Code is amended to read:

482. (a) Each board under the provisions of this code shall develop criteria to evaluate the rehabilitation of a person when:

(1) Considering the denial of a license by the board under Section 480;
or

(2) Considering suspension or revocation of a license under Section 490.

(b) Each board shall take into account all competent evidence of rehabilitation furnished by the applicant or licensee.

(c) This section shall become inoperative on July 1, 2020, and, as of January 1, 2021, is repealed.

SEC. 9. Section 482 is added to the Business and Professions Code, to read:

482. (a) Each board under this code shall develop criteria to evaluate the rehabilitation of a person when doing either of the following:

(1) Considering the denial of a license by the board under Section 480.

(2) Considering suspension or revocation of a license under Section 490.

(b) Each board shall consider whether an applicant or licensee has made a showing of rehabilitation if either of the following are met:

(1) The applicant or licensee has completed the criminal sentence at issue without a violation of parole or probation.

(2) The board, applying its criteria for rehabilitation, finds that the applicant is rehabilitated.

(c) This section does not in any way modify or otherwise affect the existing authority of the following entities in regard to licensure:

(1) The State Athletic Commission.

(2) The Bureau for Private Postsecondary Education.

(3) The California Horse Racing Board.

(d) This section shall become operative on July 1, 2020.

SEC. 10. Section 488 of the Business and Professions Code is amended to read:

488. (a) Except as otherwise provided by law, following a hearing requested by an applicant pursuant to subdivision (b) of Section 485, the board may take any of the following actions:

(1) Grant the license effective upon completion of all licensing requirements by the applicant.

(2) Grant the license effective upon completion of all licensing requirements by the applicant, immediately revoke the license, stay the revocation, and impose probationary conditions on the license, which may include suspension.

(3) Deny the license.

(4) Take other action in relation to denying or granting the license as the board in its discretion may deem proper.

(b) This section shall become inoperative on July 1, 2020, and, as of January 1, 2021, is repealed.

SEC. 11. Section 488 is added to the Business and Professions Code, to read:

488. (a) Except as otherwise provided by law, following a hearing requested by an applicant pursuant to subdivision (b) of Section 485, the board may take any of the following actions:

(1) Grant the license effective upon completion of all licensing requirements by the applicant.

(2) Grant the license effective upon completion of all licensing requirements by the applicant, immediately revoke the license, stay the revocation, and impose probationary conditions on the license, which may include suspension.

(3) Deny the license.

(4) Take other action in relation to denying or granting the license as the board in its discretion may deem proper.

(b) This section does not in any way modify or otherwise affect the existing authority of the following entities in regard to licensure:

(1) The State Athletic Commission.

(2) The Bureau for Private Postsecondary Education.

(3) The California Horse Racing Board.

(c) This section shall become operative on July 1, 2020.

SEC. 12. Section 493 of the Business and Professions Code is amended to read:

493. (a) Notwithstanding any other provision of law, in a proceeding conducted by a board within the department pursuant to law to deny an application for a license or to suspend or revoke a license or otherwise take disciplinary action against a person who holds a license, upon the ground that the applicant or the licensee has been convicted of a crime substantially related to the qualifications, functions, and duties of the licensee in question, the record of conviction of the crime shall be conclusive evidence of the fact that the conviction occurred, but only of that fact, and the board may inquire into the circumstances surrounding the commission of the crime in order to fix the degree of discipline or to determine if the conviction is substantially related to the qualifications, functions, and duties of the licensee in question.

(b) As used in this section, "license" includes "certificate," "permit," "authority," and "registration."

(c) This section shall become inoperative on July 1, 2020, and, as of January 1, 2021, is repealed.

SEC. 13. Section 493 is added to the Business and Professions Code, to read:

493. (a) Notwithstanding any other law, in a proceeding conducted by a board within the department pursuant to law to deny an application for a license or to suspend or revoke a license or otherwise take disciplinary action against a person who holds a license, upon the ground that the applicant or the licensee has been convicted of a crime substantially related to the qualifications, functions, and duties of the licensee in question, the record of conviction of the crime shall be conclusive evidence of the fact that the conviction occurred, but only of that fact.

(b) (1) Criteria for determining whether a crime is substantially related to the qualifications, functions, or duties of the business or profession the board regulates shall include all of the following:

(A) The nature and gravity of the offense.

(B) The number of years elapsed since the date of the offense. (C) The nature and duties of the profession.

(2) A board shall not categorically bar an applicant based solely on the type of conviction without considering evidence of rehabilitation.

(c) As used in this section, “license” includes “certificate,” “permit,” “authority,” and “registration.”

(d) This section does not in any way modify or otherwise affect the existing authority of the following entities in regard to licensure:

(1) The State Athletic Commission.

(2) The Bureau for Private Postsecondary Education.

(3) The California Horse Racing Board.

(e) This section shall become operative on July 1, 2020.

SEC. 14. Section 11345.2 of the Business and Professions Code is amended to read:

11345.2. (a) An individual shall not act as a controlling person for a registrant if any of the following apply:

(1) The individual has entered a plea of guilty or no contest to, or been convicted of, a felony. Notwithstanding subdivision (c) of Section 480, if the individual’s felony conviction has been dismissed pursuant to Section 1203.4, 1203.4a, or 1203.41 of the Penal Code, the bureau may allow the individual to act as a controlling person.

(2) The individual has had a license or certificate to act as an appraiser or to engage in activities related to the transfer of real property refused, denied, canceled, or revoked in this state or any other state.

(b) Any individual who acts as a controlling person of an appraisal management company and who enters a plea of guilty or no contest to, or is convicted of, a felony, or who has a license or certificate as an appraiser refused, denied, canceled, or revoked in any other state shall report that fact or cause that fact to be reported to the office, in writing, within 10 days of the date he or she has knowledge of that fact.

(c) This section shall become inoperative on July 1, 2020, and, as of January 1, 2021, is repealed.

SEC. 15. Section 11345.2 is added to the Business and Professions Code, to read:

11345.2. (a) An individual shall not act as a controlling person for a registrant if any of the following apply:

(1) The individual has entered a plea of guilty or no contest to, or been convicted of, a felony. If the individual’s felony conviction has been dismissed pursuant to Section 1203.4, 1203.4a, 1203.41, or 1203.42 of the Penal Code, the bureau may allow the individual to act as a controlling person.

(2) The individual has had a license or certificate to act as an appraiser or to engage in activities related to the transfer of real property refused, denied, canceled, or revoked in this state or any other state.

(b) Any individual who acts as a controlling person of an appraisal management company and who enters a plea of guilty or no contest to, or is convicted of, a felony, or who has a license or certificate as an appraiser

refused, denied, canceled, or revoked in any other state shall report that fact or cause that fact to be reported to the office, in writing, within 10 days of the date he or she has knowledge of that fact.

(c) This section shall become operative on July 1, 2020.

Assembly Bill No. 2198

CHAPTER 186

An act to amend Section 11862 of the Government Code, relating to state government.

[Approved by Governor August 24, 2018. Filed with Secretary of State August 24, 2018.]

legislative counsel's digest

AB 2198, Obernolte. State government: FISCAL: transparency.

The Financial Information System for California (FISCAL) Act establishes the FISCAL system, a single integrated financial management system for the state. Existing law requires that the system include a state transparency component that allows the public to have access to expenditure data using an Internet Web site. Existing law limits that public access to information regarding General Fund and federal fund expenditure data.

This bill would expand the expenditure data to which the public is required to have access using an Internet Web site to include special fund expenditure data.

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

SECTION 1. Section 11862 of the Government Code is amended to read:

11862. (a) In addition to the requirements set forth in the approved FISCAL project documents, the system shall include a state transparency component that allows the public to have access to information regarding General Fund, special fund, and federal fund expenditure data, using an Internet Web site.

(b) This section shall not require the disclosure of information deemed confidential or otherwise exempt from disclosure under state or federal law.

Assembly Bill No. 2958

CHAPTER 881

An act to add Section 11123.5 to the Government Code, relating to state government.

[Approved by Governor September 28, 2018. Filed with
Secretary of State September 28, 2018.]

legislative counsel's digest

AB 2958, Quirk. State bodies: meetings: teleconference.

Existing law, the Bagley-Keene Open Meeting Act, requires, with specified exceptions, that all meetings of a state body, as defined, be open and public, and all persons be permitted to attend any meeting of a state body, except as provided. Existing law does not prohibit a state body from holding an open or closed meeting by teleconference for the benefit of the public and state body. Existing law, among other things, requires a state body that elects to conduct a meeting or proceeding by teleconference to post agendas at all teleconference locations, to identify each teleconference location in the notice and agenda, and to make each teleconference location accessible to the public. Existing law requires the agenda to provide an opportunity for members of the public to address the state body directly at each teleconference location, as specified.

This bill, for a state body that is an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body, would authorize an additional way of holding a meeting by teleconference, as prescribed, provided it also complies with all other applicable requirements of the Bagley-Keene Open Meeting Act. In this context, the bill would require a member of a state body participating by teleconference to be listed in the meeting minutes and that notice, as specified, identifying that member to be provided to the public at least 24 hours before the meeting. The bill would require a state body to designate a primary physical meeting location on that notice where members of the public may attend the meeting and participate, to include that information in the agenda of the meeting, and to post the agenda at the primary physical meeting location. The bill would require a quorum of the body's members to be present at the primary physical meeting location and that decisions during the teleconference meeting be made by rollcall vote. The bill would require the state body, if a member participates remotely, to provide the public a way to hear the meeting or to observe it and to provide public notice, as specified, of how this would be done. Upon discovering that a means of remote access has failed during a meeting, the bill would require the body to end or adjourn the meeting, as specified, and would prescribe certain notice requirements and procedures in this connection.

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

SECTION 1. Section 11123.5 is added to the Government Code, to read:

11123.5. (a) In addition to the authorization to hold a meeting by teleconference pursuant to subdivision (b) of Section 11123, any state body that is an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body may hold an open meeting by teleconference as described in this section, provided the meeting complies with all of the section's requirements and, except as set forth in this section, it also complies with all other applicable requirements of this article.

(b) A member of a state body as described in subdivision (a) who participates in a teleconference meeting from a remote location subject to this section's requirements shall be listed in the minutes of the meeting.

(c) The state body shall provide notice to the public at least 24 hours before the meeting that identifies any member who will participate remotely by posting the notice on its Internet Web site and by emailing notice to any person who has requested notice of meetings of the state body under this article. The location of a member of a state body who will participate remotely is not required to be disclosed in the public notice or email and need not be accessible to the public. The notice of the meeting shall also identify the primary physical meeting location designated pursuant to subdivision (e).

(d) This section does not affect the requirement prescribed by this article that the state body post an agenda of a meeting at least 10 days in advance of the meeting. The agenda shall include information regarding the physical meeting location designated pursuant to subdivision (e), but is not required to disclose information regarding any remote location.

(e) A state body described in subdivision (a) shall designate the primary physical meeting location in the notice of the meeting where members of the public may physically attend the meeting and participate. A quorum of the members of the state body shall be in attendance at the primary physical meeting location, and members of the state body participating remotely shall not count towards establishing a quorum. All decisions taken during a meeting by teleconference shall be by rollcall vote. The state body shall post the agenda at the primary physical meeting location, but need not post the agenda at a remote location.

(f) When a member of a state body described in subdivision (a) participates remotely in a meeting subject to this section's requirements, the state body shall provide a means by which the public may remotely hear audio of the meeting or remotely observe the meeting, including, if available, equal access equivalent to members of the state body participating remotely. The applicable teleconference phone number or Internet Web site, or other information indicating how the public can access the meeting remotely, shall be in the 24-hour notice described in subdivision (a) that is available to the public.

(g) Upon discovering that a means of remote access required by subdivision (f) has failed during a meeting, the state body described in subdivision (a) shall end or adjourn the meeting in accordance with Section 11128.5. In addition to any other requirements that may apply, the state body shall provide notice of the meeting's end or adjournment on its Internet Web site and by email to any person who has requested notice of meetings of the state body under this article. If the meeting will be adjourned and reconvened on the same day, further notice shall be provided by an automated message on a telephone line posted on the state body's agenda, or by a similar means, that will communicate when the state body intends to reconvene the meeting and how a member of the public may hear audio of the meeting or observe the meeting.

(h) For purposes of this section:

(1) "Participate remotely" means participation in a meeting at a location other than the physical location designated in the agenda of the meeting.

(2) "Remote location" means a location other than the primary physical location designated in the agenda of a meeting.

(3) "Teleconference" has the same meaning as in Section 11123.

(i) This section does not limit or affect the ability of a state body to hold a teleconference meeting under another provision of this article.

Assembly Bill No. 2998

CHAPTER 924

An act to add Article 5.5 (commencing with Section 19100) to Chapter 3 of Division 8 of the Business and Professions Code, relating to business.

[Approved by Governor September 29, 2018. Filed with
Secretary of State September 29, 2018.]

legislative counsel's digest

AB 2998, Bloom. Consumer products: flame retardant materials.

Existing law, the Home Furnishings and Thermal Insulation Act, a violation of which is a misdemeanor, provides for the regulation of persons engaged in businesses relating to upholstered furniture, bedding and filling materials, and insulation, and provides for the enforcement and administration of those provisions by a chief under the Director of Consumer Affairs. Existing law authorizes the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation to establish grades, specifications, and tolerances for materials used in upholstered furniture and bedding or filling materials and requires a manufacturer of upholstered furniture to indicate whether a product contains flame retardant chemicals.

This bill, on and after January 1, 2020, would prohibit a person, including a manufacturer, from selling or distributing in commerce in this state new, not previously owned juvenile products, mattresses, or upholstered furniture that contains, or a constituent component of which contains, covered flame retardant chemicals, as defined, at levels above 1,000 parts per million, except as specified, and would prohibit a custom upholsterer from, among other things, repairing upholstered furniture or reupholstered furniture using replacement components that contain covered flame retardant chemicals at levels above 1,000 parts per million, except as specified. The bill would authorize the director to adopt regulations and rules to implement and enforce the bill's provisions. The bill would require the bureau to (1) enforce and ensure compliance with these requirements, (2) provide the Department of Toxic Substances Control with a selection of samples from products regulated by the bill's provisions for testing, and (3) reimburse the department for certain testing costs. The bill would also authorize the bureau to assess fines against manufacturers for a violation of the bill's provisions, as specified. The bill would require the bureau to receive complaints from consumers concerning these regulated products that are sold in this state. The bill would require the International Sleep Products Association to conduct surveys of mattress producers, including those registered with the bureau, and to submit a survey report with prescribed information to the bureau by January 31, 2020, and every 3 years thereafter. The bill would require registered producers of new mattresses to respond to the survey.

The bill would require the association to submit to the bureau a list of any producers who fail to respond to the survey and to post the list of nonresponders on its Internet Web site. The bill would define various other terms for these purposes. The bill would also make various findings and declarations in this regard.

Because a violation of the bill's provisions would be a misdemeanor, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

SECTION 1. The Legislature finds and declares all of the following: (a)

The State of California has found that flame retardant chemicals are not needed to provide fire safety. The Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation (hereafter bureau) is charged with developing state flammability standards for adoption via regulation. From 1975 to 2013, flame retardant chemicals were commonly used in upholstered furniture to meet flammability standard, Technical Bulletin 117 (TB-117). In 2013, California updated its flammability standard with the adoption of Technical Bulletin 117-2013 (TB 117-2 but it is 520 013). Compliance with TB 117-2013 is widely being achieved without the use of flame retardant chemicals. However, some product manufacturers still use flame retardant chemicals in upholstered furniture and juvenile products, even though these chemicals are not necessary for fire safety or compliance with TB 117-2013.

(b) In 2013, the bureau exempted 18 juvenile products from having to meet any flammability standard because the bureau determined that these products "are not prone to cause or sustain a serious fire if ignited." The following types of juvenile products that are exempted from state flammability standards include bassinets, highchair pads, nursing pads, booster seats, infant bouncers, nursing pillows, car seats, infant carriers, playpen side pads, changing pads, infant seats, playards, floor playmats, infant swings, portable hook-on chairs, highchairs, infant walkers, and strollers.

(c) In 2017, the United States Consumer Product Safety Commission issued a guidance document based on the overwhelming scientific evidence presented to the commission to alert the public to serious concerns about the toxicity of organohalogen flame retardants added to children's products, furniture, mattresses, and plastic casings surrounding electronics. The commission requested that manufacturers eliminate the use of these chemicals in their products. It also recommended that retailers obtain assurance from manufacturers that their products do not contain these

chemicals and that consumers, especially those who are pregnant or with young children, avoid products containing these chemicals.

(d) Scientists have found that many of the flame retardant chemicals commonly used in furniture exhibit one or more of the key characteristics of a class of synthetic chemicals commonly referred to as Persistent Organic Pollutants (POPs). These chemicals accumulate in our bodies and in the environment, persist in the environment for long periods of time, are capable of long-range transport, and are toxic to humans and animals. Flame retardant chemicals have been found in remote regions such as the Arctic and in deep sea life. Flame retardant chemicals have been detected in the atmosphere, seawater, freshwater, sediments, and a variety of wildlife.

(e) Firefighters are at particular risk from flame retardant chemicals. Numerous studies document increased cancer rates and deaths amongst firefighters due to occupational exposures. The cancers that are elevated in firefighters include four types (multiple myeloma, non-Hodgkin's lymphoma, prostate, and testicular) that are potentially related to exposure to cancer-causing chemicals called dioxins. Dioxins are formed when products burn in a fire and the presence of flame retardant chemicals can result in more toxic smoke containing dioxins and furans to which firefighters are exposed. Studies have found firefighters' blood levels of certain flame retardants to be three times higher than levels in other Americans, and twice as high as levels among California residents.

(f) Children living in California have some of the highest documented blood concentrations of certain flame retardant chemicals compared to other children in the United States. Scientists recognize the urgency of reducing the exposure of vulnerable populations, particularly young children, to flame retardant chemicals. A consensus statement issued by the Project Targeting Environmental Neuro-Developmental Risks (Project TENDR) found that certain flame retardant chemicals are associated with loss of IQ, attention problems, and other developmental problems in children, and called for action to reduce exposures to toxic chemicals, such as flame retardants, that contribute to the prevalence of neurodevelopmental disabilities in children.

(g) Flame retardant chemicals migrate out of products over their lifetime and end up in household dust. Inhalation and ingestion of indoor dust, often from hand to mouth behaviors, is a common route of human exposure to flame retardant chemicals. Studies have shown that indoor dust contains anywhere from 1.5 to 50 times greater concentration of flame retardant chemicals than the outdoor environment. Given that humans spend 90 percent of their time indoors, human exposure to flame retardant chemicals can be significant. Children have been found to have three to five times higher levels of certain flame retardant chemicals than their mothers.

(h) The federal government has failed to adequately regulate the use of flame retardant chemicals. In 2016, Congress passed the Frank R. Lautenberg Chemical Safety for the 21st Century Act (Public Law 114-182), which adds to the responsibilities of the United States Environmental Protection Agency (EPA) under the federal Toxic Substances Control Act (15 U.S.C.

Sec. 2601 et seq.) to assess and regulate chemicals. The EPA has yet to restrict use of any flame retardant chemicals under this enactment.

(i) In the absence of federal action, California and other states have taken steps to limit or ban the use of certain flame retardant chemicals. In 2017, the State of Maine passed legislation that prohibits the sale of residential upholstered furniture containing flame retardants. In fall of 2017, the City and County of San Francisco passed an ordinance that prohibits the sale of upholstered and reupholstered furniture as well as children's products containing flame retardant chemicals. The State of Rhode Island also passed legislation that will ban the sale of furniture or residential upholstered bedding with any added organohalogen flame retardants.

(j) Studies demonstrate that mattresses also contribute significantly to the flame retardant levels in indoor air and dust. Studies also find that removing flame-retarded products from indoor environments reduces air and dust contamination. Therefore, decreasing the amount of flame-retarded products in buildings would result in decreased human exposures.

(k) While many categories of products and materials that are not covered by this act contain flame retardant chemicals, which pose health risks—as the United States Consumer Product Safety Commission has recognized, for example—this act takes an incremental approach to addressing these health risks and focuses on those categories of products and materials with which the bureau has prior experience in addressing the presence of flame retardant chemicals.

SEC. 2. Article 5.5 (commencing with Section 19100) is added to Chapter 3 of Division 8 of the Business and Professions Code, to read:

Article 5.5. Juvenile Products, Upholstered Furniture, and Mattresses

19100. For the purposes of this article, the following definitions apply:

(a) "Chemical" has the same meaning as in subdivision (a) of Section 19094.

(b) "Consumer price index" has the same meaning as in subdivision (a) of Section 19094.

(c) (1) "Covered flame retardant chemical" means any chemical that meets both of the following criteria:

(A) A functional use for the chemical is to resist or inhibit the spread of fire or as a synergist to chemicals that resist or inhibit the spread of fire, including, but not limited to, any chemical for which the term "flame retardant" appears on the Occupational Safety and Health Administration substance safety data sheet pursuant to subdivision (g) of Section 19100.1200 of Title 29 of the Code of Federal Regulations as it read on January 1, 2019.

(B) The chemical is one of the following:

(i) A halogenated, organophosphorus, organonitrogen, or nanoscale chemical.

(ii) A chemical defined as a "designated chemical" in Section 105440 of the Health and Safety Code.

(iii) A chemical listed on the Washington State Department of Ecology's list of Chemicals of High Concern to Children in Section 173-334-130 of Title 173 of the Washington Administrative Code as of January 1, 2019, and identified as a flame retardant or as a synergist to flame retardants in the rationale for inclusion in the list.

(2) As used in this subdivision:

(A) "Halogenated chemical" means any chemical that contains one or more halogen elements, including fluorine, chlorine, bromine, or iodine.

(B) "Organophosphorus chemical" is any chemical that contains one or more carbon elements and one or more phosphorus elements.

(C) "Organonitrogen chemical" is any chemical that contains one or more carbon elements and one or more nitrogen elements.

(d) "Juvenile product" means a product subject to this chapter and designed for residential use by infants and children under 12 years of age, including, but not limited to, a bassinet, booster seat, changing pad, floor playmat, highchair, highchair pad, infant bouncer, infant carrier, infant seat, infant swing, infant walker, nursing pad, nursing pillow, playpen side pad, playard, portable hook-on chair, stroller, and children's nap mat.

(e) Juvenile products do not include any of the following:

(1) Products that are not primarily intended for use in the home, such as products or components for motor vehicles, watercraft, aircraft, or other vehicles.

(2) Products subject to Part 571 of Title 49 of the Code of Federal Regulations regarding parts and products used in vehicles and aircraft.

(3) Products required to meet state flammability standards in Technical Bulletin 133, entitled "Flammability Test Procedure for Seating Furniture for Use in Public Occupancies."

(4) Consumer electronic products that do not fall under the bureau's jurisdiction for flammability standards.

(f) "Mattress" has the same definition as that term is defined in Section 1632.1 of Title 16 of the Code of Federal Regulations.

(g) "Reupholstered furniture" means furniture whose original fabric, padding, decking, barrier material, foam, or other resilient filling has been replaced by a custom upholsterer, that has not been sold since the time of the replacement, and that is required to meet the flammability standards set forth in Technical Bulletin 117-2013 entitled "Requirements, Test Procedure and Apparatus for Testing the Smolder Resistance of Materials Used in Upholstered Furniture." Reupholstered furniture shall not include products required to meet Technical Bulletin 133.

(h) "Upholstered furniture" has the same meaning as "covered products" does in subdivision (a) of Section 19094.

19101. (a) On or after January 1, 2020, a person, including a manufacturer, shall not sell or distribute in commerce in this state any new, not previously owned juvenile products, mattresses, or upholstered furniture that contains, or a constituent component of which contains, covered flame retardant chemicals at levels above 1,000 parts per million.

(b) On or after January 1, 2020, a custom upholsterer shall not repair, reupholster, recover, restore, or renew upholstered furniture or reupholstered furniture using replacement components that contain covered flame retardant chemicals at levels above 1,000 parts per million.

(c) The prohibitions in subdivisions (a) and (b) do not apply to the following:

(1) Electronic components of juvenile products, mattresses, reupholstered furniture, upholstered furniture, or any associated casing for those electronic components.

(2) Upholstered or reupholstered furniture components other than those identified in paragraph (1) of subdivision (a) of Section 19094.

(3) Thread or fiber when used for stitching mattress components together.

(4) Components of adult mattresses other than foam. As used in this paragraph, "adult mattresses" means mattresses other than toddler mattresses, crib mattresses, and other infant sleep products.

19102. The director may adopt regulations and rules necessary or appropriate for the implementation and enforcement of this article.

19103. (a) The bureau shall enforce and ensure compliance with Section 19101.

(b) (1) The bureau shall provide the Department of Toxic Substances Control with a selection of samples from products regulated under this article to test for compliance with Section 19101. The bureau shall select samples based on consultation with the Department of Toxic Substances Control, taking into account a range of manufacturers and types of products regulated under this article. The bureau shall integrate these testing requirements into the existing testing program described in subdivision (c) of Section 19094.

(2) (A) If the Department of Toxic Substances Control's testing shows that any reupholstered furniture or new, not previously owned juvenile products, mattresses, or upholstered furniture is in violation of Section 19101, the bureau may assess fines for violations against manufacturers of the product for the violation. The bureau shall reimburse the Department of Toxic Substances Control for the cost of testing for the presence of covered flame retardant chemicals pursuant to this article.

(B) If a person continues to sell or distribute products in commerce in this state belonging to the same stock keeping unit (SKU) as products that do not comply with Section 19101, after notice of the violation is posted on the bureau's Internet Web site, the bureau may assess fines against the person for the continued sale or distribution of those products. The bureau shall make information about any citation issued pursuant to this section available to the public on its Internet Web site, and shall develop a process for keeping interested persons informed about updates to notices of violation posted on the bureau's Internet Web site.

(c) A fine for a violation of this section shall be assessed in accordance with the following schedule:

(1) The fine for the first violation shall be not less than one thousand dollars (\$1,000), but not more than two thousand five hundred dollars (\$2,500).

(2) The fine for the second violation shall be not less than two thousand five hundred dollars (\$2,500), but not more than five thousand dollars (\$5,000).

(3) The fine for the third violation shall be not less than five thousand dollars (\$5,000), but not more than seven thousand five hundred dollars (\$7,500).

(4) The fine for any subsequent violation shall be not less than seven thousand five hundred dollars (\$7,500), but not more than ten thousand dollars (\$10,000).

(d) In determining the amount of the fine for a violation of this section, the bureau shall consider the following factors:

(1) The nature and severity of the violation. (2) The good or bad faith of the cited person. (3) The history of previous violations.

(4) Evidence that the violation was willful.

(5) The extent to which the cited person or entity has cooperated with the bureau.

(e) (1) The bureau shall adjust all minimum and maximum fines imposed by this section for inflation every five years.

(2) The adjustment shall be equivalent to the percentage, if any, that the Consumer Price Index at the time of adjustment exceeds the Consumer Price Index at the time this section goes into effect. Any increase determined under this paragraph shall be rounded as follows:

(A) In multiples of ten dollars (\$10) in the case of penalties less than or equal to one hundred dollars (\$100).

(B) In multiples of one hundred dollars (\$100) in the case of penalties greater than one hundred dollars (\$100), but less than or equal to one thousand dollars (\$1,000).

(C) In multiples of one thousand dollars (\$1,000) in the case of penalties greater than one thousand dollars (\$1,000).

(f) The bureau shall receive complaints from consumers concerning products regulated by this article sold in this state.

19104. (a) The International Sleep Products Association shall conduct a survey of mattress producers, including those that are registered with the bureau as of January 1, 2019, and shall submit a survey report to the bureau on or before January 31, 2020. The International Sleep Products Association shall conduct a new survey of mattress producers, including, but not limited to, registered mattress producers, and submit a survey report to the bureau on or before January 31, 2023, and every three years thereafter. A survey report shall include the following information for each unique combination of fibers or yarns, or both, and other materials in components used for meeting flammability standards, including, but not limited to, mattress components such as fire barriers or flame retardant chemical-treated batting or ticking or closing thread, used in the manufacture of new mattresses:

(1) A list of the fibers or any other materials used in each component used for meeting flammability standards other than chemicals identified under paragraph (2). The specific brand name or producer of the fire barrier need not be identified.

(2) The identity of any covered flame retardant chemical, as described in subparagraph (A) of paragraph (1) of subdivision (c) of Section 19100, contained in each mattress component in an amount over 1000 parts per million, including, but not limited to, the Chemical Abstracts Service (CAS) number, if available.

(3) The method for incorporating the chemical in each mattress component used for meeting flammability standards, such as additive, reactive, or other method.

(4) The percentage of new mattress units in the United States that use the mattress component for meeting flammability standards.

(5) The types of mattresses that the mattress component is used with, such as innerspring, polyurethane foam, memory foam, gel foam, latex foam, fiber, air bladders, or the combination of those materials.

(b) All mattress producers of new mattresses that are registered with the bureau, commencing January 1, 2019, and thereafter, shall respond to the survey conducted by the International Sleep Products Association pursuant to subdivision (a). The International Sleep Products Association shall submit to the bureau a list of any producers who fail to respond to the survey. The bureau shall post the list of nonresponders on its Internet Web site.

(c) The bureau shall post the reports on its Internet Web site.

SEC. 3. 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.

Assembly Bill No. 2998

CHAPTER 924

An act to add Article 5.5 (commencing with Section 19100) to Chapter 3 of Division 8 of the Business and Professions Code, relating to business.

[Approved by Governor September 29, 2018. Filed with Secretary of State September 29, 2018.]

legislative counsel's digest

AB 2998, Bloom. Consumer products: flame retardant materials.

Existing law, the Home Furnishings and Thermal Insulation Act, a violation of which is a misdemeanor, provides for the regulation of persons engaged in businesses relating to upholstered furniture, bedding and filling materials, and insulation, and provides for the enforcement and administration of those provisions by a chief under the Director of Consumer Affairs. Existing law authorizes the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation to establish grades, specifications, and tolerances for materials used in upholstered furniture and bedding or filling materials and requires a manufacturer of upholstered furniture to indicate whether a product contains flame retardant chemicals.

This bill, on and after January 1, 2020, would prohibit a person, including a manufacturer, from selling or distributing in commerce in this state new, not previously owned juvenile products, mattresses, or upholstered furniture that contains, or a constituent component of which contains, covered flame retardant chemicals, as defined, at levels above 1,000 parts per million, except as specified, and would prohibit a custom upholsterer from, among other things, repairing upholstered furniture or reupholstered furniture using replacement components that contain covered flame retardant chemicals at levels above 1,000 parts per million, except as specified. The bill would authorize the director to adopt regulations and rules to implement and enforce the bill's provisions. The bill would require the bureau to (1) enforce and ensure compliance with these requirements, (2) provide the Department of Toxic Substances Control with a selection of samples from products regulated by the bill's provisions for testing, and (3) reimburse the department for certain testing costs. The bill would also authorize the bureau to assess fines against manufacturers for a violation of the bill's provisions, as specified. The bill would require the bureau to receive complaints from consumers concerning these regulated products that are sold in this state. The bill would require the International Sleep Products Association to conduct surveys of mattress producers, including those registered with the bureau, and to submit a survey report with prescribed information to the bureau by January 31, 2020, and every 3 years thereafter. The bill would require registered producers of new mattresses to respond to the survey.

The bill would require the association to submit to the bureau a list of any producers who fail to respond to the survey and to post the list of nonresponders on its Internet Web site. The bill would define various other terms for these purposes. The bill would also make various findings and declarations in this regard.

Because a violation of the bill's provisions would be a misdemeanor, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

SECTION 1. The Legislature finds and declares all of the following: (a)

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(b) In 2013, the bureau exempted 18 juvenile products from having to meet any flammability standard because the bureau determined that these products "are not prone to cause or sustain a serious fire if ignited." The following types of juvenile products that are exempted from state flammability standards include bassinets, highchair pads, nursing pads, booster seats, infant bouncers, nursing pillows, car seats, infant carriers, playpen side pads, changing pads, infant seats, playards, floor playmats, infant swings, portable hook-on chairs, highchairs, infant walkers, and strollers.

(c) In 2017, the United States Consumer Product Safety Commission issued a guidance document based on the overwhelming scientific evidence presented to the commission to alert the public to serious concerns about the toxicity of organohalogen flame retardants added to children's products, furniture, mattresses, and plastic casings surrounding electronics. The commission requested that manufacturers eliminate the use of these chemicals in their products. It also recommended that retailers obtain assurance from manufacturers that their products do not contain these

chemicals and that consumers, especially those who are pregnant or with young children, avoid products containing these chemicals.

(d) Scientists have found that many of the flame retardant chemicals commonly used in furniture exhibit one or more of the key characteristics of a class of synthetic chemicals commonly referred to as Persistent Organic Pollutants (POPs). These chemicals accumulate in our bodies and in the environment, persist in the environment for long periods of time, are capable of long-range transport, and are toxic to humans and animals. Flame retardant chemicals have been found in remote regions such as the Arctic and in deep sea life. Flame retardant chemicals have been detected in the atmosphere, seawater, freshwater, sediments, and a variety of wildlife.

(e) Firefighters are at particular risk from flame retardant chemicals. Numerous studies document increased cancer rates and deaths amongst firefighters due to occupational exposures. The cancers that are elevated in firefighters include four types (multiple myeloma, non-Hodgkin's lymphoma, prostate, and testicular) that are potentially related to exposure to cancer-causing chemicals called dioxins. Dioxins are formed when products burn in a fire and the presence of flame retardant chemicals can result in more toxic smoke containing dioxins and furans to which firefighters are exposed. Studies have found firefighters' blood levels of certain flame retardants to be three times higher than levels in other Americans, and twice as high as levels among California residents.

(f) Children living in California have some of the highest documented blood concentrations of certain flame retardant chemicals compared to other children in the United States. Scientists recognize the urgency of reducing the exposure of vulnerable populations, particularly young children, to flame retardant chemicals. A consensus statement issued by the Project Targeting Environmental Neuro-Developmental Risks (Project TENDR) found that certain flame retardant chemicals are associated with loss of IQ, attention problems, and other developmental problems in children, and called for action to reduce exposures to toxic chemicals, such as flame retardants, that contribute to the prevalence of neurodevelopmental disabilities in children.

(g) Flame retardant chemicals migrate out of products over their lifetime and end up in household dust. Inhalation and ingestion of indoor dust, often from hand to mouth behaviors, is a common route of human exposure to flame retardant chemicals. Studies have shown that indoor dust contains anywhere from 1.5 to 50 times greater concentration of flame retardant chemicals than the outdoor environment. Given that humans spend 90 percent of their time indoors, human exposure to flame retardant chemicals can be significant. Children have been found to have three to five times higher levels of certain flame retardant chemicals than their mothers.

(h) The federal government has failed to adequately regulate the use of flame retardant chemicals. In 2016, Congress passed the Frank R. Lautenberg Chemical Safety for the 21st Century Act (Public Law 114-182), which adds to the responsibilities of the United States Environmental Protection Agency (EPA) under the federal Toxic Substances Control Act (15 U.S.C.

Sec. 2601 et seq.) to assess and regulate chemicals. The EPA has yet to restrict use of any flame retardant chemicals under this enactment.

(i) In the absence of federal action, California and other states have taken steps to limit or ban the use of certain flame retardant chemicals. In 2017, the State of Maine passed legislation that prohibits the sale of residential upholstered furniture containing flame retardants. In fall of 2017, the City and County of San Francisco passed an ordinance that prohibits the sale of upholstered and reupholstered furniture as well as children's products containing flame retardant chemicals. The State of Rhode Island also passed legislation that will ban the sale of furniture or residential upholstered bedding with any added organohalogen flame retardants.

(j) Studies demonstrate that mattresses also contribute significantly to the flame retardant levels in indoor air and dust. Studies also find that removing flame-retarded products from indoor environments reduces air and dust contamination. Therefore, decreasing the amount of flame-retarded products in buildings would result in decreased human exposures.

(k) While many categories of products and materials that are not covered by this act contain flame retardant chemicals, which pose health risks—as the United States Consumer Product Safety Commission has recognized, for example—this act takes an incremental approach to addressing these health risks and focuses on those categories of products and materials with which the bureau has prior experience in addressing the presence of flame retardant chemicals.

SEC. 2. Article 5.5 (commencing with Section 19100) is added to Chapter 3 of Division 8 of the Business and Professions Code, to read:

Article 5.5. Juvenile Products, Upholstered Furniture, and Mattresses

19100. For the purposes of this article, the following definitions apply:

(a) "Chemical" has the same meaning as in subdivision (a) of Section 19094.

(b) "Consumer price index" has the same meaning as in subdivision (a) of Section 19094.

(c) (1) "Covered flame retardant chemical" means any chemical that meets both of the following criteria:

(A) A functional use for the chemical is to resist or inhibit the spread of fire or as a synergist to chemicals that resist or inhibit the spread of fire, including, but not limited to, any chemical for which the term "flame retardant" appears on the Occupational Safety and Health Administration substance safety data sheet pursuant to subdivision (g) of Section 19100.1200 of Title 29 of the Code of Federal Regulations as it read on January 1, 2019.

(B) The chemical is one of the following:

(i) A halogenated, organophosphorus, organonitrogen, or nanoscale chemical.

(ii) A chemical defined as a "designated chemical" in Section 105440 of the Health and Safety Code.

(iii) A chemical listed on the Washington State Department of Ecology's list of Chemicals of High Concern to Children in Section 173-334-130 of Title 173 of the Washington Administrative Code as of January 1, 2019, and identified as a flame retardant or as a synergist to flame retardants in the rationale for inclusion in the list.

(2) As used in this subdivision:

(A) "Halogenated chemical" means any chemical that contains one or more halogen elements, including fluorine, chlorine, bromine, or iodine.

(B) "Organophosphorus chemical" is any chemical that contains one or more carbon elements and one or more phosphorus elements.

(C) "Organonitrogen chemical" is any chemical that contains one or more carbon elements and one or more nitrogen elements.

(d) "Juvenile product" means a product subject to this chapter and designed for residential use by infants and children under 12 years of age, including, but not limited to, a bassinet, booster seat, changing pad, floor playmat, highchair, highchair pad, infant bouncer, infant carrier, infant seat, infant swing, infant walker, nursing pad, nursing pillow, playpen side pad, playard, portable hook-on chair, stroller, and children's nap mat.

(e) Juvenile products do not include any of the following:

(1) Products that are not primarily intended for use in the home, such as products or components for motor vehicles, watercraft, aircraft, or other vehicles.

(2) Products subject to Part 571 of Title 49 of the Code of Federal Regulations regarding parts and products used in vehicles and aircraft.

(3) Products required to meet state flammability standards in Technical Bulletin 133, entitled "Flammability Test Procedure for Seating Furniture for Use in Public Occupancies."

(4) Consumer electronic products that do not fall under the bureau's jurisdiction for flammability standards.

(f) "Mattress" has the same definition as that term is defined in Section 1632.1 of Title 16 of the Code of Federal Regulations.

(g) "Reupholstered furniture" means furniture whose original fabric, padding, decking, barrier material, foam, or other resilient filling has been replaced by a custom upholsterer, that has not been sold since the time of the replacement, and that is required to meet the flammability standards set forth in Technical Bulletin 117-2013 entitled "Requirements, Test Procedure and Apparatus for Testing the Smolder Resistance of Materials Used in Upholstered Furniture." Reupholstered furniture shall not include products required to meet Technical Bulletin 133.

(h) "Upholstered furniture" has the same meaning as "covered products" does in subdivision (a) of Section 19094.

19101. (a) On or after January 1, 2020, a person, including a manufacturer, shall not sell or distribute in commerce in this state any new, not previously owned juvenile products, mattresses, or upholstered furniture that contains, or a constituent component of which contains, covered flame retardant chemicals at levels above 1,000 parts per million.

(b) On or after January 1, 2020, a custom upholsterer shall not repair, reupholster, recover, restore, or renew upholstered furniture or reupholstered furniture using replacement components that contain covered flame retardant chemicals at levels above 1,000 parts per million.

(c) The prohibitions in subdivisions (a) and (b) do not apply to the following:

(1) Electronic components of juvenile products, mattresses, reupholstered furniture, upholstered furniture, or any associated casing for those electronic components.

(2) Upholstered or reupholstered furniture components other than those identified in paragraph (1) of subdivision (a) of Section 19094.

(3) Thread or fiber when used for stitching mattress components together.

(4) Components of adult mattresses other than foam. As used in this paragraph, "adult mattresses" means mattresses other than toddler mattresses, crib mattresses, and other infant sleep products.

19102. The director may adopt regulations and rules necessary or appropriate for the implementation and enforcement of this article.

19103. (a) The bureau shall enforce and ensure compliance with Section 19101.

(b) (1) The bureau shall provide the Department of Toxic Substances Control with a selection of samples from products regulated under this article to test for compliance with Section 19101. The bureau shall select samples based on consultation with the Department of Toxic Substances Control, taking into account a range of manufacturers and types of products regulated under this article. The bureau shall integrate these testing requirements into the existing testing program described in subdivision (c) of Section 19094.

(2) (A) If the Department of Toxic Substances Control's testing shows that any reupholstered furniture or new, not previously owned juvenile products, mattresses, or upholstered furniture is in violation of Section 19101, the bureau may assess fines for violations against manufacturers of the product for the violation. The bureau shall reimburse the Department of Toxic Substances Control for the cost of testing for the presence of covered flame retardant chemicals pursuant to this article.

(B) If a person continues to sell or distribute products in commerce in this state belonging to the same stock keeping unit (SKU) as products that do not comply with Section 19101, after notice of the violation is posted on the bureau's Internet Web site, the bureau may assess fines against the person for the continued sale or distribution of those products. The bureau shall make information about any citation issued pursuant to this section available to the public on its Internet Web site, and shall develop a process for keeping interested persons informed about updates to notices of violation posted on the bureau's Internet Web site.

(c) A fine for a violation of this section shall be assessed in accordance with the following schedule:

(1) The fine for the first violation shall be not less than one thousand dollars (\$1,000), but not more than two thousand five hundred dollars (\$2,500).

(2) The fine for the second violation shall be not less than two thousand five hundred dollars (\$2,500), but not more than five thousand dollars (\$5,000).

(3) The fine for the third violation shall be not less than five thousand dollars (\$5,000), but not more than seven thousand five hundred dollars (\$7,500).

(4) The fine for any subsequent violation shall be not less than seven thousand five hundred dollars (\$7,500), but not more than ten thousand dollars (\$10,000).

(d) In determining the amount of the fine for a violation of this section, the bureau shall consider the following factors:

(1) The nature and severity of the violation. (2) The good or bad faith of the cited person. (3) The history of previous violations.

(4) Evidence that the violation was willful.

(5) The extent to which the cited person or entity has cooperated with the bureau.

(e) (1) The bureau shall adjust all minimum and maximum fines imposed by this section for inflation every five years.

(2) The adjustment shall be equivalent to the percentage, if any, that the Consumer Price Index at the time of adjustment exceeds the Consumer Price Index at the time this section goes into effect. Any increase determined under this paragraph shall be rounded as follows:

(A) In multiples of ten dollars (\$10) in the case of penalties less than or equal to one hundred dollars (\$100).

(B) In multiples of one hundred dollars (\$100) in the case of penalties greater than one hundred dollars (\$100), but less than or equal to one thousand dollars (\$1,000).

(C) In multiples of one thousand dollars (\$1,000) in the case of penalties greater than one thousand dollars (\$1,000).

(f) The bureau shall receive complaints from consumers concerning products regulated by this article sold in this state.

19104. (a) The International Sleep Products Association shall conduct a survey of mattress producers, including those that are registered with the bureau as of January 1, 2019, and shall submit a survey report to the bureau on or before January 31, 2020. The International Sleep Products Association shall conduct a new survey of mattress producers, including, but not limited to, registered mattress producers, and submit a survey report to the bureau on or before January 31, 2023, and every three years thereafter. A survey report shall include the following information for each unique combination of fibers or yarns, or both, and other materials in components used for meeting flammability standards, including, but not limited to, mattress components such as fire barriers or flame retardant chemical-treated batting or ticking or closing thread, used in the manufacture of new mattresses:

(1) A list of the fibers or any other materials used in each component used for meeting flammability standards other than chemicals identified under paragraph (2). The specific brand name or producer of the fire barrier need not be identified.

(2) The identity of any covered flame retardant chemical, as described in subparagraph (A) of paragraph (1) of subdivision (c) of Section 19100, contained in each mattress component in an amount over 1000 parts per million, including, but not limited to, the Chemical Abstracts Service (CAS) number, if available.

(3) The method for incorporating the chemical in each mattress component used for meeting flammability standards, such as additive, reactive, or other method.

(4) The percentage of new mattress units in the United States that use the mattress component for meeting flammability standards.

(5) The types of mattresses that the mattress component is used with, such as innerspring, polyurethane foam, memory foam, gel foam, latex foam, fiber, air bladders, or the combination of those materials.

(b) All mattress producers of new mattresses that are registered with the bureau, commencing January 1, 2019, and thereafter, shall respond to the survey conducted by the International Sleep Products Association pursuant to subdivision (a). The International Sleep Products Association shall submit to the bureau a list of any producers who fail to respond to the survey. The bureau shall post the list of nonresponders on its Internet Web site.

(c) The bureau shall post the reports on its Internet Web site.

SEC. 3. 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.

Senate Bill No. 1483

CHAPTER 578

An act to amend Sections 27, 101, 9801, 9810, 9810.1, 9812.5, 9830.5, 9832.5, 9842, 9844, 9847.5, 9849, 9851, 9853, 9855.3, 9855.9, 9860, 9862.5, 9863, 19004, 19004.1, 19030, 19032, 19162, 19163, 19225.5, and 19246 of, and to amend, repeal, and add Section 9855 of, the Business and Professions Code, and to amend Section 13108.1 of the Health and Safety Code, relating to professions and vocations.

[Approved by Governor September 20, 2018. Filed with
Secretary of State September 20, 2018.]

legislative counsel's digest

SB 1483, Hill. Department of Consumer Affairs: Bureau of Household Goods and Services: electronic and appliance repair, home furnishings, and thermal insulation.

(1) Existing law establishes the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation, under the direction of a chief who is responsible to the Director of Consumer Affairs, and specifies that the powers and duties of the bureau shall be subject to review by the appropriate policy committees of the Legislature as if the provisions were scheduled to be repealed on January 1, 2019.

This bill would extend that date to January 1, 2023, and would rename the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation as the Bureau of Household Goods and Services and would make related technical changes.

(2) Existing law authorizes the director, in accordance with the State Civil Service Act, to appoint and fix the compensation of inspectors and other personnel as may be necessary for the administration of the Home Furnishings and Thermal Insulation Act. Existing law also establishes the Division of Investigation within the Department of Consumer Affairs, comprised of investigators who have the authority of peace officers and the division is headed by the Chief of the Division of Investigation.

This bill would specify that the director, in accordance with the State Civil Service Act and the provisions establishing the Division of Investigation, is authorized to appoint and fix the compensation of such clerical, inspection, investigation, and auditing personnel as well as a deputy chief as may be necessary to carry out the Home Furnishings and Thermal Insulation Act, and would require such personnel to perform their respective duties under the supervision and the direction of the chief.

(3) The Home Furnishings and Thermal Insulation Act provides for the licensure and regulation by the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation of persons engaged in various

businesses associated with home furnishings, including custom upholsterers. The act requires a custom upholsterer to give a customer a written estimate of the price of the labor and materials necessary for a specific job. The act also requires all work to be performed by a custom upholsterer to be recorded on a work order containing specified information and requires one copy of the work order to be given to the customer before any work is performed and one copy to be retained by the custom upholsterer for at least one year.

This bill would specify that the provisions pertaining to a written estimate shall not prohibit the use of a written estimate in electronic format. The bill would require a custom upholsterer who provides a copy of a work order to a customer in electronic format to retain an electronic copy of the order for at least one year, as specified.

(4) The Electronic and Appliance Repair Dealer Registration Law provides for the licensure and regulation of service dealers, as defined, by the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation within the Department of Consumer Affairs and makes a violation of its provisions a misdemeanor. That law requires all work done by a service dealer to be recorded on an invoice and requires one copy to be given to the customer and one copy to be retained by the service dealer for at least 3 years. That law also requires a service dealer to provide an initial written estimate for the cost of repair, as specified.

This bill would require a service dealer who provides a copy of the invoice to a customer in electronic format to retain an electronic copy for at least 3 years, as provided. The bill would specify that the provisions pertaining to a written estimate shall not prohibit the use of a written estimate in electronic format.

(5) Until January 1, 2019, the Electronic and Appliance Repair Dealer Registration Law also specifically regulates service contracts and service contractors and defines the term “service contract” to mean a written contract to perform services relating to the maintenance, replacement, or repair of certain consumer goods. That law requires a service contractor to file a copy of the contract form it issues with the director of the department prior to its use.

This bill, on and after January 1, 2020, would define the term “service contract” to apply more generally to all consumer goods, as defined, used for personal, family, or household purposes. The bill would require a service contractor to file a copy of the contract form it uses with the director no later than 30 days before use and to also file all documents incorporated by reference into a service contract per the contract form. The bill would require each service contract form filed with the director to have a unique number and last revised date. The bill would prohibit any changes to the text of a contract form unless the revised language has been submitted to the director for review, except as specified. The bill would also extend the operation of the service contractor provisions to January 1, 2023. Because the bill would expand the scope of a crime, it would impose a state-mandated local program.

(6) This bill would make technical changes to the Business and Professions Code.

(7) This bill would incorporate additional changes to Section 27 of the Business and Professions Code proposed by SB 1491 and AB 3261 to be operative only if this bill and either or both SB 1491 and AB 3261 are enacted and this bill is enacted last.

The bill would incorporate additional changes to Section 101 of the Business and Professions Code proposed by SB 1482 and AB 3110 to be operative only if this bill and either or both SB 1482 and AB 3110 are enacted and this bill is enacted last.

(8) 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.

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

SECTION 1. Section 27 of the Business and Professions Code is amended to read:

27. (a) Each entity specified in subdivisions (c), (d), and (e) shall provide on the Internet information regarding the status of every license issued by that entity in accordance with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The public information to be provided on the Internet shall include information on suspensions and revocations of licenses issued by the entity and other related enforcement action, including accusations filed 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) taken by the entity relative to persons, businesses, or facilities subject to licensure or regulation by the entity. The information may not include personal information, including home telephone number, date of birth, or social security number. Each entity shall disclose a licensee's address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of his or her home address, as the address of record. This section shall not preclude an entity from also requiring a licensee, who has provided a post office box number or other alternative mailing address as his or her address of record, to provide a physical business address or residence address only for the entity's internal administrative use and not for disclosure as the licensee's address of record or disclosure on the Internet.

(b) In providing information on the Internet, each entity specified in subdivisions (c) and (d) shall comply with the Department of Consumer Affairs' guidelines for access to public records.

(c) Each of the following entities within the Department of Consumer Affairs shall comply with the requirements of this section:

(1) The Board for Professional Engineers, Land Surveyors, and Geologists shall disclose information on its registrants and licensees.

(2) The Bureau of Automotive Repair shall disclose information on its licensees, including auto repair dealers, smog stations, lamp and brake stations, smog check technicians, and smog inspection certification stations.

(3) The Bureau of Household Goods and Services shall disclose information on its licensees and registrants, including major appliance repair dealers, combination dealers (electronic and appliance), electronic repair dealers, service contract sellers, and service contract administrators.

(4) The Cemetery and Funeral Bureau shall disclose information on its licensees, including cemetery brokers, cemetery salespersons, cemetery managers, crematory managers, cemetery authorities, crematories, cremated remains disposers, embalmers, funeral establishments, and funeral directors.

(5) The Professional Fiduciaries Bureau shall disclose information on its licensees.

(6) The Contractors' State License Board shall disclose information on its licensees and registrants in accordance with Chapter 9 (commencing with Section 7000) of Division 3. In addition to information related to licenses as specified in subdivision (a), the board shall also disclose information provided to the board by the Labor Commissioner pursuant to Section 98.9 of the Labor Code.

(7) The Bureau for Private Postsecondary Education shall disclose information on private postsecondary institutions under its jurisdiction, including disclosure of notices to comply issued pursuant to Section 94935 of the Education Code.

(8) The California Board of Accountancy shall disclose information on its licensees and registrants.

(9) The California Architects Board shall disclose information on its licensees, including architects and landscape architects.

(10) The State Athletic Commission shall disclose information on its licensees and registrants.

(11) The State Board of Barbering and Cosmetology shall disclose information on its licensees.

(12) The State Board of Guide Dogs for the Blind shall disclose information on its licensees and registrants.

(13) The Acupuncture Board shall disclose information on its licensees.

(14) The Board of Behavioral Sciences shall disclose information on its licensees, including licensed marriage and family therapists, licensed clinical social workers, licensed educational psychologists, and licensed professional clinical counselors.

(15) The Dental Board of California shall disclose information on its licensees.

(16) The State Board of Optometry shall disclose information on its licensees and registrants.

(17) The Board of Psychology shall disclose information on its licensees, including psychologists, psychological assistants, and registered psychologists.

(18) The Veterinary Medical Board shall disclose information on its licensees, registrants, and permit holders.

(d) The State Board of Chiropractic Examiners shall disclose information on its licensees.

(e) The Structural Pest Control Board shall disclose information on its licensees, including applicators, field representatives, and operators in the areas of fumigation, general pest and wood destroying pests and organisms, and wood roof cleaning and treatment.

(f) The Bureau of Medical Cannabis Regulation shall disclose information on its licensees.

(g) "Internet" for the purposes of this section has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538.

SEC. 1.1. Section 27 of the Business and Professions Code is amended to read:

27. (a) Each entity specified in subdivisions (c), (d), and (e) shall provide on the Internet information regarding the status of every license issued by that entity in accordance with the California Public Records Act (Chapter

3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The public information to be provided on the Internet shall include information on suspensions and revocations of licenses issued by the entity and other related enforcement action, including accusations filed 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) taken by the entity relative to persons, businesses, or facilities subject to licensure or regulation by the entity. The information may not include personal information, including home telephone number, date of birth, or social security number. Each entity shall disclose a licensee's address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of his or her home address, as the address of record. This section shall not preclude an entity from also requiring a licensee, who has provided a post office box number or other alternative mailing address as his or her address of record, to provide a physical business address or residence address only for the entity's internal administrative use and not for disclosure as the licensee's address of record or disclosure on the Internet.

(b) In providing information on the Internet, each entity specified in subdivisions (c) and (d) shall comply with the Department of Consumer Affairs' guidelines for access to public records.

(c) Each of the following entities within the Department of Consumer Affairs shall comply with the requirements of this section:

(1) The Board for Professional Engineers, Land Surveyors, and Geologists shall disclose information on its registrants and licensees.

(2) The Bureau of Automotive Repair shall disclose information on its licensees, including auto repair dealers, smog stations, lamp and brake stations, smog check technicians, and smog inspection certification stations.

(3) The Bureau of Household Goods and Services shall disclose information on its licensees and registrants, including major appliance repair dealers, combination dealers (electronic and appliance), electronic repair dealers, service contract sellers, and service contract administrators.

(4) The Cemetery and Funeral Bureau shall disclose information on its licensees, including cemetery brokers, cemetery salespersons, cemetery managers, crematory managers, cemetery authorities, crematories, cremated remains disposers, embalmers, funeral establishments, and funeral directors.

(5) The Professional Fiduciaries Bureau shall disclose information on its licensees.

(6) The Contractors' State License Board shall disclose information on its licensees and registrants in accordance with Chapter 9 (commencing with Section 7000) of Division 3. In addition to information related to licenses as specified in subdivision (a), the board shall also disclose information provided to the board by the Labor Commissioner pursuant to Section 98.9 of the Labor Code.

(7) The Bureau for Private Postsecondary Education shall disclose information on private postsecondary institutions under its jurisdiction, including disclosure of notices to comply issued pursuant to Section 94935 of the Education Code.

(8) The California Board of Accountancy shall disclose information on its licensees and registrants.

(9) The California Architects Board shall disclose information on its licensees, including architects and landscape architects.

(10) The State Athletic Commission shall disclose information on its licensees and registrants.

(11) The State Board of Barbering and Cosmetology shall disclose information on its licensees.

(12) The State Board of Guide Dogs for the Blind shall disclose information on its licensees and registrants.

(13) The Acupuncture Board shall disclose information on its licensees.

(14) The Board of Behavioral Sciences shall disclose information on its licensees and registrants.

(15) The Dental Board of California shall disclose information on its licensees.

(16) The State Board of Optometry shall disclose information on its licensees and registrants.

(17) The Board of Psychology shall disclose information on its licensees, including psychologists, psychological assistants, and registered psychologists.

(18) The Veterinary Medical Board shall disclose information on its licensees, registrants, and permit holders.

(d) The State Board of Chiropractic Examiners shall disclose information on its licensees.

(e) The Structural Pest Control Board shall disclose information on its licensees, including applicators, field representatives, and operators in the areas of fumigation, general pest and wood destroying pests and organisms, and wood roof cleaning and treatment.

(f) The Bureau of Medical Cannabis Regulation shall disclose information on its licensees.

(g) "Internet" for the purposes of this section has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538.

SEC. 1.2. Section 27 of the Business and Professions Code is amended to read:

27. (a) Each entity specified in subdivisions (c), (d), and (e) shall provide on the Internet information regarding the status of every license issued by that entity in accordance with the California Public Records Act (Chapter

3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The public information to be provided on the Internet shall include information on suspensions and revocations of licenses issued by the entity and other related enforcement action, including accusations filed 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) taken by the entity relative to persons, businesses, or facilities subject to licensure or regulation by the entity. The information may not include personal information, including home telephone number, date of birth, or social security number. Each entity shall disclose a licensee's address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of his or her home address, as the address of record. This section shall not preclude an entity from also requiring a licensee, who has provided a post office box number or other alternative mailing address as his or her address of record, to provide a physical business address or residence address only for the entity's internal administrative use and not for disclosure as the licensee's address of record or disclosure on the Internet.

(b) In providing information on the Internet, each entity specified in subdivisions (c) and (d) shall comply with the Department of Consumer Affairs' guidelines for access to public records.

(c) Each of the following entities within the Department of Consumer Affairs shall comply with the requirements of this section:

(1) The Board for Professional Engineers, Land Surveyors, and Geologists shall disclose information on its registrants and licensees.

(2) The Bureau of Automotive Repair shall disclose information on its licensees, including auto repair dealers, smog stations, lamp and brake stations, smog check technicians, and smog inspection certification stations.

(3) The Bureau of Household Goods and Services shall disclose information on its licensees and registrants, including major appliance repair dealers, combination dealers (electronic and appliance), electronic repair dealers, service contract sellers, and service contract administrators.

(4) The Cemetery and Funeral Bureau shall disclose information on its licensees, including cemetery brokers, cemetery salespersons, cemetery managers, crematory managers, cemetery authorities, crematories, cremated remains disposers, embalmers, funeral establishments, and funeral directors.

(5) The Professional Fiduciaries Bureau shall disclose information on its licensees.

(6) The Contractors' State License Board shall disclose information on its licensees and registrants in accordance with Chapter 9 (commencing with Section 7000) of Division 3. In addition to information related to licenses as specified in subdivision (a), the board shall also disclose information provided to the board by the Labor Commissioner pursuant to Section 98.9 of the Labor Code.

(7) The Bureau for Private Postsecondary Education shall disclose information on private postsecondary institutions under its jurisdiction, including disclosure of notices to comply issued pursuant to Section 94935 of the Education Code.

(8) The California Board of Accountancy shall disclose information on its licensees and registrants.

(9) The California Architects Board shall disclose information on its licensees, including architects and landscape architects.

(10) The State Athletic Commission shall disclose information on its licensees and registrants.

(11) The State Board of Barbering and Cosmetology shall disclose information on its licensees.

(12) The State Board of Guide Dogs for the Blind shall disclose information on its licensees and registrants.

(13) The Acupuncture Board shall disclose information on its licensees.

(14) The Board of Behavioral Sciences shall disclose information on its licensees, including licensed marriage and family therapists, licensed clinical social workers, licensed educational psychologists, and licensed professional clinical counselors.

(15) The Dental Board of California shall disclose information on its licensees.

(16) The State Board of Optometry shall disclose information on its licensees and registrants.

(17) The Board of Psychology shall disclose information on its licensees, including psychologists, psychological assistants, and registered psychologists.

(18) The Veterinary Medical Board shall disclose information on its licensees, registrants, and permit holders.

(d) The State Board of Chiropractic Examiners shall disclose information on its licensees.

(e) The Structural Pest Control Board shall disclose information on its licensees, including applicators, field representatives, and operators in the areas of fumigation, general pest and wood destroying pests and organisms, and wood roof cleaning and treatment.

(f) The **Bureau of Cannabis Control** shall disclose information on its licensees.

(g) “Internet” for the purposes of this section has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538.

SEC. 1.3. Section 27 of the Business and Professions Code is amended to read:

27. (a) Each entity specified in subdivisions (c), (d), and (e) shall provide on the Internet information regarding the status of every license issued by that entity in accordance with the California Public Records Act (Chapter

3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The public information to be provided on the Internet shall include information on suspensions and revocations of licenses issued by the entity and other related enforcement action, including accusations filed 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) taken by the entity relative to persons, businesses, or facilities subject to licensure or regulation by the entity. The information may not include personal information, including home telephone number, date of birth, or social security number. Each entity shall disclose a licensee’s address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of his or her home address, as the address of record. This section shall not preclude an entity from also requiring a licensee, who has provided a post office box number or other alternative mailing address as his or her address of record, to provide a physical business address or residence address only for the entity’s internal administrative use and not for disclosure as the licensee’s address of record or disclosure on the Internet.

(b) In providing information on the Internet, each entity specified in subdivisions (c) and (d) shall comply with the Department of Consumer Affairs’ guidelines for access to public records.

(c) Each of the following entities within the Department of Consumer Affairs shall comply with the requirements of this section:

(1) The Board for Professional Engineers, Land Surveyors, and Geologists shall disclose information on its registrants and licensees.

(2) The Bureau of Automotive Repair shall disclose information on its licensees, including auto repair dealers, smog stations, lamp and brake stations, smog check technicians, and smog inspection certification stations.

(3) The **Bureau of Household Goods and Services** shall disclose information on its licensees and registrants, including major appliance repair dealers, combination dealers (electronic and appliance), electronic repair dealers, service contract sellers, and service contract administrators.

(4) The Cemetery and Funeral Bureau shall disclose information on its licensees, including cemetery brokers, cemetery salespersons, cemetery managers, crematory managers, cemetery authorities, crematories, cremated remains disposers, embalmers, funeral establishments, and funeral directors.

(5) The Professional Fiduciaries Bureau shall disclose information on its licensees.

(6) The Contractors' State License Board shall disclose information on its licensees and registrants in accordance with Chapter 9 (commencing with Section 7000) of Division 3. In addition to information related to licenses as specified in subdivision (a), the board shall also disclose information provided to the board by the Labor Commissioner pursuant to Section 98.9 of the Labor Code.

(7) The Bureau for Private Postsecondary Education shall disclose information on private postsecondary institutions under its jurisdiction, including disclosure of notices to comply issued pursuant to Section 94935 of the Education Code.

(8) The California Board of Accountancy shall disclose information on its licensees and registrants.

(9) The California Architects Board shall disclose information on its licensees, including architects and landscape architects.

(10) The State Athletic Commission shall disclose information on its licensees and registrants.

(11) The State Board of Barbering and Cosmetology shall disclose information on its licensees.

(12) The State Board of Guide Dogs for the Blind shall disclose information on its licensees and registrants.

(13) The Acupuncture Board shall disclose information on its licensees.

(14) The Board of Behavioral Sciences shall disclose information on its licensees and registrants.

(15) The Dental Board of California shall disclose information on its licensees.

(16) The State Board of Optometry shall disclose information on its licensees and registrants.

(17) The Board of Psychology shall disclose information on its licensees, including psychologists, psychological assistants, and registered psychologists.

(18) The Veterinary Medical Board shall disclose information on its licensees, registrants, and permit holders.

(d) The State Board of Chiropractic Examiners shall disclose information on its licensees.

(e) The Structural Pest Control Board shall disclose information on its licensees, including applicators, field representatives, and operators in the areas of fumigation, general pest and wood destroying pests and organisms, and wood roof cleaning and treatment.

(f) The Bureau of Cannabis Control shall disclose information on its licensees.

(g) "Internet" for the purposes of this section has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538.

SEC. 2. Section 101 of the Business and Professions Code, as added by Section 4 of Chapter 828 of the Statutes of 2017, is amended to read:

101. The department is comprised of the following:

- (a) The Dental Board of California.
 - (b) The Medical Board of California.
 - (c) The State Board of Optometry.
 - (d) The California State Board of Pharmacy.
 - (e) The Veterinary Medical Board.
 - (f) The California Board of Accountancy.
 - (g) The California Architects Board.
 - (h) The State Board of Barbering and Cosmetology.
 - (i) The Board for Professional Engineers, Land Surveyors, and Geologists.
 - (j) The Contractors' State License Board.
 - (k) The Bureau for Private Postsecondary Education.
 - (l) The Bureau of Household Goods and Services.
 - (m) The Board of Registered Nursing.
 - (n) The Board of Behavioral Sciences.
 - (o) The State Athletic Commission.
 - (p) The Cemetery and Funeral Bureau.
 - (q) The Bureau of Security and Investigative Services.
 - (r) The Court Reporters Board of California.
 - (s) The Board of Vocational Nursing and Psychiatric Technicians.
 - (t) The Landscape Architects Technical Committee.
 - (u) The Division of Investigation.
 - (v) The Bureau of Automotive Repair.
 - (w) The Respiratory Care Board of California.
 - (x) The Acupuncture Board.
 - (y) The Board of Psychology.
 - (z) The California Board of Podiatric Medicine.
 - (aa) The Physical Therapy Board of California.
 - (ab) The Arbitration Review Program.
 - (ac) The Physician Assistant Committee.
 - (ad) The Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board.
 - (ae) The California Board of Occupational Therapy.
 - (af) The Osteopathic Medical Board of California.
 - (ag) The Naturopathic Medicine Committee.
 - (ah) The Dental Hygiene Committee of California.
 - (ai) The Professional Fiduciaries Bureau.
 - (aj) The State Board of Chiropractic Examiners.
 - (ak) The Bureau of Real Estate Appraisers.
 - (al) The Structural Pest Control Board.
 - (am) The Bureau of Cannabis Control.
 - (an) Any other boards, offices, or officers subject to its jurisdiction by law.
 - (ao) This section shall become operative on July 1, 2018.
- SEC. 2.1. Section 101 of the Business and Professions Code, as added by Section 4 of Chapter 828 of the Statutes of 2017, is amended to read:
101. The department is comprised of the following:
- (a) The Dental Board of California.

- (b) The Medical Board of California.
 - (c) The State Board of Optometry.
 - (d) The California State Board of Pharmacy.
 - (e) The Veterinary Medical Board.
 - (f) The California Board of Accountancy.
 - (g) The California Architects Board.
 - (h) The State Board of Barbering and Cosmetology.
 - (i) The Board for Professional Engineers, Land Surveyors, and Geologists.
 - (j) The Contractors' State License Board.
 - (k) The Bureau for Private Postsecondary Education.
 - (l) The Bureau of Household Goods and Services.
 - (m) The Board of Registered Nursing.
 - (n) The Board of Behavioral Sciences.
 - (o) The State Athletic Commission.
 - (p) The Cemetery and Funeral Bureau.
 - (q) The Bureau of Security and Investigative Services.
 - (r) The Court Reporters Board of California.
 - (s) The Board of Vocational Nursing and Psychiatric Technicians.
 - (t) The Landscape Architects Technical Committee.
 - (u) The Division of Investigation.
 - (v) The Bureau of Automotive Repair.
 - (w) The Respiratory Care Board of California.
 - (x) The Acupuncture Board.
 - (y) The Board of Psychology.
 - (z) The California Board of Podiatric Medicine.
 - (aa) The Physical Therapy Board of California.
 - (ab) The Arbitration Review Program.
 - (ac) The Physician Assistant Committee.
 - (ad) The Speech-Language Pathology and Audiology and Hearing Aid
Dispensers Board.
 - (ae) The California Board of Occupational Therapy.
 - (af) The Osteopathic Medical Board of California.
 - (ag) The Naturopathic Medicine Committee.
 - (ah) The Dental Hygiene Board of California.
 - (ai) The Professional Fiduciaries Bureau.
 - (aj) The State Board of Chiropractic Examiners.
 - (ak) The Bureau of Real Estate Appraisers.
 - (al) The Structural Pest Control Board.
 - (am) The Bureau of Cannabis Control.
 - (an) Any other boards, offices, or officers subject to its jurisdiction by
law.
 - (ao) This section shall become operative on July 1, 2018.
- SEC. 2.2. Section 101 of the Business and Professions Code, as added
by Section 4 of Chapter 828 of the Statutes of 2017, is amended to read:
101. The department is comprised of the following:
- (a) The Dental Board of California.
 - (b) The Medical Board of California.

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

(d) "Bureau" means the Bureau of Household Goods and Services.

(e) "Chief" means the Chief of the Bureau of Household Goods and Services.

(f) "Service dealer" means a person who, for compensation, engages in, or holds himself or herself out to the public as offering services in the business of:

(1) Repairing, servicing, or maintaining an electronic set normally used or sold for personal, family, household, or home office use.

(2) Installing, repairing, servicing, or maintaining equipment or a burglar alarm system for use in private motor vehicles.

(3) Installing, repairing, servicing, or maintaining television or radio receiver antennas, rotators, and accessories or direct satellite signal receiving equipment located on or adjacent to a residence and not involving a function that is subject to and regulated under the provisions of Chapter 9 (commencing with Section 7000).

(4) Repairing, servicing, or maintaining major appliances.

(g) "Equipment" for the purposes of this chapter means an electronic set, appliance, antenna, rotator, and accessories.

(h) "Electronic set" includes, but is not limited to, any television, radio, audio or video recorder or playback equipment, video camera, video game, video monitor, computer system, photocopier, or facsimile machine normally used or sold for personal, family, household, or home office use.

(i) "Appliance" or "major home appliance" includes, but is not limited to, any refrigerator, freezer, range, microwave oven, washer, dryer, dishwasher, trash compactor, or room air-conditioner normally used or sold for personal, family, household, or home office use, or for use in private motor vehicles.

(j) "Antenna" includes, but is not limited to, a resonant device designed especially for the purpose of capturing electromagnetic energy transmitted by direct satellite or commercial radio or television broadcasting facilities. An antenna and its associated accessories are not deemed to be a part of a set and shall be considered, under this section, to be located outside or in the attic of a residence.

(k) "Rotator," when used in connection with an antenna installation or repair, includes, but is not limited to, an electromechanical device operated from a remote location to rotate an antenna on a horizontal plane. A rotator and its associated accessories are not deemed to be a part of a set and shall be considered under this section, with the exception of the directional control unit, to be located outside or in the attic of a residence.

(l) "Accessories," when used in connection with an antenna or rotator installation or repair, includes, but is not limited to, masts, towers, clamps, guy wires, eye hooks, standoff insulators, roof saddles, vent pipe mounts, chimney mount kits, signal amplifiers/boosters, multiset couplers, transmission lines, control cables, directional control units, and other devices as may be used from time to time to effect installation or repair.

(m) "Computer system" includes, but is not limited to, a central processing unit that performs data manipulation functions, and any associated peripheral devices, including, but not limited to, keyboards, display terminals, printers, or disk drives.

(n) "Video game" includes, but is not limited to, any electronic amusement device that utilizes a computer, microprocessor, or similar electronic circuitry and its own cathode ray tube or a television set or a monitor.

(o) "Direct satellite signal receiving equipment" includes, but is not limited to, receivers, down converters, amplifiers, and audio or video processors related to the reception of audio, video, or data signals broadcasted or rebroadcasted by communication satellites located in space.

(p) "Electronic repair industry" means those activities defined in paragraph (1), (2), or (3) of subdivision (f).

(q) "Appliance repair industry" means those activities defined in paragraph (4) of subdivision (f).

SEC. 4. Section 9810 of the Business and Professions Code is amended to read:

9810. (a) (1) There is in the Department of Consumer Affairs a **Bureau of Household Goods and Services**, under the supervision and control of the director. The director shall administer and enforce the provisions of this chapter and Chapter 3 (commencing with Section 19000) and Chapter 3.1 (commencing with Section 19225) of Division 8.

(2) There is a Division of Household Movers within the bureau for purposes of administering Chapter 3.1 (commencing with Section 19225) of Division 8. The Division of Household Movers shall be overseen by the chief of the bureau.

(b) The Governor shall appoint, subject to confirmation by the Senate, a chief of the bureau at a salary to be fixed and determined by the director with the approval of the Director of Finance. The chief shall serve under the direction and supervision of the director and at the pleasure of the Governor.

(c) Every power granted to or duty imposed upon the director under this chapter and Chapter 3 (commencing with Section 19000) and Chapter 3.1 (commencing with Section 19225) of Division 8 may be exercised or performed in the name of the director by a deputy or assistant director or by the chief, subject to conditions and limitations that the director may prescribe.

(d) Whenever the laws of this state refer to the Bureau of Electronic Repair Dealer Registration or the Bureau of Electronic and Appliance Repair, the reference shall be construed to be to the **Bureau of Household Goods and Services**.

(e) Notwithstanding any other law, the powers and duties of the **Bureau of Household Goods and Services**, as set forth in this chapter and Chapter 3 (commencing with Section 19000) and Chapter 3.1 (commencing with Section 19225) of Division 8, shall be subject to review by the appropriate policy committees of the Legislature. The review shall be performed as if

this chapter and Chapter 3 (commencing with Section 19000) and Chapter 3.1 (commencing with Section 19225) of Division 8 were scheduled to be repealed on January 1, 2023.

SEC. 5. Section 9810.1 of the Business and Professions Code is amended to read:

9810.1. Protection of the public shall be the highest priority for the Bureau of Household Goods and Services in exercising its licensing, regulatory, and disciplinary functions under this chapter. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.

SEC. 6. Section 9812.5 of the Business and Professions Code is amended to read:

9812.5. The director shall gather evidence of violations of this chapter and of any regulation established hereunder by any service contractor, whether registered or not, and by any employee, partner, officer, or member of any service contractor. The director shall, on his or her own initiative, conduct spot check investigations of service contractors throughout the state on a continuous basis.

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

SEC. 7. Section 9830.5 of the Business and Professions Code is amended to read:

9830.5. (a) Each service contractor shall pay the fee required by this chapter for each place of business operated by him or her in this state and shall register with the bureau upon forms prescribed by the director. The forms shall contain sufficient information to identify the service contractor, including name, address, retail seller's permit number, if a permit is required under the Sales and Use Tax Law (Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code), a copy of the certificate of qualification as filed with the Secretary of State if the service contractor is a foreign corporation, and other identifying data to be prescribed by the bureau. If the business is to be carried on under a fictitious name, that fictitious name shall be stated. If the service contractor is a partnership, identifying data shall be stated for each partner. If the service contractor is a private company that does not file an annual report on Form 10-K with the Securities and Exchange Commission, data shall be included for each of the officers and directors of the company as well as for the individual in charge of each place of the service contractor's business in the State of California, subject to any regulations the director may adopt. If the service contractor is a publicly held corporation or a private company that files an annual report on Form 10-K with the Securities and Exchange Commission, it shall be sufficient for purposes of providing data for each of the officers and directors of the corporation or company to file with the director the most recent annual report on Form 10-K that is filed with the Securities and Exchange Commission.

(b) A service contractor who does not operate a place of business in this state but who sells, issues, or administers service contracts in this state, shall

hold a valid registration issued by the bureau and shall pay the registration fee required by this chapter as if he or she had a place of business in this state.

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

SEC. 8. Section 9832.5 of the Business and Professions Code is amended to read:

9832.5. (a) Registrations issued under this chapter shall expire no more than 12 months after the issue date. The expiration date of registrations shall be set by the director in a manner to best distribute renewal procedures throughout the year.

(b) To renew an unexpired registration, the service contractor shall, on or before the expiration date of the registration, apply for renewal on a form prescribed by the director, and pay the renewal fee prescribed by this chapter.

(c) To renew an expired registration, the service contractor shall apply for renewal on a form prescribed by the director, pay the renewal fee in effect on the last regular renewal date, and pay all accrued and unpaid delinquency and renewal fees.

(d) Renewal is effective on the date that the application is filed, the renewal fee is paid, and all delinquency fees are paid.

(e) For purposes of implementing the distribution of the renewal of registrations throughout the year, the director may extend, by not more than six months, the date fixed by law for renewal of a registration, except that, in that event, any renewal fee that may be involved shall be prorated in such a manner that no person shall be required to pay a greater or lesser fee than would have been required had the change in renewal dates not occurred.

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

SEC. 9. Section 9842 of the Business and Professions Code is amended to read:

9842. All work done by a service dealer shall be recorded on an invoice in such detail as is required by regulations issued by the director and shall describe all service work done and all parts supplied. If any used parts are supplied, the invoice shall clearly state that fact. One copy shall be given to the customer and one copy shall be retained by the service dealer for a period of at least three years. **If a copy of the invoice is provided to the customer in an electronic format, an electronic copy of the invoice shall be retained by the service dealer for the same retention period.**

SEC. 10. Section 9844 of the Business and Professions Code is amended to read:

9844. An initial written estimate for the cost of repair shall be given to the customer before performing any repairs. The written estimate shall include all costs for parts and labor, and the service dealer may not charge for work done or parts supplied in excess of the estimate without the previous consent of the customer. The service dealer may charge a reasonable fee for services provided in determining the nature of the malfunction in preparation of a written estimate for repair. The service dealer shall advise

the customer in writing of the amount of the fee prior to a repair made in the residence, before removal of the consumer goods from the customer's residence, or upon acceptance of the goods at the repair facility or registered location. This section shall not prohibit the use of a written estimate in an electronic format.

SEC. 11. Section 9847.5 of the Business and Professions Code is amended to read:

9847.5. (a) Each service contractor shall maintain those records as are required by the regulations adopted to carry out the provisions of this chapter for a period of at least three years. These records shall be open for reasonable inspection by the director or other law enforcement officials.

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

SEC. 12. Section 9849 of the Business and Professions Code, as amended by Section 7 of Chapter 428 of the Statutes of 2014, is amended to read:

9849. (a) The expiration of a valid registration shall not deprive the director of jurisdiction to proceed with any investigation or hearing on a cease and desist order against a service dealer or service contractor or to render a decision to suspend, revoke, or place on probation a registration.

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

SEC. 13. Section 9849 of the Business and Professions Code, as amended by Section 8 of Chapter 428 of the Statutes of 2014, is amended to read:

9849. (a) The expiration of a valid registration shall not deprive the director of jurisdiction to proceed with any investigation or hearing on a cease and desist order against a service dealer or to render a decision to suspend, revoke, or place on probation a registration.

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

SEC. 14. Section 9851 of the Business and Professions Code, as amended by Section 9 of Chapter 428 of the Statutes of 2014, is amended to read:

9851. (a) The superior court in and for the county wherein any person carries on, or attempts to carry on, business as a service dealer or service contractor in violation of the provisions of this chapter, or any regulation thereunder, shall, on application of the director, issue an injunction or other appropriate order restraining that conduct.

(b) The proceedings under this section shall be governed by Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, except that the director shall not be required to allege facts necessary to show or tending to show lack of an adequate remedy at law or irreparable injury.

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

SEC. 15. Section 9851 of the Business and Professions Code, as amended by Section 10 of Chapter 428 of the Statutes of 2014, is amended to read:

9851. (a) The superior court in and for the county wherein any person carries on, or attempts to carry on, business as a service dealer in violation of the provisions of this chapter, or any regulation thereunder, shall, on

application of the director, issue an injunction or other appropriate order restraining that conduct.

(b) The proceedings under this section shall be governed by Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, except that the director shall not be required to allege facts necessary to show or tending to show lack of an adequate remedy at law or irreparable injury.

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

SEC. 16. Section 9853 of the Business and Professions Code, as amended by Section 11 of Chapter 428 of the Statutes of 2014, is amended to read:

9853. (a) 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 service dealer or service contractor is deemed to be a conviction within the meaning of this article. The director may suspend, revoke, or place on probation a registration, or may deny registration, 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 Section 1203.4 of the Penal Code, allowing that person to withdraw his or her 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.

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

SEC. 17. Section 9853 of the Business and Professions Code, as amended by Section 12 of Chapter 428 of the Statutes of 2014, is amended to read:

9853. (a) 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 service dealer is deemed to be a conviction within the meaning of this article. The director may suspend, revoke, or place on probation a registration, or may deny registration, 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 Section 1203.4 of the Penal Code allowing that person to withdraw his or her 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.

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

SEC. 18. Section 9855 of the Business and Professions Code is amended to read:

9855. The definitions used in this section shall govern the construction and terms as used in this chapter:

(a) "Service contract" means a contract in writing to perform, over a fixed period of time or for a specified duration, services relating to the maintenance, replacement, or repair of an electronic set or appliance, as defined by this chapter, and their accessories or of furniture, jewelry, lawn and garden equipment, power tools, fitness equipment, telephone equipment, small kitchen appliances and tools, optical products, or home health care

products, and may include provisions for incidental payment of indemnity under limited circumstances, including, but not limited to, power surges, food spoilage, or accidental damage from handling. “Service contract” shall not include a contract in writing to maintain structural wiring associated with the delivery of cable, telephone, or other broadband communications services. “Service contract” shall not include a contract in which a consumer agrees to pay a provider of vision care services for a discount on optical products or contact lenses for a specified duration.

(b) “Service contract administrator” or “administrator” means a person who performs or arranges the collection, maintenance, or disbursement of moneys to compensate any party for claims or repairs pursuant to a service contract, and who also performs or arranges any of the following activities on behalf of service contract sellers:

- (1) Providing service contract sellers with service contract forms.
- (2) Participating in the adjustment of claims arising from service contracts.
- (3) Arranging on behalf of service contract sellers the insurance required by Section 9855.2.

A service contract administrator shall not be an obligor on a service contract unless all service contracts under which the service contract administrator is obligated to perform are insured under a service contract reimbursement insurance policy.

(c) (1) “Service contract seller” or “seller” means a person who sells or offers to sell a service contract to a service contractholder, including a person who is the obligor under a service contract sold by the seller, manufacturer, or repairer of the product covered by the service contract.

(2) “Service contract seller” or “seller” also means a third party, including an obligor, who is not the seller, manufacturer, or repairer of the product. However, a third party shall not be an obligor on a service contract unless the obligor obtains a service contract reimbursement insurance policy for all service contracts under which the third party is obligated under the terms of a service contract.

(3) “Service contract seller” or “seller” shall not include the following:

(A) A bank or bank holding company, or the subsidiary or affiliate of either, or a financial institution, licensed under state or federal law, selling or offering to sell a service contract unless that entity is financially and legally obligated under the terms of a service contract.

(B) An electrical device manufacturer or electrical contractor who constructs, installs, or services electrical devices, which include any unit of an electrical system intended to carry electrical energy as part of a building’s electrical system, including raceways, conductors, invertors, conduit, wires, switches, or other similar devices.

(d) “Service contractholder” means a person who purchases or receives a service contract from a service contract seller.

(e) “Service contractor” means a service contract administrator or a service contract seller.

(f) “Service contract reimbursement insurance policy” means a policy of insurance issued by an insurer admitted to do business in this state providing coverage for all obligations and liabilities incurred by a service contract seller under the terms of the service contracts sold in this state by the service contract seller to a service contractholder. The service contract reimbursement insurance policy shall either cover all service contracts sold or specifically cover those contracts sold to residents of the State of California.

(g) “Obligor” is the entity financially and legally obligated under the terms of a service contract.

(h) “Optical products” means prescription and nonprescription eyewear. “Optical products” shall not include contact lenses of any kind.

(i) The terms “consumer goods,” “manufacturer,” “retail seller,” “retailer,” and “sale” shall have the same meanings ascribed to them in Section 1791 of the Civil Code.

(j) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

SEC. 19. Section 9855 is added to the Business and Professions Code, to read:

9855. The definitions used in this section shall govern the construction and terms as used in this chapter:

(a) “Service contract” means a contract in writing to perform, over a fixed period of time or for a specified duration, services relating to the maintenance, replacement, or repair of consumer goods and may include provisions for incidental payment of indemnity under limited circumstances, including, but not limited to, power surges, food spoilage, or accidental damage from handling. “Service contract” shall not include a contract in writing to maintain structural wiring associated with the delivery of cable, telephone, or other broadband communications services. “Service contract” shall not include a contract in which a consumer agrees to pay a provider of vision care services for a discount on optical products or contact lenses for a specified duration.

(b) “Service contract administrator” or “administrator” means a person who performs or arranges the collection, maintenance, or disbursement of moneys to compensate any party for claims or repairs pursuant to a service contract, and who also performs or arranges any of the following activities on behalf of service contract sellers:

(1) Providing service contract sellers with service contract forms.

(2) Participating in the adjustment of claims arising from service contracts.

(3) Arranging on behalf of service contract sellers the insurance required by Section 9855.2.

A service contract administrator shall not be an obligor on a service contract unless all service contracts under which the service contract administrator is obligated to perform are insured under a service contract reimbursement insurance policy.

(c) (1) “Service contract seller” or “seller” means a person who sells or offers to sell a service contract to a service contractholder, including a person who is the obligor under a service contract sold by the seller, manufacturer, or repairer of the product covered by the service contract.

(2) “Service contract seller” or “seller” also means a third party, including an obligor, who is not the seller, manufacturer, or repairer of the product. However, a third party shall not be an obligor on a service contract unless the obligor obtains a service contract reimbursement insurance policy for all service contracts under which the third party is obligated under the terms of a service contract.

(3) “Service contract seller” or “seller” shall not include the following:

(A) A bank or bank holding company, or the subsidiary or affiliate of either, or a financial institution, licensed under state or federal law, selling or offering to sell a service contract unless that entity is financially and legally obligated under the terms of a service contract.

(B) An electrical device manufacturer or electrical contractor who constructs, installs, or services electrical devices, which include any unit of an electrical system intended to carry electrical energy as part of a building’s electrical system, including raceways, conductors, invertors, conduit, wires, switches, or other similar devices.

(d) “Service contractholder” means a person who purchases or receives a service contract from a service contract seller.

(e) “Service contractor” means a service contract administrator or a service contract seller.

(f) “Service contract reimbursement insurance policy” means a policy of insurance issued by an insurer admitted to do business in this state providing coverage for all obligations and liabilities incurred by a service contract seller under the terms of the service contracts sold in this state by the service contract seller to a service contractholder. The service contract reimbursement insurance policy shall either cover all service contracts sold or specifically cover those contracts sold to residents of the State of California.

(g) “Obligor” is the entity financially and legally obligated under the terms of a service contract.

(h) “Optical products” means prescription and nonprescription eyewear. “Optical products” shall not include contact lenses of any kind.

(i) The terms “manufacturer,” “retail seller,” “retailer,” and “sale” shall have the same meanings ascribed to them in Section 1791 of the Civil Code.

(j) “Consumer goods” means any new or used product or part thereof that is used, bought, or leased for use primarily for personal, family, or household purposes, including assistive devices.

(k) This section shall become operative on January 1, 2020.

SEC. 20. Section 9855.3 of the Business and Professions Code is amended to read:

9855.3. (a) (1) The service contract form, along with all documents incorporated by reference into a service contract per the contract form, to

be issued by the service contractor shall be filed with the director by the service contractor no later than 30 days prior to its use.

(2) The term “documents incorporated by reference” shall mean all documents that are expressly made a part of the contract but that are not a part of the body of the contract. These documents may include, but are not limited to, invoices, declaration pages, and sales receipts.

(3) Each service contract form shall be identified by a unique form number and date of last revision.

(4) Once a service contract form is filed with the director under paragraph (1), no further changes shall be made to the text of the contract form without resubmission of the contract form to the director, unless the text was indicated as variable text when the contract is initially filed with the director.

(b) Every service contract administrator shall file with its application for registration, and thereafter, with its application for registration renewal, a service contract reimbursement insurance policy.

(c) Every service contract seller shall file with his or her application for registration, and thereafter with his or her application for registration renewal, one of the following:

(1) The most recent annual report on Form 10-K required by the Securities and Exchange Commission, reflecting a net worth greater than the sum of the deferred revenues from service contracts in force. If the service contractor is a foreign corporation that files a comparable audited financial statement with its home government or with the United States government, the director may deem that statement an acceptable substitute for Form 10-K.

(2) A service contract reimbursement insurance policy.

(3) Evidence that his or her service contracts are administered by a service contract administrator who has obtained a service contract reimbursement insurance policy covering the seller’s service contracts.

(4) Evidence of a funded account held in escrow equal to a minimum of 25 percent of the deferred revenues from the service contracts in force.

SEC. 21. Section 9855.9 of the Business and Professions Code is amended to read:

9855.9. This article shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 22. Section 9860 of the Business and Professions Code, as amended by Section 14 of Chapter 428 of the Statutes of 2014, is amended to read:

9860. (a) The director shall establish procedures for accepting complaints from the public against any service dealer or service contractor.

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

SEC. 23. Section 9860 of the Business and Professions Code, as amended by Section 15 of Chapter 428 of the Statutes of 2014, is amended to read:

9860. (a) The director shall establish procedures for accepting complaints from the public against any service dealer.

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

SEC. 24. Section 9862.5 of the Business and Professions Code is amended to read:

9862.5. (a) If a complaint indicates a possible violation of this chapter or of the regulations adopted pursuant to this chapter, the director may advise the service contractor of the contents of the complaint and, if the service contractor is so advised, the director shall make a summary investigation of the facts after the service contractor has had reasonable opportunity to reply thereto.

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

SEC. 25. Section 9863 of the Business and Professions Code, as amended by Section 17 of Chapter 428 of the Statutes of 2014, is amended to read:

9863. (a) If, upon summary investigation, it appears probable to the director that a violation of this chapter, or the regulations thereunder, has occurred, the director, in his or her discretion, may suggest measures that in the director's judgment would compensate the complainant for the damages he or she has suffered as a result of the alleged violation. If the service dealer or service contractor accepts the director's suggestions and performs accordingly, the director shall give that fact due consideration in any subsequent disciplinary proceeding. If the service dealer or service contractor declines to abide by the suggestions of the director, the director may investigate further and may institute disciplinary proceedings in accordance with the provisions of this chapter.

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

SEC. 26. Section 9863 of the Business and Professions Code, as amended by Section 18 of Chapter 428 of the Statutes of 2014, is amended to read:

9863. (a) If, upon summary investigation, it appears probable to the director that a violation of this chapter, or the regulations thereunder, has occurred, the director, in his or her discretion, may suggest measures that in the director's judgment would compensate the complainant for the damages he or she has suffered as a result of the alleged violation. If the service dealer accepts the director's suggestions and performs accordingly, the director shall give that fact due consideration in any subsequent disciplinary proceeding. If the service dealer declines to abide by the suggestions of the director, the director may investigate further and may institute disciplinary proceedings in accordance with the provisions of this chapter.

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

SEC. 27. Section 19004 of the Business and Professions Code is amended to read:

19004. (a) "Bureau" refers to the Bureau of Household Goods and Services, as established in Section 9810.

(b) "Chief" refers to the chief of the bureau.

(c) "Inspector" refers to an inspector either employed by, or under contract to, the bureau.

(d) "Director" refers to the Director of Consumer Affairs.

(e) "Department" refers to the Department of Consumer Affairs.

SEC. 28. Section 19004.1 of the Business and Professions Code is amended to read:

19004.1. Protection of the public shall be the highest priority for the Bureau of Household Goods and Services in exercising its licensing, regulatory, and disciplinary functions under this chapter. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.

SEC. 29. Section 19030 of the Business and Professions Code is amended to read:

19030. Any reference in California law to the Bureau of Home Furnishings or to the Bureau of Home Furnishings and Thermal Insulation shall be deemed to refer to the Bureau of Household Goods and Services.

SEC. 30. Section 19032 of the Business and Professions Code is amended to read:

19032. The director, in accordance with the State Civil Service Act and Section 159.5, may appoint and fix the compensation of such clerical, inspection, investigation, and auditing personnel as well as a deputy chief, as may be necessary to carry out the provisions of this chapter. All such personnel shall perform their respective duties under the supervision and the direction of the chief.

SEC. 31. Section 19162 of the Business and Professions Code is amended to read:

19162. A custom upholsterer shall give to his or her customer a written estimate of the price of the labor and materials necessary for a specific job. No work shall be performed and no charges shall accrue before authorization to proceed is obtained from the customer, and no charge shall be made for work performed or materials supplied in excess of the estimated price without the oral or written consent of the customer obtained after it is determined that the estimated price is insufficient and before the work not estimated is performed or the materials not estimated are supplied. Nothing in this section shall be construed as requiring a custom upholsterer to give an estimate if he or she does not agree to perform the requested work. As used in this section, "materials" includes structural units, filling materials, containers, and coverings. This section shall not prohibit the use of a written estimate in an electronic format.

SEC. 32. Section 19163 of the Business and Professions Code is amended to read:

19163. All work to be performed by a custom upholsterer shall be recorded on a work order containing information required by rules and regulations adopted by the bureau and shall describe all work to be performed, all materials to be supplied, and the period within which the estimate shall remain effective. If any secondhand materials are to be supplied, the work order shall clearly identify them as secondhand. No work shall be performed and no charges shall accrue before authorization for the work and materials is obtained from the customer, and no charge shall be made for work performed or materials supplied different from those specified in the work order without the oral or written consent of the customer. One

copy of the work order shall be given to the customer before any work is performed and one copy shall be retained by the custom upholsterer for at least one year. As used in this section, “materials” includes structural units, filling materials, containers, and coverings. If a copy of the work order is provided to the customer in an electronic format, an electronic copy of the work order shall be retained by the service dealer for the same retention period.

SEC. 33. Section 19225.5 of the Business and Professions Code is amended to read:

19225.5. For purposes of this chapter, unless the context otherwise requires, the following provisions shall apply:

(a) “Broker” means a person engaged by others in the act of arranging, for compensation, the intrastate transportation of used household goods by a motor vehicle over the highways of this state for, or on behalf of, a shipper, a consignor, or a consignee.

(b) “Bureau” refers to the Bureau of Household Goods and Services, as established in Section 9810.

(c) “Chief” refers to the chief of the bureau.

(d) “Corporation” includes a corporation, a company, an association, and a joint stock association.

(e) “Department” refers to the Department of Consumer Affairs.

(f) “Director” refers to the Director of Consumer Affairs.

(g) “Fund” means the Household Movers Fund established pursuant to Section 19229.

(h) “Household mover” includes every corporation or person, their lessees, trustee, receivers, or trustees appointed by any court whatsoever, engaged in the permitted or unpermitted transportation for compensation or hire as a business by means of a motor vehicle or motor vehicles being used in the transportation of used household goods and personal effects over any public highway in this state. A broker, as defined in subdivision (a), shall be considered a household mover. The Legislature intends “household mover” to have the same meaning as “household goods carrier” in former Section 5109 of the Public Utilities Code, as that section read on June 30, 2018.

(i) “Inspector” refers to an inspector either employed by, or under contract to, the bureau.

(j) “Motor vehicle” means every motor truck, tractor, or other self-propelled vehicle used for transportation of property over the public highways, other than upon fixed rails or tracks, and any trailer, semitrailer, dolly, or other vehicle drawn thereby.

(k) “Owner,” with respect to a motor vehicle used in the transportation of property for compensation by a household mover, means the corporation or person who is registered with the Department of Motor Vehicles as the owner of the vehicle, or who has a legal right to possession of the vehicle pursuant to a lease or rental agreement.

(l) “Person” includes an individual, a firm, or a copartnership.

(m) "Public highway" includes every public street, road, or highway in this state.

SEC. 34. Section 19246 of the Business and Professions Code is amended to read:

19246. (a) For purposes of this section, the following terms have the following meanings:

(1) "Consignor" means the person named in the bill of lading as the person from whom the household goods and personal effects have been received for shipment and that person's agent.

(2) "Consignee" means the person named in the bill of lading to whom or to whose order the household mover is required to make delivery as provided in the bill of lading and that person's agent.

(b) Any household mover engaged in the business of transportation of used household goods and personal effects by motor vehicle over any public highway in this state shall provide each consignor with a completed copy of the notice set forth in this section. The notice shall be printed in at least 12-point type, except the title and first two paragraphs which shall be printed in boldface type, and provided to each consignor at least three days prior to the date scheduled for the transportation of household goods or personal effects. If the consignor requests services on a date that is less than three days before the scheduled date for transportation of the household goods or personal effects, the household mover shall provide the notice as soon as practicable, but in no event may the household mover commence any services until the consignor has signed and received a signed copy of the notice. The household mover shall obtain sufficient information from the consignor to fill out the form and shall include the correct maximum amount and a sufficient description of services that will be performed. The household mover shall retain a copy of the notice, signed by the consignor, for at least three years from the date the notice was signed by the consignor.

(c) Any waiver of the requirements of this section is void and unenforceable.

(d) For transportation services provided by a household mover, the "Not To Exceed" amount set forth in the notice and the agreement between the household mover and the consignor shall be the maximum total dollar amount for which the consignor may be liable for the transportation of household goods and personal effects and any additional services ordered by the consignor, including any bona fide change order permitted under the rules and regulations administered by the bureau, and agreed to by the consignor before any goods or personal effects are moved from their location or any other services are performed.

(e) A household mover may provide the notice set forth in this section either as a separate document or by including it as the centerfold of the informational booklet that the household mover is required to provide the consignor under the rules and regulations administered by the bureau. If the household mover provides the notice as part of the informational booklet, the booklet shall contain a tab that extends beyond the edge of the booklet at the place where the notice is included. The statement "Important Notice"

shall be printed on the tab in at least 12-point boldface type. In addition, the statement “Customer Must Read And Sign The Important Notice In The Middle Of This Booklet Before A Move Can Begin” shall be set forth in 14-point boldface type on the front cover of the booklet.

(f) The notice provided the consignor shall be in the following form:

“IMPORTANT NOTICE ABOUT YOUR MOVE

“IT IS VERY IMPORTANT THAT YOU ONLY AGREE TO A “NOT TO EXCEED” AMOUNT THAT YOU THINK IS A PROPER AND REASONABLE FEE FOR THE SERVICES YOU ARE REQUESTING. THE “NOT TO EXCEED” AMOUNT THIS MOVER IS REQUESTING IS \$ _____ TO PERFORM THE FOLLOWING SERVICES:

“IF YOU DO NOT AGREE TO THE “NOT TO EXCEED” AMOUNT LISTED OR THE DESCRIPTION OF SERVICES, YOU HAVE THE RIGHT TO REFUSE THE MOVER’S SERVICE AT NO CHARGE TO YOU.

“If you request additional or different services at the time of the move, you may be asked to complete a Change Order which will set forth your agreement to pay for additional fees for those newly requested services. If you agree to the additional charges on that Change Order, those charges may be added to the “NOT TO EXCEED” amount set forth above. If you do not agree to the amounts listed in the Change Order, you should not sign it and may refuse the mover’s services.

“A mover cannot refuse to release your goods once you have paid the “NOT TO EXCEED” amount for the transportation of your goods and personal effects and any additional services that you have agreed to in writing. The “NOT TO EXCEED” amount must be reasonable.

“A mover cannot, under any circumstances, withhold food, medicine, medical devices, items to treat or assist a disabled person, or items used for care of a minor child. A mover without a valid permit has no right to withhold your goods for any reason, including claims that you have not adequately paid for services rendered.

“For additional information or to confirm whether a mover has a valid permit issued by the Division of Household Movers of the Bureau of Household Goods and Services, please call the Bureau toll free at:

Insert toll-free number

"I have completed this form and provided the consumer (shipper) with a copy of this notice.

"Signed _____ Dated _____

"I have been provided with a copy of this form.

"Signed _____ Dated _____"

(g) Any document required by this section may be in an electronic form, if agreed upon by the household mover and the customer.

SEC. 35. Section 13108.1 of the Health and Safety Code is amended to read:

13108.1. The State Fire Marshal, in consultation with the Bureau of Household Goods and Services, shall review the flammability standards for building insulation materials, including whether the flammability standards for some insulation materials can only be met with the addition of chemical flame retardants. Based on this review, and if the State Fire Marshal deems it appropriate, he or she shall, by July 1, 2015, propose for consideration by the California Building Standards Commission, to be adopted at the sole discretion of the commission, updated insulation flammability standards that accomplish both of the following:

(a) Maintain overall building fire safety.

(b) Ensure that there is adequate protection from fires that travel between walls and into confined areas, including crawl spaces and attics, for occupants of the building and any firefighters who may be in the building during a fire.

SEC. 36. (a) Section 1.1 of this bill incorporates amendments to Section 27 of the Business and Professions Code proposed by both this bill and Senate Bill 1491. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2019, (2) each bill amends Section 27 of the Business and Professions Code, (3) Assembly Bill 3261 is not enacted or as enacted does not amend that section, and (4) this bill is enacted after Senate Bill 1491, in which case Sections 1, 1.2, and 1.3 of this bill shall not become operative.

(b) Section 1.2 of this bill incorporates amendments to Section 27 of the Business and Professions Code proposed by both this bill and Assembly Bill 3261. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2019, (2) each bill amends Section 27 of the Business and Professions Code, (3) Senate Bill 1491 is not enacted or as enacted does not amend that section, and (4) this bill is enacted after Assembly Bill 3261, in which case Sections 1, 1.1, and 1.3 of this bill shall not become operative.

(c) Section 1.3 of this bill incorporates amendments to Section 27 of the Business and Professions Code proposed by this bill, Senate Bill 1491, and Assembly Bill 3261. That section of this bill shall only become operative if (1) all three bills are enacted and become effective on or before January 1, 2019, (2) all three bills amend Section 27 of the Business and Professions Code, and (3) this bill is enacted after Senate Bill 1491 and Assembly Bill

3261, in which case Sections 1, 1.1, and 1.2 of this bill shall not become operative.

SEC. 37. (a) Section 2.1 of this bill incorporates amendments to Section 101 of the Business and Professions Code proposed by both this bill and Senate Bill 1482. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2019, (2) each bill amends Section 101 of the Business and Professions Code, (3) Assembly Bill 3110 is not enacted or as enacted does not amend that section, and (4) this bill is enacted after Senate Bill 1482, in which case Sections 2, 2.2, and 2.3 of this bill shall not become operative.

(b) Section 2.2 of this bill incorporates amendments to Section 101 of the Business and Professions Code proposed by both this bill and Assembly Bill 3110. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2019, (2) each bill amends Section 101 of the Business and Professions Code, (3) Senate Bill 1482 is not enacted or as enacted does not amend that section, and (4) this bill is enacted after Assembly Bill 3110 in which case Sections 2, 2.1 and 2.3 of this bill shall not become operative.

(c) Section 2.3 of this bill incorporates amendments to Section 101 of the Business and Professions Code proposed by this bill, Senate Bill 1482, and Assembly Bill 3110. That section of this bill shall only become operative if (1) all three bills are enacted and become effective on or before January 1, 2019, (2) all three bills amend Section 101 of the Business and Professions Code, and (3) this bill is enacted after Senate Bill 1482 and Assembly Bill 3110, in which case Sections 2, 2.1, and 2.2 of this bill shall not become operative.

SEC. 38. 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.