Introduced by Senator Hill

February 12, 2016

An act to amend Sections 1636.4, 2423, 2460, 2461, 2475, 2479, 2486, 2488, 2492, 2499, 2733, 2746.51, 2786.5, 2811, 2811.5, 2815, 2815.5, 2816, 2830.7, 2836.3, 2838.2, 4128.2, 7137, 7153.3, 8031, 8516, 8518, and 8555—of of, to amend, repeal, and add Section 4400 of, to add Section 2499.7 to, and to repeal Chapter 15 (commencing with Section 4999) of Division 2 of, the Business and Professions Code, to repeal Section 1348.8 of the Health and Safety Code, and to repeal Section 10279 of the Insurance Code, relating to professions and vocations, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1039, as amended, Hill. Professions and vocations.

(1) Existing law requires the Office of Statewide Health Planning and Development to establish the Health Professions Education Foundation to, among other things, solicit and receive funds for the purpose of providing scholarships, as specified.

The bill would state the intent of the Legislature to enact future legislation that would establish a Dental Corps Scholarship Program, as specified, to increase the supply of dentists serving in medically underserved areas.

(2) The Dental Practice Act provides for the licensure and regulation of persons engaged in the practice of dentistry by the Dental Board of California, which is within the Department of Consumer Affairs, and requires the board to be responsible for the approval of foreign dental schools by evaluating foreign dental schools based on specified criteria.

SB 1039 -2-

That act authorizes the board to contract with outside consultants or a national professional organization to survey and evaluate foreign dental schools, as specified. That act requires the board to establish a technical advisory group to review the survey and evaluation contracted for prior to the board taking any final action regarding a foreign dental school. That act also requires periodic surveys and evaluations of all approved schools be made to ensure compliance with the act.

This bill would delete the authorization to contract with outside consultants and would instead authorize the board, in lieu of conducting its own survey and evaluation of a foreign dental school, to accept the findings of any commission or accreditation agency approved by the board, if the findings meet specified standards, standards and the foreign dental school is not under review by the board on January 1, 2017, and adopt those findings as the board's own. The bill would delete the requirement to establish a technical advisory group. The bill would instead authorize periodic surveys and evaluations be made to ensure compliance with that act.

(3) The Medical Practice Act creates, within the jurisdiction of the Medical Board of California, the California Board of Podiatric Medicine. Under the act, certificates to practice podiatric medicine and registrations of spectacle lens dispensers and contact lens dispensers, among others, expire on a certain date during the second year of a 2-year term if not renewed.

This bill would instead create the California Board of Podiatric Medicine in the Department of Consumer Affairs, and would make conforming and related changes. The bill would discontinue the above-described requirement for the expiration of the registrations of spectacle lens dispensers and contact lens dispensers.

(3)

(4) The Nursing Practice Act provides for the licensure and regulation of nurse practitioners by the Board of Registered Nursing, which is within the Department of Consumer Affairs, and requires the board to adopt regulations establishing standards for continuing education for licensees, as specified. That act requires providers of continuing education programs approved by the board to make records of continuing education courses given to registered nurses available for board inspection. That act also prescribes various fees to be paid by licensees and applicants for licensure, and requires these fees to be credited to the Board of Registered Nursing Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

3 SB 1039

This bill would require that the content of a continuing education course be based on generally accepted scientific principles. The bill would also require the board to audit continuing education providers, at least once every 5 years, to ensure adherence to regulatory requirements, and to withhold or rescind approval from any provider that is in violation of regulatory requirements. The bill would raise specified fees, and would provide for additional fees, to be paid by licensees and applicants for licensure pursuant to that act. By increasing fees deposited into a continuously appropriated fund, this bill would make an appropriation.

(5) The Pharmacy Law provides for the licensure and regulation of pharmacists by the California State Board of Pharmacy within the Department of Consumer Affairs. That law prescribes various fees to be paid by licensees and applicants for licensure, and requires all fees collected on behalf of the board to be credited to the Pharmacy Board Contingent Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would discontinue the fee for issuance or annual renewal of a centralized hospital packaging pharmacy license. The bill would, on and after July 1, 2017, also modify other specified fees to be paid by licensees and applicants for licensure pursuant to that act. By increasing fees deposited into a continuously appropriated fund, this bill would make an appropriation.

(6) Existing law requires certain businesses that provide telephone medical advice services to a patient at a California address to be registered with the Telephone Medical Advice Services Bureau and further requires telephone medical advice services to comply with the requirements established by the Department of Consumer Affairs, among other provisions, as specified.

This bill would repeal those provisions.

(7) The Contractors' State License Law provides for the licensure and regulation of contractors by the Contractors' State License Board within the Department of Consumer Affairs. That law also prescribes various fees to be paid by licensees and applicants for licensure, and requires fees and civil penalties received under that law to be deposited in the Contractors' License Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would raise specified fees and would require the board to establish criteria for the approval of expedited processing of SB 1039 —4—

applications, as specified. By increasing fees deposited into a continuously appropriated fund, this bill would make an appropriation.

(8) Existing law provides for the licensure and regulation of shorthand reporters by the Court Reporters Board of California within the Department of Consumer Affairs. That law authorizes the board, by resolution, to establish a fee for the renewal of a certificate issued by the board, and prohibits the fee from exceeding \$125, as specified. Under existing law, all fees and revenues received by the board are deposited into the Court Reporters' Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would raise that fee limit to \$250. By authorizing an increase in a fee deposited into a continuously appropriated fund, this bill would make an appropriation.

(4)

(9) Existing law provides for the licensure and regulation of structural pest control operators and registered companies by the Structural Pest Control Board, which is within the Department of Consumer Affairs, and requires a licensee to pay a specified license fee. Existing law makes any violation of those provisions punishable as a misdemeanor. Existing law places certain requirements on a registered company or licensee with regards to wood destroying pests or organisms, including that a registered company or licensee is prohibited from commencing work on a contract until an inspection has been made by a licensed Branch 3 field representative or operator, that the address of each property inspected or upon which work was completed is required to be reported to the board, as specified, and that a written inspection report be prepared and delivered to the person requesting the inspection or his or her agent. Existing law requires the original inspection report to be submitted to the board upon demand. Existing law requires that written report to contain certain information, including a foundation diagram or sketch of the structure or portions of the structure inspected, and requires the report, and any contract entered into, to expressly state if a guarantee for the work is made, and if so, the terms and time period of the guarantee. Existing law establishes the Structural Pest Control Fund, which is a continuously appropriated fund as it pertains to fees collected by the board.

This bill would require the operator who is conducting the inspection prior to the commencement of work to be employed by a registered company, except as specified. The bill would not require the address of an inspection report prepared for use by an attorney for litigation to _5_ SB 1039

be reported to the board or assessed a filing fee. The bill would require instead that the written inspection report be prepared and delivered to the person requesting it, the property owner, or the property owner's designated agent, as specified. The bill would allow an inspection report to be a complete, limited, supplemental, or reinspection report, as defined. The bill would require all inspection reports to be submitted to the board and maintained with field notes, activity forms, and notices of completion until one year after the guarantee expires if the guarantee extends beyond 3 years. The bill would require the inspection report to clearly list the infested or infected wood members or parts of the structure identified in the required diagram or sketch. By placing new requirements on a registered company or—licensee licensee, this bill would expand an existing crime and would, therefore, impose a state-mandated local program.

Existing law requires a registered company to prepare a notice of work completed to give to the owner of the property when the work is completed.

This bill would make this provision only applicable to work relating to wood destroying pests and organisms.

Existing law provides that the laws governing structural pest control operators, including licensure, does do not apply to persons engaged in the live capture and removal of vertebrate pests, bees, or wasps from a structure without the use of pesticides.

This bill would instead apply those laws to persons that engage in the live capture and removal of vertebrate pests without the use of pesticides. By requiring persons that engaged engage in the live capture and removal of vertebrate pests without the use of pesticides to comply with the laws governing structural pest control operators, this bill would expand an existing crime, and would, therefore, impose a state-mandated local program. By requiring those person persons to be licensed, this bill would require them to pay a licensee license fee that would go into a continuously appropriated fund, which would, therefore, result in an appropriation.

(5)

(10) 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.

SB 1039 — 6—

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

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

SECTION 1. It is the intent of the Legislature to enact future legislation that would establish a Dental Corps Scholarship Program within the Health-and Professions Education Foundation to increase the supply of dentists serving in medically underserved areas.

SEC. 2. Section 1636.4 of the Business and Professions Code is amended to read:

1636.4. (a) The Legislature recognizes the need to ensure that graduates of foreign dental schools who have received an education that is equivalent to that of accredited institutions in the United States and that adequately prepares their students for the practice of dentistry shall be subject to the same licensure requirements as graduates of approved dental schools or colleges. It is the purpose of this section to provide for the evaluation of foreign dental schools and the approval of those foreign dental schools that provide an education that is equivalent to that of similar accredited institutions in the United States and that adequately prepare their students for the practice of dentistry.

- (b) The board shall be responsible for the approval of foreign dental schools based on standards established pursuant to subdivision (c). The board may, in lieu of conducting its own survey and evaluation of a foreign dental school, accept the findings of any commission or accreditation agency approved by the board if the findings meet the standards of subdivision (c) and adopt those findings as the board's own. This subdivision shall not apply to foreign dental schools seeking board approval that are under review by the board on January 1, 2017.
- (c) Any foreign dental school that wishes to be approved pursuant to this section shall make application to the board for this approval, which shall be based upon a finding by the board that the educational program of the foreign dental school is equivalent to that of similar accredited institutions in the United States and adequately prepares its students for the practice of dentistry. Curriculum, faculty qualifications, student attendance, plant and facilities, and other relevant factors shall be reviewed and

-7- SB 1039

evaluated. The board shall identify by rule the standards and review procedures and methodology to be used in the approval process consistent with this subdivision. The board shall not grant approval if deficiencies found are of such magnitude as to prevent the students in the school from receiving an educational base suitable for the practice of dentistry.

- (d) Periodic surveys and evaluations of all approved schools may be made to ensure continued compliance with this section. Approval shall include provisional and full approval. The provisional form of approval shall be for a period determined by the board, not to exceed three years, and shall be granted to an institution, in accordance with rules established by the board, to provide reasonable time for the school seeking permanent approval to overcome deficiencies found by the board. Prior to the expiration of a provisional approval and before the full approval is granted, the school shall be required to submit evidence that deficiencies noted at the time of initial application have been remedied. A school granted full approval shall provide evidence of continued compliance with this section. In the event that the board denies approval or reapproval, the board shall give the school a specific listing of the deficiencies that caused the denial and the requirements for remedying the deficiencies, and shall permit the school, upon request, to demonstrate by satisfactory evidence, within 90 days, that it has remedied the deficiencies listed by the board.
- (e) A school shall pay a registration fee established by rule of the board, not to exceed one thousand dollars (\$1,000), at the time of application for approval and shall pay all reasonable costs and expenses incurred for conducting the approval survey.
- (f) The board shall renew approval upon receipt of a renewal application, accompanied by a fee not to exceed five hundred dollars (\$500). Each fully approved institution shall submit a renewal application every seven years. Any approval that is not renewed shall automatically expire.
- SEC. 3. Section 2423 of the Business and Professions Code is amended to read:
 - 2423. (a) Notwithstanding Section 2422:
- (1) All physician and surgeon's certificates, certificates to practice podiatric medicine, registrations of spectacle lens dispensers and contact lens dispensers, certificates and certificates

SB 1039 —8—

to practice midwifery shall expire at 12 midnight on the last day of the birth month of the licensee during the second year of a two-year term if not renewed.

- (2) Registrations of dispensing opticians will expire at midnight on the last day of the month in which the license was issued during the second year of a two-year term if not renewed.
- (b) The Division of Licensing board shall establish by regulation procedures for the administration of a birth date renewal program, including, but not limited to, the establishment of a system of staggered license expiration dates such that a relatively equal number of licenses expire monthly.
- (c) To renew an unexpired license, the licensee shall, on or before the dates on which it would otherwise expire, apply for renewal on a form prescribed by the licensing authority and pay the prescribed renewal fee.
- SEC. 4. Section 2460 of the Business and Professions Code is amended to read:
- 2460. (a) There is created within the jurisdiction of the Medical Board of California the Department of Consumer Affairs a California Board of Podiatric Medicine.
- (b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date. Notwithstanding any other provision of law, the repeal of this section renders the California Board of Podiatric Medicine subject to review by the appropriate policy committees of the Legislature.
- SEC. 5. Section 2461 of the Business and Professions Code is amended to read:
- 29 2461. As used in this article:
- (a) "Division" means the Division of Licensing of the Medical
 Board of California.
- 32 (b)

3

4

5

7

8

10

11

12 13

14 15

16 17

18

19

20

21

22

23

24

25

26

- 33 (a) "Board" means the California Board of Podiatric Medicine.
- 34 (e
- 35 (b) "Podiatric licensing authority" refers to any officer, board, commission, committee, or department of another state that may issue a license to practice podiatric medicine.
- 38 SEC. 6. Section 2475 of the Business and Professions Code is amended to read:

-9- SB 1039

2475. Unless otherwise provided by law, no postgraduate trainee, intern, resident postdoctoral fellow, or instructor may engage in the practice of podiatric medicine, or receive compensation therefor, or offer to engage in the practice of podiatric medicine unless he or she holds a valid, unrevoked, and unsuspended certificate to practice podiatric medicine issued by the division. board. However, a graduate of an approved college or school of podiatric medicine upon whom the degree doctor of podiatric medicine has been conferred, who is issued a resident's license, which may be renewed annually for up to eight years for this purpose by the division upon recommendation of the board, and who is enrolled in a postgraduate training program approved by the board, may engage in the practice of podiatric medicine whenever and wherever required as a part of that program and may receive compensation for that practice under the following conditions:

- (a) A graduate with a resident's license in an approved internship, residency, or fellowship program may participate in training rotations outside the scope of podiatric medicine, under the supervision of a physician and surgeon who holds a medical doctor or doctor of osteopathy degree wherever and whenever required as a part of the training program, and may receive compensation for that practice. If the graduate fails to receive a license to practice podiatric medicine under this chapter within three years from the commencement of the postgraduate training, all privileges and exemptions under this section shall automatically cease.
- (b) Hospitals functioning as a part of the teaching program of an approved college or school of podiatric medicine in this state may exchange instructors or resident or assistant resident doctors of podiatric medicine with another approved college or school of podiatric medicine not located in this state, or those hospitals may appoint a graduate of an approved school as such a resident for purposes of postgraduate training. Those instructors and residents may practice and be compensated as provided in this section, but that practice and compensation shall be for a period not to exceed two years.

SEC. 7. Section 2479 of the Business and Professions Code is amended to read:

SB 1039 — 10 —

1 2

2479. The division shall issue, upon the recommendation of the board, board shall issue a certificate to practice podiatric medicine to each applicant who meets the requirements of this chapter. Every applicant for a certificate to practice podiatric medicine shall comply with the provisions of Article 4 (commencing with Section 2080) which are not specifically applicable to applicants for a physician's and surgeon's certificate, in addition to the provisions of this article.

SEC. 8. Section 2486 of the Business and Professions Code is amended to read:

2486. The Medical Board of California shall issue, upon the recommendation of the board, board shall issue a certificate to practice podiatric medicine if the applicant has submitted directly to the board from the credentialing organizations verification that he or she meets all of the following requirements:

- (a) The applicant has graduated from an approved school or college of podiatric medicine and meets the requirements of Section 2483.
- (b) The applicant, within the past 10 years, has passed parts I, II, and III of the examination administered by the National Board of Podiatric Medical Examiners of the United States or has passed a written examination that is recognized by the board to be the equivalent in content to the examination administered by the National Board of Podiatric Medical Examiners of the United States.
- (c) The applicant has satisfactorily completed the postgraduate training required by Section 2484.
- (d) The applicant has passed within the past 10 years any oral and practical examination that may be required of all applicants by the board to ascertain clinical competence.
- (e) The applicant has committed no acts or crimes constituting grounds for denial of a certificate under Division 1.5 (commencing with Section 475).
- (f) The board determines that no disciplinary action has been taken against the applicant by any podiatric licensing authority and that the applicant has not been the subject of adverse judgments or settlements resulting from the practice of podiatric medicine that the board determines constitutes evidence of a pattern of negligence or incompetence.

-11- SB 1039

(g) A disciplinary databank report regarding the applicant is received by the board from the Federation of Podiatric Medical Boards.

- SEC. 9. Section 2488 of the Business and Professions Code is amended to read:
- 2488. Notwithstanding any other provision of law, the Medical Board of California shall issue, upon the recommendation of the board, board shall issue a certificate to practice podiatric medicine by credentialing if the applicant has submitted directly to the board from the credentialing organizations verification that he or she is licensed as a doctor of podiatric medicine in any other state and meets all of the following requirements:
- (a) The applicant has graduated from an approved school or college of podiatric medicine.
- (b) The applicant, within the past 10 years, has passed either part III of the examination administered by the National Board of Podiatric Medical Examiners of the United States or a written examination that is recognized by the board to be the equivalent in content to the examination administered by the National Board of Podiatric Medical Examiners of the United States.
- (c) The applicant has satisfactorily completed a postgraduate training program approved by the Council on Podiatric Medical Education.
- (d) The applicant, within the past 10 years, has passed any oral and practical examination that may be required of all applicants by the board to ascertain clinical competence.
- (e) The applicant has committed no acts or crimes constituting grounds for denial of a certificate under Division 1.5 (commencing with Section 475).
- (f) The board determines that no disciplinary action has been taken against the applicant by any podiatric licensing authority and that the applicant has not been the subject of adverse judgments or settlements resulting from the practice of podiatric medicine that the board determines constitutes evidence of a pattern of negligence or incompetence.
- (g) A disciplinary databank report regarding the applicant is received by the board from the Federation of Podiatric Medical Boards.
- 39 SEC. 10. Section 2492 of the Business and Professions Code 40 is amended to read:

SB 1039 — 12 —

 2492. (a) The board shall examine every applicant for a certificate to practice podiatric medicine to ensure a minimum of entry-level competence at the time and place designated by the board in its discretion, but at least twice a year.

- (b) Unless the applicant meets the requirements of Section 2486, applicants shall be required to have taken and passed the examination administered by the National Board of Podiatric Medical Examiners.
- (c) The board may appoint qualified persons to give the whole or any portion of any examination as provided in this article, who shall be designated as examination commissioners. The board may fix the compensation of those persons subject to the provisions of applicable state laws and regulations.
- (d) The provisions of Article 9 (commencing with Section 2170) shall apply to examinations administered by the board except where those provisions are in conflict with or inconsistent with the provisions of this article. In respect to applicants under this article any references to the "Division of Licensing" or "division" shall be deemed to apply to the board.
- SEC. 11. Section 2499 of the Business and Professions Code is amended to read:
- 2499. There is in the State Treasury the Board of Podiatric Medicine Fund. Notwithstanding Section 2445, the division board shall report to the Controller at the beginning of each calendar month for the month preceding the amount and source of all revenue received by it on behalf of the board, pursuant to this chapter, and shall pay the entire amount thereof to the Treasurer for deposit into the fund. All revenue received by the board-and the division from fees authorized to be charged relating to the practice of podiatric medicine shall be deposited in the fund as provided in this section, and shall be used to carry out the provisions of this chapter relating to the regulation of the practice of podiatric medicine.
- SEC. 12. Section 2499.7 is added to the Business and Professions Code, to read:
- 2499.7. (a) Certificates to practice podiatric medicine shall expire at 12 midnight on the last day of the birth month of the licensee during the second year of a two-year term.
- (b) To renew an unexpired certificate, the licensee, on or before the date on which the certificate would otherwise expire, shall

13 SB 1039

apply for renewal on a form prescribed by the board and pay the prescribed renewal fee.

- SEC. 13. Section 2733 of the Business and Professions Code is amended to read:
- 2733. (a) (1) (A) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (k) of Section 2815, the board may issue a temporary license to practice professional nursing, and a temporary certificate to practice as a certified nurse midwife, certified nurse practitioner, certified public health nurse, certified clinical nurse specialist, or certified nurse anesthetist nurse for a period of six months from the date of issuance.
- (B) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (d) of Section 2838.2, the board may issue a temporary certificate to practice as a certified clinical nurse specialist for a period of six months from the date of issuance.
- (C) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (e) of Section 2815.5, the board may issue a temporary certificate to practice as a certified nurse midwife for a period of six months from the date of issuance.
- (D) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (d) of Section 2830.7, the board may issue a temporary certificate to practice as a certified nurse anesthetist for a period of six months from the date of issuance.
- (E) Upon approval of an application filed pursuant to subdivision (b) of Section 2732.1, and upon the payment of the fee prescribed by subdivision (p) of Section 2815, the board may issue a temporary certificate to practice as a certified nurse practitioner for a period of six months from the date of issuance.

 \mathbf{A}

- (2) A temporary license or temporary certificate shall terminate upon notice thereof by certified mail, return receipt requested, if it is issued by mistake or if the application for permanent licensure is denied.
- (b) Upon written application, the board may reissue a temporary license or temporary certificate to any person who has applied for

— 14 — SB 1039

7

8

9

10

11

12 13

14

15

16 17

18 19

20

21

22

23

24 25

26

27

28

29

30

31

32

33

34

35 36

37

38

39

a regular renewable license pursuant to subdivision (b) of Section 2732.1 and who, in the judgment of the board has been excusably 3 delayed in completing his or her application for or the minimum 4 requirements for a regular renewable license, but the board may 5 not reissue a temporary license or temporary certificate more than 6 twice to any one person.

SEC. 14. Section 2746.51 of the Business and Professions Code is amended to read:

2746.51. (a) Neither this chapter nor any other provision of law shall be construed to prohibit a certified nurse-midwife from furnishing or ordering drugs or devices, including controlled substances classified in Schedule II, III, IV, or V under the California Uniform Controlled Substances Act (Division 10 (commencing with Section 11000) of the Health and Safety Code), when all of the following apply:

- (1) The drugs or devices are furnished or ordered incidentally to the provision of any of the following:
- (A) Family planning services, as defined in Section 14503 of the Welfare and Institutions Code.
- (B) Routine health care or perinatal care, as defined in subdivision (d) of Section 123485 of the Health and Safety Code.
- (C) Care rendered, consistent with the certified nurse-midwife's educational preparation or for which clinical competency has been established and maintained, to persons within a facility specified in subdivision (a), (b), (c), (d), (i), or (j) of Section 1206 of the Health and Safety Code, a clinic as specified in Section 1204 of the Health and Safety Code, a general acute care hospital as defined in subdivision (a) of Section 1250 of the Health and Safety Code, a licensed birth center as defined in Section 1204.3 of the Health and Safety Code, or a special hospital specified as a maternity hospital in subdivision (f) of Section 1250 of the Health and Safety Code.
- (2) The drugs or devices are furnished or ordered by a certified nurse-midwife in accordance with standardized procedures or protocols. For purposes of this section, standardized procedure means a document, including protocols, developed and approved by the supervising physician and surgeon, the certified nurse-midwife, and the facility administrator or his or her designee. The standardized procedure covering the furnishing or ordering

15 SB 1039

(A) Which certified nurse-midwife may furnish or order drugs or devices.

- (B) Which drugs or devices may be furnished or ordered and under what circumstances.
 - (C) The extent of physician and surgeon supervision.

- (D) The method of periodic review of the certified nurse-midwife's competence, including peer review, and review of the provisions of the standardized procedure.
- (3) If Schedule II or III controlled substances, as defined in Sections 11055 and 11056 of the Health and Safety Code, are furnished or ordered by a certified nurse-midwife, the controlled substances shall be furnished or ordered in accordance with a patient-specific protocol approved by the treating or supervising physician and surgeon. For Schedule II controlled substance protocols, the provision for furnishing the Schedule II controlled substance shall address the diagnosis of the illness, injury, or condition for which the Schedule II controlled substance is to be furnished.
- (4) The furnishing or ordering of drugs or devices by a certified nurse-midwife occurs under physician and surgeon supervision. For purposes of this section, no physician and surgeon shall supervise more than four certified nurse-midwives at one time. Physician and surgeon supervision shall not be construed to require the physical presence of the physician, but does include all of the following:
- (A) Collaboration on the development of the standardized procedure or protocol.
 - (B) Approval of the standardized procedure or protocol.
- (C) Availability by telephonic contact at the time of patient examination by the certified nurse-midwife.
- (b) (1) The furnishing or ordering of drugs or devices by a certified nurse-midwife is conditional on the issuance by the board of a number to the applicant who has successfully completed the requirements of paragraph (2). The number shall be included on all transmittals of orders for drugs or devices by the certified nurse-midwife. The board shall maintain a list of the certified nurse-midwives that it has certified pursuant to this paragraph and the number it has issued to each one. The board shall make the list available to the California State Board of Pharmacy upon its request. Every certified nurse-midwife who is authorized pursuant

SB 1039 — 16—

to this section to furnish or issue a drug order for a controlled substance shall register with the United States Drug Enforcement Administration.

- (2) The board has certified in accordance with paragraph (1) that the certified nurse-midwife has satisfactorily completed a course in pharmacology covering the drugs or devices to be furnished or ordered under this section. The board shall establish the requirements for satisfactory completion of this paragraph. The board may charge the applicant a fee to cover all necessary costs to implement this section, that shall be not less than four hundred dollars (\$400) nor more than one thousand five hundred dollars (\$1,500) for an initial application, nor less than one hundred fifty dollars (\$150) nor more than one thousand dollars (\$1,000) for an application for renewal. The board may charge a penalty fee for failure to renew a furnishing number within the prescribed time that shall be not less than seventy-five dollars (\$75) nor more than five hundred dollars (\$500).
- (3) A physician and surgeon may determine the extent of supervision necessary pursuant to this section in the furnishing or ordering of drugs and devices.
- (4) A copy of the standardized procedure or protocol relating to the furnishing or ordering of controlled substances by a certified nurse-midwife shall be provided upon request to any licensed pharmacist who is uncertain of the authority of the certified nurse-midwife to perform these functions.
- (5) Certified nurse-midwives who are certified by the board and hold an active furnishing number, who are currently authorized through standardized procedures or protocols to furnish Schedule II controlled substances, and who are registered with the United States Drug Enforcement Administration shall provide documentation of continuing education specific to the use of Schedule II controlled substances in settings other than a hospital based on standards developed by the board.
- (c) Drugs or devices furnished or ordered by a certified nurse-midwife may include Schedule II controlled substances under the California Uniform Controlled Substances Act (Division 10 (commencing with Section 11000) of the Health and Safety Code) under the following conditions:
- (1) The drugs and devices are furnished or ordered in accordance with requirements referenced in paragraphs (2) to (4), inclusive,

-17- SB 1039

of subdivision (a) and in paragraphs (1) to (3), inclusive, of subdivision (b).

- (2) When Schedule II controlled substances, as defined in Section 11055 of the Health and Safety Code, are furnished or ordered by a certified nurse-midwife, the controlled substances shall be furnished or ordered in accordance with a patient-specific protocol approved by the treating or supervising physician and surgeon.
- (d) Furnishing of drugs or devices by a certified nurse-midwife means the act of making a pharmaceutical agent or agents available to the patient in strict accordance with a standardized procedure or protocol. Use of the term "furnishing" in this section shall include the following:
- (1) The ordering of a drug or device in accordance with the standardized procedure or protocol.
- (2) Transmitting an order of a supervising physician and surgeon.
- (e) "Drug order" or "order" for purposes of this section means an order for medication or for a drug or device that is dispensed to or for an ultimate user, issued by a certified nurse-midwife as an individual practitioner, within the meaning of Section 1306.03 of Title 21 of the Code of Federal Regulations. Notwithstanding any other provision of law, (1) a drug order issued pursuant to this section shall be treated in the same manner as a prescription of the supervising physician; (2) all references to "prescription" in this code and the Health and Safety Code shall include drug orders issued by certified nurse-midwives; and (3) the signature of a certified nurse-midwife on a drug order issued in accordance with this section shall be deemed to be the signature of a prescriber for purposes of this code and the Health and Safety Code.
- SEC. 15. Section 2786.5 of the Business and Professions Code is amended to read:
- 2786.5. (a) An institution of higher education or a private postsecondary school of nursing approved by the board pursuant to subdivision (b) of Section 2786 shall remit to the board for deposit in the Board of Registered Nursing Fund the following fees, in accordance with the following schedule:
- (1) The fee for approval of a school of nursing shall be—five thousand dollars (\$5,000). fixed by the board at not less than forty

SB 1039 — 18—

1 thousand dollars (\$40,000) nor more than eighty thousand dollars (\$80,000).

- (2) The fee for continuing approval of a nursing program established after January 1, 2013, shall be three thousand five hundred dollars (\$3,500). fixed by the board at not less than fifteen thousand dollars (\$15,000) nor more than thirty thousand dollars (\$30,000).
- (3) The processing fee for authorization of a substantive change to an approval of a school of nursing shall be five hundred dollars (\$500). fixed by the board at not less than two thousand five hundred dollars (\$2,500) nor more than five thousand dollars (\$5,000).
- (b) If the board determines that the annual cost of providing oversight and review of a school of nursing, as required by this article, is less than the amount of any fees required to be paid by that institution pursuant to this article, the board may decrease the fees applicable to that institution to an amount that is proportional to the board's costs associated with that institution.
- SEC. 16. Section 2811 of the Business and Professions Code is amended to read:
- 2811. (a) Each person holding a regular renewable license under this chapter, whether in an active or inactive status, shall apply for a renewal of his license and pay the biennial renewal fee required by this chapter each two years on or before the last day of the month following the month in which his birthday occurs, beginning with the second birthday following the date on which the license was issued, whereupon the board shall renew the license.
- (b) Each such license not renewed in accordance with this section shall expire but may within a period of eight years thereafter be reinstated upon payment of the biennial renewal fee and penalty fee required by this chapter and upon submission of such proof of the applicant's qualifications as may be required by the board, except that during such eight-year period no examination shall be required as a condition for the reinstatement of any such expired license which has lapsed solely by reason of nonpayment of the renewal fee. After the expiration of such eight-year period the board may require as a condition of reinstatement that the applicant pass such examination as it deems necessary to determine his present fitness to resume the practice of professional nursing.

-19- SB 1039

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

SEC. 3.

1

2

3

4

5

6

7

8

10

11 12

13

14

15

16

17

18

19

20 21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

SEC. 17. Section 2811.5 of the Business and Professions Code is amended to read:

- 2811.5. (a) Each person renewing his or her license under Section 2811 shall submit proof satisfactory to the board that, during the preceding two-year period, he or she has been informed of the developments in the registered nurse field or in any special area of practice engaged in by the licensee, occurring since the last renewal thereof, either by pursuing a course or courses of continuing education in the registered nurse field or relevant to the practice of the licensee, and approved by the board, or by other means deemed equivalent by the board.
- (b) For purposes of this section, the board shall, by regulation, establish standards for continuing education. The standards shall be established in a manner to-assure ensure that a variety of alternative forms of continuing education are available to licensees, including, but not limited to, academic studies, in-service education, institutes, seminars, lectures, conferences, workshops, extension studies, and home study programs. The standards shall take cognizance of specialized areas of practice, and content shall be based on generally accepted scientific principles. relevant to the practice of nursing and shall be related to the scientific knowledge or technical skills required for the practice of nursing or be related to direct or indirect patient or client care. The continuing education standards established by the board shall not exceed 30 hours of direct participation in a course or courses approved by the board, or its equivalent in the units of measure adopted by the board.
- (c) The board shall audit continuing education providers at least once every five years to ensure adherence to regulatory requirements, and shall withhold or rescind approval from any provider that is in violation of the regulatory requirements.
- (d) The board shall encourage continuing education in spousal or partner abuse detection and treatment. In the event the board establishes a requirement for continuing education coursework in spousal or partner abuse detection or treatment, that requirement

SB 1039 — 20 —

shall be met by each licensee within no more than four years from the date the requirement is imposed.

- (e) In establishing standards for continuing education, the board shall consider including a course in the special care needs of individuals and their families facing end-of-life issues, including, but not limited to, all of the following:
 - (1) Pain and symptom management.
- (2) The psycho-social dynamics of death.
 - (3) Dying and bereavement.
- (4) Hospice care.

- (f) In establishing standards for continuing education, the board may include a course on pain management.
- (g) This section shall not apply to licensees during the first two years immediately following their initial licensure in California or any other governmental jurisdiction.
- (h) The board may, in accordance with the intent of this section, make exceptions from continuing education requirements for licensees residing in another state or country, or for reasons of health, military service, or other good cause.
- SEC. 18. Section 2815 of the Business and Professions Code is amended to read:
- 2815. Subject to the provisions of Section 128.5, the amount of the fees prescribed by this chapter in connection with the issuance of licenses for registered nurses under its provisions is that fixed by the following schedule:
- (a) (1) The fee to be paid upon the filing by a graduate of an approved school of nursing in this state of an application for a licensure by examination shall be fixed by the board at not less than seventy-five dollars (\$75) three hundred dollars (\$300) nor more than one hundred fifty dollars (\$150). thousand dollars (\$1,000).
- (2) The fee to be paid upon the filing by a graduate of a school of nursing in another state, district, or territory of the United States of an application for a licensure by examination shall be fixed by the board at not less than three hundred fifty dollars (\$350) nor more than one thousand dollars (\$1,000).
- (3) The fee to be paid upon the filing by a graduate of a school of nursing in another country of an application for a licensure by examination shall be fixed by the board at not less than seven

—21— SB 1039

hundred fifty dollars (\$750) nor more than one thousand five hundred dollars (\$1,500).

- (4) The fee to be paid upon the filing of an application for licensure by a repeat examination shall be fixed by the board at not less than two hundred fifty dollars (\$250) and not more than one thousand dollars (\$1,000).
- (b) The fee to be paid for taking each examination shall be the actual cost to purchase an examination from a vendor approved by the board.
- (c) (1) The fee to be paid for application by a person who is licensed or registered as a nurse in another state, district, or territory of the United States for licensure by endorsement shall be fixed by the board at not less than-fifty dollars (\$50) three hundred fifty dollars (\$350) nor more than one-hundred dollars (\$100). thousand dollars (\$1,000).
- (2) The fee to be paid for application by a person who is licensed or registered as a nurse in another country for licensure by endorsement shall be fixed by the board at not less than seven hundred fifty dollars (\$750) nor more than one thousand five hundred dollars (\$1,500).
- (d) (1) The biennial fee to be paid upon the filing of an application for renewal of the license shall be not less than seventy-five dollars (\$75) one hundred eighty dollars (\$180) nor more than one hundred fifty dollars (\$150). seven hundred fifty dollars (\$750). In addition, an assessment of ten dollars (\$10) shall be collected and credited to the Registered Nurse Education Fund, pursuant to Section 2815.1.
- (2) The fee to be paid upon the filing of an application for reinstatement pursuant to subdivision (b) of Section 2811 shall be not less than three hundred fifty dollars (\$350) nor more than one thousand dollars (\$1,000).
- (e) The penalty fee for failure to renew a license within the prescribed time shall be fixed by the board at not more than 50 percent of the regular renewal fee, but not less than thirty-seven dollars (\$37) ninety dollars (\$90) nor more than seventy-five dollars (\$75). three hundred seventy-five dollars (\$375).
- (f) The fee to be paid for approval of a continuing education provider shall be fixed by the board at not less than two hundred dollars (\$200) five hundred dollars (\$500) nor more than three hundred dollars (\$300). one thousand dollars (\$1,000).

SB 1039 — 22 —

(g) The biennial fee to be paid upon the filing of an application for renewal of provider approval shall be fixed by the board at not less than two hundred dollars (\$200) seven hundred fifty dollars (\$750) nor more than three hundred dollars (\$300). one thousand dollars (\$1,000).

- (h) The penalty fee for failure to renew provider approval within the prescribed time shall be fixed at not more than 50 percent of the regular renewal fee, but not less than one hundred dollars (\$100) one hundred twenty-five dollars (\$125) nor more than one hundred fifty dollars (\$150). five hundred dollars (\$500).
- (i) The penalty for submitting insufficient funds or fictitious check, draft or order on any bank or depository for payment of any fee to the board shall be fixed at not less than fifteen dollars (\$15) nor more than thirty dollars (\$30).
- (j) The fee to be paid for an interim permit shall be fixed by the board at not less than thirty dollars (\$30) one hundred dollars (\$100) nor more than fifty dollars (\$50). two hundred fifty dollars (\$250).
- (k) The fee to be paid for a temporary license shall be fixed by the board at not less than thirty dollars (\$30) one hundred dollars (\$100) nor more than fifty dollars (\$50). two hundred fifty dollars (\$250).
- (*l*) The fee to be paid for processing endorsement papers to other states shall be fixed by the board at not less than sixty dollars (\$60) one hundred dollars (\$100) nor more than one hundred dollars (\$100). two hundred dollars (\$200).
- (m) The fee to be paid for a certified copy of a school transcript shall be fixed by the board at not less than thirty dollars (\$30) fifty dollars (\$50) nor more than fifty dollars (\$50). one hundred dollars (\$100).
- (n) (1) The fee to be paid for a duplicate *pocket* license shall be fixed by the board at not less than thirty dollars (\$30) fifty dollars (\$50) nor more than fifty dollars (\$50). seventy-five dollars (\$75).
- (2) The fee to be paid for a duplicate wall certificate shall be fixed by the board at not less than sixty dollars (\$60) nor more than one hundred dollars (\$100).
- 38 (o) (1) The fee to be paid by a registered nurse for an evaluation 39 of his or her qualifications to use the title "nurse practitioner" shall 40 be fixed by the board at not less than seventy-five dollars (\$75)

SB 1039

1 five hundred dollars (\$500) nor more than one hundred fifty dollars (\$150). thousand five hundred dollars (\$1,500).
3 (2) The fee to be paid by a registered nurse for a temporary

- (2) The fee to be paid by a registered nurse for a temporary certificate to practice as a nurse practitioner shall be fixed by the board at not less than one hundred fifty dollars (\$150) nor more than five hundred dollars (\$500).
- (3) The fee to be paid upon the filing of an application for renewal of a certificate to practice as a nurse practitioner shall be not less than one hundred fifty dollars (\$150) nor more than one thousand dollars (\$1,000).
- (4) The penalty fee for failure to renew a certificate to practice as a nurse practitioner within the prescribed time shall be not less than seventy-five dollars (\$75) nor more than five hundred dollars (\$500).
- (p) The fee to be paid by a registered nurse for listing as a "psychiatric mental health nurse" shall be fixed by the board at not less than three hundred fifty dollars (\$350) nor more than seven hundred fifty dollars (\$750).
- (q) The fee to be paid for duplicate National Council Licensure Examination for registered nurses (NCLEX-RN) examination results shall be not less than sixty dollars (\$60) nor more than one hundred dollars (\$100).
- (r) The fee to be paid for a letter certifying a license shall be not less than twenty dollars (\$20) nor more than thirty dollars (\$30).
- No further fee shall be required for a license or a renewal thereof other than as prescribed by this chapter.
- SEC. 19. Section 2815.5 of the Business and Professions Code is amended to read:
- 2815.5. The amount of the fees prescribed by this chapter in connection with the issuance of certificates as nurse-midwives is that fixed by the following schedule:
- (a) The fee to be paid upon the filing of an application for a certificate shall be fixed by the board at not less than seventy-five dollars (\$75) five hundred dollars (\$500) nor more than one hundred fifty dollars (\$150). thousand five hundred dollars (\$1,500).
- 38 (b) The biennial fee to be paid upon the application for a renewal of a certificate shall be fixed by the board at not less than fifty

SB 1039 — 24 —

1 dollars (\$50) one hundred fifty dollars (\$150) nor more than one hundred dollars (\$100). thousand dollars (\$1,000).

- (c) The penalty fee for failure to renew a certificate within the prescribed time shall be 50 percent of the renewal fee in effect on the date of the renewal of the license, but not less than twenty-five dollars (\$25) seventy-five dollars (\$75) nor more than fifty dollars (\$50). five hundred dollars (\$500).
- (d) The fee to be paid upon the filing of an application for the nurse-midwife equivalency examination shall be fixed by the board at not less than one hundred dollars (\$100) nor more than two hundred dollars (\$200).
- (e) The fee to be paid for a temporary certificate shall be fixed by the board at not less than one hundred fifty dollars (\$150) nor more than five hundred dollars (\$500).
- SEC. 20. Section 2816 of the Business and Professions Code is amended to read:
- 2816. The nonrefundable fee to be paid by a registered nurse for an evaluation of his or her qualifications to use the title "public health nurse" shall be equal to the fees set out in subdivision (o) of Section 2815. The fee to be paid for upon the application for renewal of the certificate to practice as a public health nurse shall be fixed by the board at not less than one hundred twenty-five dollars (\$125) and not more than five hundred dollars (\$500). All fees payable under this section shall be collected by and paid to the Registered Nursing Fund. It is the intention of the Legislature that the costs of carrying out the purposes of this article shall be covered by the revenue collected pursuant to this section.
- SEC. 21. Section 2830.7 of the Business and Professions Code is amended to read:
- 2830.7. The amount of the fees prescribed by this chapter in connection with the issuance of certificates as nurse anesthetists is that fixed by the following schedule:
- (a) The fee to be paid upon the filing of an application for a certificate shall be fixed by the board at not less than seventy-five dollars (\$75) five hundred dollars (\$500) nor more than one hundred fifty dollars (\$150). thousand five hundred dollars (\$1,500).
- (b) The biennial fee to be paid upon the application for a renewal of a certificate shall be fixed by the board at not less than-fifty

25 SB 1039

dollars (\$50) one hundred fifty dollars (\$150) nor more than one hundred dollars (\$100). thousand dollars (\$1,000).

2

3

4

5

7

8

10

11 12

13

14

15

16 17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33 34

35

36

37

38

- (c) The penalty fee for failure to renew a certificate within the prescribed time shall be 50 percent of the renewal fee in effect on the date of the renewal of the license, but not less than twenty-five dollars (\$25) seventy-five dollars (\$75) nor more than fifty dollars (\$50). five hundred dollars (\$500).
- (d) The fee to be paid for a temporary certificate shall be fixed by the board at not less than one hundred fifty dollars (\$150) nor more than five hundred dollars (\$500).
- SEC. 22. Section 2836.3 of the Business and Professions Code is amended to read:
- 2836.3. (a) The furnishing of drugs or devices by nurse practitioners is conditional on issuance by the board of a number to the nurse applicant who has successfully completed the requirements of subdivision (g) of Section 2836.1. The number shall be included on all transmittals of orders for drugs or devices by the nurse practitioner. The board shall make the list of numbers issued available to the Board of Pharmacy. The board may charge the applicant a fee to cover all necessary costs to implement this section, section, that shall be not less than four hundred dollars (\$400) nor more than one thousand five hundred dollars (\$1,500) for an initial application, nor less than one hundred fifty dollars (\$150) nor more than one thousand dollars (\$1,000) for an application for renewal. The board may charge a penalty fee for failure to renew a furnishing number within the prescribed time that shall be not less than seventy-five dollars (\$75) nor more than five hundred dollars (\$500).
- (b) The number shall be renewable at the time of the applicant's registered nurse license renewal.
- (c) The board may revoke, suspend, or deny issuance of the numbers for incompetence or gross negligence in the performance of functions specified in Sections 2836.1 and 2836.2.
- SEC. 23. Section 2838.2 of the Business and Professions Code is amended to read:
- 2838.2. (a) A clinical nurse specialist is a registered nurse with advanced education, who participates in expert clinical practice, education, research, consultation, and clinical leadership as the major components of his or her role.

SB 1039 -26-

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

- (c) A registered nurse who meets one of the following requirements may apply to become a clinical nurse specialist:
 - (1) Possession of a master's degree in a clinical field of nursing.
- (2) Possession of a master's degree in a clinical field related to nursing with course work in the components referred to in subdivision (a).
 - (3) On or before July 1, 1998, meets the following requirements:
 - (A) Current licensure as a registered nurse.
- (B) Performs the role of a clinical nurse specialist as described in subdivision (a).
 - (C) Meets any other criteria established by the board.
- (d) (1) A nonrefundable fee of not less than seventy-five dollars (\$75), five hundred dollars (\$500), but not to exceed one hundred fifty dollars (\$150), thousand five hundred dollars (\$1,500) shall be paid by a registered nurse applying to be a clinical nurse specialist for the evaluation of his or her qualifications to use the title "clinical nurse specialist." \triangle
- (2) The fee to be paid for a temporary certificate to practice as a clinical nurse specialist shall be not less than thirty dollars (\$30) nor more than fifty dollars (\$50).
- (3) A biennial renewal fee shall be paid upon submission of an application to renew the clinical nurse specialist certificate and shall be established by the board at no less than fifty dollars (\$50) one hundred fifty dollars (\$150) and no more than one hundred dollars (\$100). The thousand dollars (\$1,000).
- (4) The penalty fee for failure to renew a certificate within the prescribed time shall be 50 percent of the renewal fee in effect on the date of the renewal of the license, but not less than twenty-five dollars (\$25), seventy-five dollars (\$75) nor more than fifty dollars (\$50). The five hundred dollars (\$500).

__ 27 __ SB 1039

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

- SEC. 24. Section 4128.2 of the Business and Professions Code is amended to read:
- 4128.2. (a) In addition to the pharmacy license requirement described in Section 4110, a centralized hospital packaging pharmacy shall obtain a specialty license from the board prior to engaging in the functions described in Section 4128.
- (b) An applicant seeking a specialty license pursuant to this article shall apply to the board on forms established by the board.
- (c) Before issuing the specialty license, the board shall inspect the pharmacy and ensure that the pharmacy is in compliance with this article and regulations established by the board.
- (d) A license to perform the functions described in Section 4128 may only be issued to a pharmacy that is licensed by the board as a hospital pharmacy.
- (e) A license issued pursuant to this article shall be renewed annually and is not transferrable.
- (f) An applicant seeking renewal of a specialty license shall apply to the board on forms established by the board.
- (g) A license to perform the functions described in Section 4128 shall not be renewed until the pharmacy has been inspected by the board and found to be in compliance with this article and regulations established by the board.
- (h) The fee for issuance or annual renewal of a centralized hospital packaging pharmacy license shall be six hundred dollars (\$600) and may be increased by the board to eight hundred dollars (\$800).
- SEC. 25. Section 4400 of the Business and Professions Code is amended to read:
- 4400. The amount of fees and penalties prescribed by this chapter, except as otherwise provided, is that fixed by the board according to the following schedule:
- (a) The fee for a nongovernmental pharmacy license shall be four hundred dollars (\$400) and may be increased to five hundred twenty dollars (\$520). The fee for the issuance of a temporary nongovernmental pharmacy permit shall be two hundred fifty dollars (\$250) and may be increased to three hundred twenty-five dollars (\$325).

SB 1039 — 28 —

(b) The fee for a nongovernmental pharmacy license annual renewal shall be two hundred fifty dollars (\$250) and may be increased to three hundred twenty-five dollars (\$325).

- (c) The fee for the pharmacist application and examination shall be two hundred dollars (\$200) and may be increased to two hundred sixty dollars (\$260).
- (d) The fee for regrading an examination shall be ninety dollars (\$90) and may be increased to one hundred fifteen dollars (\$115). If an error in grading is found and the applicant passes the examination, the regrading fee shall be refunded.
- (e) The fee for a pharmacist license and biennial renewal shall be one hundred fifty dollars (\$150) and may be increased to one hundred ninety-five dollars (\$195).
- (f) The fee for a nongovernmental wholesaler or third-party logistics provider license and annual renewal shall be seven hundred eighty dollars (\$780) and may be decreased to no less than six hundred dollars (\$600). The application fee for any additional location after licensure of the first 20 locations shall be three hundred dollars (\$300) and may be decreased to no less than two hundred twenty-five dollars (\$225). A temporary license fee shall be seven hundred fifteen dollars (\$715) and may be decreased to no less than five hundred fifty dollars (\$550).
- (g) The fee for a hypodermic license and renewal shall be one hundred twenty-five dollars (\$125) and may be increased to one hundred sixty-five dollars (\$165).
- (h) (1) The fee for application, investigation, and issuance of a license as a designated representative pursuant to Section 4053, or as a designated representative-3PL pursuant to Section 4053.1, shall be three hundred thirty dollars (\$330) and may be decreased to no less than two hundred fifty-five dollars (\$255).
- (2) The fee for the annual renewal of a license as a designated representative or designated representative-3PL shall be one hundred ninety-five dollars (\$195) and may be decreased to no less than one hundred fifty dollars (\$150).
- (i) (1) The fee for the application, investigation, and issuance of a license as a designated representative for a veterinary food-animal drug retailer pursuant to Section 4053 shall be three hundred thirty dollars (\$330) and may be decreased to no less than two hundred fifty-five dollars (\$255).

-29 - SB 1039

(2) The fee for the annual renewal of a license as a designated representative for a veterinary food-animal drug retailer shall be one hundred ninety-five dollars (\$195) and may be decreased to no less than one hundred fifty dollars (\$150).

- (j) (1) The application fee for a nonresident wholesaler or third-party logistics provider license issued pursuant to Section 4161 shall be seven hundred eighty dollars (\$780) and may be decreased to no less than six hundred dollars (\$600).
- (2) For nonresident wholesalers or third-party logistics providers that have 21 or more facilities operating nationwide the application fees for the first 20 locations shall be seven hundred eighty dollars (\$780) and may be decreased to no less than six hundred dollars (\$600). The application fee for any additional location after licensure of the first 20 locations shall be three hundred dollars (\$300) and may be decreased to no less than two hundred twenty-five dollars (\$225). A temporary license fee shall be seven hundred fifteen dollars (\$715) and may be decreased to no less than five hundred fifty dollars (\$50).
- (3) The annual renewal fee for a nonresident wholesaler license or third-party logistics provider license issued pursuant to Section 4161 shall be seven hundred eighty dollars (\$780) and may be decreased to no less than six hundred dollars (\$600).
- (k) The fee for evaluation of continuing education courses for accreditation shall be set by the board at an amount not to exceed forty dollars (\$40) per course hour.
- (1) The fee for an intern pharmacist license shall be ninety dollars (\$90) and may be increased to one hundred fifteen dollars (\$115). The fee for transfer of intern hours or verification of licensure to another state shall be twenty-five dollars (\$25) and may be increased to thirty dollars (\$30).
- (m) The board may waive or refund the additional fee for the issuance of a license where the license is issued less than 45 days before the next regular renewal date.
- (n) The fee for the reissuance of any license, or renewal thereof, that has been lost or destroyed or reissued due to a name change shall be thirty-five dollars (\$35) and may be increased to forty-five dollars (\$45).
- (o) The fee for the reissuance of any license, or renewal thereof, that must be reissued because of a change in the information, shall

SB 1039 -30-

be one hundred dollars (\$100) and may be increased to one hundred thirty dollars (\$130).

- (p) It is the intent of the Legislature that, in setting fees pursuant to this section, the board shall seek to maintain a reserve in the Pharmacy Board Contingent Fund equal to approximately one year's operating expenditures.
- (q) The fee for any applicant for a nongovernmental clinic license shall be four hundred dollars (\$400) and may be increased to five hundred twenty dollars (\$520) for each license. The annual fee for renewal of the license shall be two hundred fifty dollars (\$250) and may be increased to three hundred twenty-five dollars (\$325) for each license.
- (r) The fee for the issuance of a pharmacy technician license shall be eighty dollars (\$80) and may be increased to one hundred five dollars (\$105). The fee for renewal of a pharmacy technician license shall be one hundred dollars (\$100) and may be increased to one hundred thirty dollars (\$130).
- (s) The fee for a veterinary food-animal drug retailer license shall be four hundred five dollars (\$405) and may be increased to four hundred twenty-five dollars (\$425). The annual renewal fee for a veterinary food-animal drug retailer license shall be two hundred fifty dollars (\$250) and may be increased to three hundred twenty-five dollars (\$325).
- (t) The fee for issuance of a retired license pursuant to Section 4200.5 shall be thirty-five dollars (\$35) and may be increased to forty-five dollars (\$45).
- (u) The fee for issuance or renewal of a nongovernmental sterile compounding pharmacy license shall be six hundred dollars (\$600) and may be increased to seven hundred eighty dollars (\$780). The fee for a temporary license shall be five hundred fifty dollars (\$550) and may be increased to seven hundred fifteen dollars (\$715).
- (v) The fee for the issuance or renewal of a nonresident sterile compounding pharmacy license shall be seven hundred eighty dollars (\$780). In addition to paying that application fee, the nonresident sterile compounding pharmacy shall deposit, when submitting the application, a reasonable amount, as determined by the board, necessary to cover the board's estimated cost of performing the inspection required by Section 4127.2. If the required deposit is not submitted with the application, the application shall be deemed to be incomplete. If the actual cost of

-31-**SB 1039**

the inspection exceeds the amount deposited, the board shall 2 provide to the applicant a written invoice for the remaining amount 3 and shall not take action on the application until the full amount 4 has been paid to the board. If the amount deposited exceeds the 5 amount of actual and necessary costs incurred, the board shall 6 remit the difference to the applicant.

1

7 8

9

10

11 12

13

14

15

16 17

18

19

20 21

22

23

24 25

26

27

28

29

30

31

32

33 34

35

36

37 38

39

- (w) This section shall become operative inoperative on July 1, 2014. 2017, and as of January 1, 2018, is repealed.
- SEC. 26. Section 4400 is added to the Business and Professions Code, to read:
- 4400. The amount of fees and penalties prescribed by this chapter, except as otherwise provided, is that fixed by the board according to the following schedule:
- (a) The fee for a nongovernmental pharmacy license shall be five hundred twenty dollars (\$520) and may be increased to five hundred seventy dollars (\$570). The fee for the issuance of a temporary nongovernmental pharmacy permit shall be two hundred fifty dollars (\$250) and may be increased to three hundred twenty-five dollars (\$325).
- (b) The fee for a nongovernmental pharmacy license annual renewal shall be six hundred sixty-five dollars (\$665) and may be increased to nine hundred thirty dollars (\$930).
- (c) The fee for the pharmacist application and examination shall be two hundred sixty dollars (\$260) and may be increased to two hundred eighty-five dollars (\$285).
- (d) The fee for regrading an examination shall be ninety dollars (\$90) and may be increased to one hundred fifteen dollars (\$115). If an error in grading is found and the applicant passes the examination, the regrading fee shall be refunded.
- (e) The fee for a pharmacist license shall be one hundred ninety-five dollars (\$195) and may be increased to two hundred fifteen dollars (\$215). The fee for a pharmacist biennial renewal shall be three hundred sixty dollars (\$360) and may be increased to five hundred five dollars (\$505).
- (f) The fee for a nongovernmental wholesaler or third-party logistics provider license and annual renewal shall be seven hundred eighty dollars (\$780) and may be increased to eight hundred twenty dollars (\$820). The application fee for any additional location after licensure of the first 20 locations shall be three hundred dollars (\$300) and may be decreased to no less

SB 1039 — 32—

than two hundred twenty-five dollars (\$225). A temporary license fee shall be seven hundred fifteen dollars (\$715) and may be decreased to no less than five hundred fifty dollars (\$550).

- (g) The fee for a hypodermic license shall be one hundred seventy dollars (\$170) and may be increased to two hundred forty dollars (\$240). The fee for a hypodermic license renewal shall be two hundred dollars (\$200) and may be increased to two hundred eighty dollars (\$280).
- (h) (1) The fee for application, investigation, and issuance of a license as a designated representative pursuant to Section 4053, or as a designated representative-3PL pursuant to Section 4053.1, shall be one hundred fifty dollars (\$150) and may be increased to two hundred ten dollars (\$210).
- (2) The fee for the annual renewal of a license as a designated representative or designated representative-3PL shall be two hundred fifteen dollars (\$215) and may be increased to three hundred dollars (\$300).
- (i) (1) The fee for the application, investigation, and issuance of a license as a designated representative for a veterinary food-animal drug retailer pursuant to Section 4053 shall be one hundred fifty dollars (\$150) and may be increased to two hundred ten dollars (\$210).
- (2) The fee for the annual renewal of a license as a designated representative for a veterinary food-animal drug retailer shall be two hundred fifteen dollars (\$215) and may be increased to three hundred dollars (\$300).
- (j) (1) The application fee for a nonresident wholesaler or third-party logistics provider license issued pursuant to Section 4161 shall be seven hundred eighty dollars (\$780) and may be increased to eight hundred twenty dollars (\$820).
- (2) For nonresident wholesalers or third-party logistics providers that have 21 or more facilities operating nationwide the application fees for the first 20 locations shall be seven hundred eighty dollars (\$780) and may be increased to eight hundred twenty dollars (\$820). The application fee for any additional location after licensure of the first 20 locations shall be three hundred dollars (\$300) and may be decreased to no less than two hundred twenty-five dollars (\$225). A temporary license fee shall be seven hundred fifteen dollars (\$715) and may be decreased to no less than five hundred fifty dollars (\$550).

-33 - SB 1039

(3) The annual renewal fee for a nonresident wholesaler license or third-party logistics provider license issued pursuant to Section 4161 shall be seven hundred eighty dollars (\$780) and may be increased to eight hundred twenty dollars (\$820).

- (k) The fee for evaluation of continuing education courses for accreditation shall be set by the board at an amount not to exceed forty dollars (\$40) per course hour.
- (l) The fee for an intern pharmacist license shall be one hundred sixty-five dollars (\$165) and may be increased to two hundred thirty dollars (\$230). The fee for transfer of intern hours or verification of licensure to another state shall be twenty-five dollars (\$25) and may be increased to thirty dollars (\$30).
- (m) The board may waive or refund the additional fee for the issuance of a license where the license is issued less than 45 days before the next regular renewal date.
- (n) The fee for the reissuance of any license, or renewal thereof, that has been lost or destroyed or reissued due to a name change shall be thirty-five dollars (\$35) and may be increased to forty-five dollars (\$45).
- (o) The fee for the reissuance of any license, or renewal thereof, that must be reissued because of a change in the information, shall be one hundred dollars (\$100) and may be increased to one hundred thirty dollars (\$130).
- (p) It is the intent of the Legislature that, in setting fees pursuant to this section, the board shall seek to maintain a reserve in the Pharmacy Board Contingent Fund equal to approximately one year's operating expenditures.
- (q) The fee for any applicant for a nongovernmental clinic license shall be five hundred twenty dollars (\$520) for each license and may be increased to five hundred seventy dollars (\$570). The annual fee for renewal of the license shall be three hundred twenty-five dollars (\$325) for each license and may be increased to three hundred sixty dollars (\$360).
- (r) The fee for the issuance of a pharmacy technician license shall be one hundred forty dollars (\$140) and may be increased to one hundred ninety-five dollars (\$195). The fee for renewal of a pharmacy technician license shall be one hundred forty dollars (\$140) and may be increased to one hundred ninety-five dollars (\$195).

SB 1039 — 34—

(s) The fee for a veterinary food-animal drug retailer license shall be four hundred thirty-five dollars (\$435) and may be increased to six hundred ten dollars (\$610). The annual renewal fee for a veterinary food-animal drug retailer license shall be three hundred thirty dollars (\$330) and may be increased to four hundred sixty dollars (\$460).

- (t) The fee for issuance of a retired license pursuant to Section 4200.5 shall be thirty-five dollars (\$35) and may be increased to forty-five dollars (\$45).
- (u) The fee for issuance of a nongovernmental sterile compounding pharmacy license shall be one thousand six hundred forty-five dollars (\$1,645) and may be increased to two thousand three hundred five dollars (\$2,305). The fee for a temporary license shall be five hundred fifty dollars (\$550) and may be increased to seven hundred fifteen dollars (\$715). The annual renewal fee of the license shall be one thousand three hundred twenty-five dollars (\$1,325) and may be increased to one thousand eight hundred fifty-five dollars (\$1,855).
- (v) The fee for the issuance of a nonresident sterile compounding pharmacy license shall be two thousand three hundred eighty dollars (\$2,380) and may be increased to three thousand three hundred thirty-five dollars (\$3,335). The annual renewal of the license shall be two thousand two hundred seventy dollars (\$2,270) and may be increased to three thousand one hundred eighty dollars (\$3,180). In addition to paying that application fee, the nonresident sterile compounding pharmacy shall deposit, when submitting the application, a reasonable amount, as determined by the board, necessary to cover the board's estimated cost of performing the inspection required by Section 4127.2. If the required deposit is not submitted with the application, the application shall be deemed to be incomplete. If the actual cost of the inspection exceeds the amount deposited, the board shall provide to the applicant a written invoice for the remaining amount and shall not take action on the application until the full amount has been paid to the board. *If the amount deposited exceeds the amount of actual and necessary* costs incurred, the board shall remit the difference to the applicant.
- (w) The fee for the issuance of a centralized hospital packaging license shall be eight hundred twenty dollars (\$820) and may be increased to one thousand one hundred fifty dollars (\$1,150). The annual renewal of the license shall be eight hundred five dollars

— 35 — SB 1039

(\$805) and may be increased to one thousand one hundred 2 twenty-five dollars (\$1,125). 3

- (x) This section shall become operative on July 1, 2017.
- 4 SEC. 27. Chapter 15 (commencing with Section 4999) of 5 Division 2 of the Business and Professions Code is repealed.
- SEC. 28. Section 7137 of the Business and Professions Code 6 7 is amended to read:
 - 7137. The board shall set fees by regulation. These fees shall not exceed the following schedule:
 - (a) (1) The application fee for an original license in a single classification shall not be more than three hundred dollars (\$300). sixty dollars (\$360).

13 **The**

8

10

11 12

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33 34

35

36

37

38

(2) The application fee for each additional classification applied for in connection with an original license shall not be more than seventy-five dollars (\$75).

The

(3) The application fee for each additional classification pursuant to Section 7059 shall not be more than seventy-five dollars (\$75). three hundred dollars (\$300).

-The

- (4) The application fee to replace a responsible managing officer, responsible managing manager, responsible managing member, or responsible managing employee pursuant to Section 7068.2 shall not be more than seventy-five dollars (\$75). three hundred dollars (\$300).
- (5) The application fee to add personnel, other than a qualifying individual, to an existing license shall not be more than one hundred fifty dollars (\$150).
- (b) The fee for rescheduling an examination for an applicant who has applied for an original license, additional classification, a change of responsible managing officer, responsible managing manager, responsible managing member, or responsible managing employee, or for an asbestos certification or hazardous substance removal certification, shall not be more than sixty dollars (\$60).
- (c) The fee for scheduling or rescheduling an examination for a licensee who is required to take the examination as a condition of probation shall not be more than sixty dollars (\$60).

SB 1039 -36-

(d) The initial license fee for an active or inactive license shall not be more than one hundred eighty dollars (\$180). two hundred twenty dollars (\$220).

(e) (1) The renewal fee for an active license shall not be more than three hundred sixty dollars (\$360). four hundred thirty dollars (\$430).

-The

- (2) The renewal fee for an inactive license shall not be more than one hundred eighty dollars (\$180). two hundred twenty dollars (\$220).
- (f) The delinquency fee is an amount equal to 50 percent of the renewal fee, if the license is renewed after its expiration.
- (g) The registration fee for a home improvement salesperson shall not be more than seventy-five dollars (\$75). ninety dollars (\$90).
- (h) The renewal fee for a home improvement salesperson registration shall not be more than seventy-five dollars (\$75). ninety dollars (\$90).
- (i) The application fee for an asbestos certification examination shall not be more than seventy-five dollars (\$75). ninety dollars (\$90).
- (j) The application fee for a hazardous substance removal or remedial action certification examination shall not be more than seventy-five dollars (\$75). ninety dollars (\$90).
- (k) In addition to any other fees charged to C-10 and C-7 contractors, the board may charge a fee not to exceed twenty dollars (\$20), which shall be used by the board to enforce provisions of the Labor Code related to electrician certification.
- (1) The board shall, by regulation, establish criteria for the approval of expedited processing of applications. Approved expedited processing of applications for licensure or registration, as required by other provisions of law, shall not be subject to this subdivision.
- SEC. 29. Section 7153.3 of the Business and Professions Code is amended to read:
- 7153.3. (a) To renew a home improvement salesperson registration, which has not expired, the registrant shall before the time at which the registration would otherwise expire, apply for renewal on a form prescribed by the registrar and pay a renewal fee prescribed by this chapter. Renewal of an unexpired registration

37 SB 1039

shall continue the registration in effect for the two-year period following the expiration date of the registration, when it shall expire if it is not again renewed.

- (b) An application for renewal of registration is delinquent if the application is not postmarked or received via electronic transmission as authorized by Section 7156.6 by the date on which the registration would otherwise expire. A registration may, however, still be renewed at any time within three years after its expiration upon the filing of an application for renewal on a form prescribed by the registrar and the payment of the renewal fee prescribed by this chapter and a delinquent renewal penalty in the amount of twenty-five dollars (\$25). equal to 50 percent of the renewal fee. If a registration is not renewed within three years, the person shall make a new application for registration pursuant to Section 7153.1.
- (c) The registrar may refuse to renew a registration for failure by the registrant to complete the application for renewal of registration. If a registrant fails to return the application rejected for insufficiency or incompleteness within 90 days from the original date of rejection, the application and fee shall be deemed abandoned. Any application abandoned may not be reinstated. However, the person may file a new application for registration pursuant to Section 7153.1.

The registrar may review and accept the petition of a person who disputes the abandonment of his or her renewal application upon a showing of good cause. This petition shall be received within 90 days of the date the application for renewal is deemed abandoned.

- SEC. 30. Section 8031 of the Business and Professions Code is amended to read:
- 8031. The amount of the fees required by this chapter is that fixed by the board in accordance with the following schedule:
- (a) The fee for filing an application for each examination shall be no more than forty dollars (\$40).
- (b) The fee for examination and reexamination for the written or practical part of the examination shall be in an amount fixed by the board, which shall be equal to the actual cost of preparing, administering, grading, and analyzing the examination, but shall not exceed seventy-five dollars (\$75) for each separate part, for each administration.

SB 1039 -38-

 (c) The initial certificate fee is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than 180 days after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, or fifty dollars (\$50), whichever is greater. The board may, by appropriate regulation, provide for the waiver or refund of the initial certificate fee where the certificate is issued less than 45 days before the date on which it will expire.

(d) By a resolution adopted by the board, a renewal fee may be established in such amounts and at such times as the board may deem appropriate to meet its operational expenses and funding responsibilities as set forth in this chapter. The renewal fee shall not be more than one hundred twenty-five dollars (\$125) two hundred fifty dollars (\$250) nor less than ten dollars (\$10) annually, with the following exception:

Any person who is employed full time by the State of California as a hearing reporter and who does not otherwise render shorthand reporting services for a fee shall be exempt from licensure while in state employment and shall not be subject to the renewal fee provisions of this subdivision until 30 days after leaving state employment. The renewal fee shall, in addition to the amount fixed by this subdivision, include any unpaid fees required by this section plus any delinquency fee.

- (e) The duplicate certificate fee shall be no greater than ten dollars (\$10).
- (f) The penalty for failure to notify the board of a change of name or address as required by Section 8024.6 shall be no greater than fifty dollars (\$50).

SEC. 4.

- SEC. 31. Section 8516 of the Business and Professions Code is amended to read:
- 8516. (a) This section, and Section 8519, apply only to wood destroying pests or organisms.
- (b) A registered company or licensee shall not commence work on a contract, or sign, issue, or deliver any documents expressing an opinion or statement relating to the absence or presence of wood destroying pests or organisms until an inspection has been made by a licensed Branch 3 field representative or operator employed

— 39 — SB 1039

by a registered company, except as provided in Section 8519.5. 2 The address of each property inspected or upon which work is 3 completed shall be reported on a form prescribed by the board and 4 shall be filed with the board no later than 10 business days after 5 the commencement of an inspection or upon completed work.

1

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

Every property inspected pursuant to this subdivision or Section 8518 shall be assessed a filing fee pursuant to Section 8674.

Failure of a registered company to report and file with the board the address of any property inspected or work completed pursuant to Section 8518 or this section is grounds for disciplinary action and shall subject the registered company to a fine of not more than two thousand five hundred dollars (\$2,500). The address of an inspection report prepared for use by an attorney for litigation purposes shall not be required to be reported to the board and shall not be assessed a filing fee.

A written inspection report conforming to this section and a form approved by the board shall be prepared and delivered to the person requesting the inspection and the property owner, or to the property owner's designated agent, within 10 business days from the start of the inspection, except that an inspection report prepared for use by an attorney for litigation purposes is not required to be reported to the board or the property owner. An inspection report may be a complete, limited, supplemental, or reinspection report, as defined by Section 1993 of Title 16 of the California Code of Regulations. The report shall be delivered before work is commenced on any property. The registered company shall retain for three years all inspection reports, field notes, and activity forms.

Reports shall be made available for inspection and reproduction to the executive officer of the board or his or her duly authorized representative during business hours. All inspection reports or copies thereof shall be submitted to the board upon demand within two business days. The following shall be set forth in the report:

- (1) The start date of the inspection and the name of the licensed field representative or operator making the inspection.
- (2) The name and address of the person or firm ordering the report.
- (3) The name and address of the property owner and any person who is a party in interest.
 - (4) The address or location of the property.
- (5) A general description of the building or premises inspected.

SB 1039 — 40 —

(6) A foundation diagram or sketch of the structure or structures or portions of the structure or structures inspected, including the approximate location of any infested or infected areas evident, and the parts of the structure where conditions that would ordinarily subject those parts to attack by wood destroying pests or organisms exist. Reporting of the infested or infected wood members, or parts of the structure identified, shall be listed in the inspection report to clearly identify them, as is typical in standard construction components, including, but not limited to, siding, studs, rafters, floor joists, fascia, subfloor, sheathing, and trim boards.

- (7) Information regarding the substructure, foundation walls and footings, porches, patios and steps, air vents, abutments, attic spaces, roof framing that includes the eaves, rafters, fascias, exposed timbers, exposed sheathing, ceiling joists, and attic walls, or other parts subject to attack by wood destroying pests or organisms. Conditions usually deemed likely to lead to infestation or infection, such as earth-wood contacts, excessive cellulose debris, faulty grade levels, excessive moisture conditions, evidence of roof leaks, and insufficient ventilation are to be reported.
- (8) One of the following statements, as appropriate, printed in bold type:
- (A) The exterior surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractors' State License Board.
- (B) The exterior surface of the roof was inspected to determine whether or not wood destroying pests or organisms are present.
- (9) Indication or description of any areas that are inaccessible or not inspected with recommendation for further inspection if practicable. If, after the report has been made in compliance with this section, authority is given later to open inaccessible areas, a supplemental report on conditions in these areas shall be made.
 - (10) Recommendations for corrective measures.
- (11) Information regarding the pesticide or pesticides to be used for their control or prevention as set forth in subdivision (a) of Section 8538.
- (12) The inspection report shall clearly disclose that if requested by the person ordering the original report, a reinspection of the structure will be performed if an estimate or bid for making repairs was given with the original inspection report, or thereafter.

—41— SB 1039

An estimate or bid shall be given separately allocating the costs to perform each and every recommendation for corrective measures as specified in subdivision (c) with the original inspection report if the person who ordered the original inspection report so requests, and if the registered company is regularly in the business of performing each corrective measure.

If no estimate or bid was given with the original inspection report, or thereafter, then the registered company shall not be required to perform a reinspection.

A reinspection shall be an inspection of those items previously listed on an original report to determine if the recommendations have been completed. Each reinspection shall be reported on an original inspection report form and shall be labeled "Reinspection." Each reinspection shall also identify the original report by date.

After four months from an original inspection, all inspections shall be original inspections and not reinspections.

Any reinspection shall be performed for not more than the price of the registered company's original inspection price and shall be completed within 10 business days after a reinspection has been ordered.

(13) The inspection report shall contain the following statement, printed in boldface type:

"NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e. termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company."

- (c) At the time a report is ordered, the registered company or licensee shall inform the person or entity ordering the report, that a separated separate report is available pursuant to this subdivision. If a separated separate report is requested at the time the inspection report is ordered, the registered company or licensee shall separately identify on the report each recommendation for corrective measures as follows:
 - (1) The infestation or infection that is evident.
- (2) The conditions that are present that are deemed likely to lead to infestation or infection.

SB 1039 — 42 —

If a registered company or licensee fails to inform as required by this subdivision and a dispute arises, or if any other dispute arises as to whether this subdivision has been complied with, a separated separate report shall be provided within 24 hours of the request but, in no event, later than the next business day, and at no additional cost.

- (d) When a corrective condition is identified, either as paragraph (1) or (2) of subdivision (c), and the property owner—of or the property owner's designated agent chooses not to correct those conditions, the registered company or licensee shall not be liable for damages resulting from a failure to correct those conditions or subject to any disciplinary action by the board. Nothing in this subdivision, however, shall relieve a registered company or a licensee of any liability resulting from negligence, fraud, dishonest dealing, other violations pursuant to this chapter, or contractual obligations between the registered company or licensee and the responsible parties.
- (e) The inspection report form prescribed by the board shall separately identify the infestation or infection that is evident and the conditions that are present that are deemed likely to lead to infestation or infection. If a separated separate form is requested, the form shall explain the infestation or infection that is evident and the conditions that are present that are deemed likely to lead to infestation or infection and the difference between those conditions. In no event, however, shall conditions deemed likely to lead to infestation or infection be characterized as actual "defects" or as actual "active" infestations or infections or in need of correction as a precondition to issuing a certification pursuant to Section 8519.
- (f) The report and any contract entered into shall also state specifically when any guarantee for the work is made, and if so, the specific terms of the guarantee and the period of time for which the guarantee shall be in effect. If a guarantee extends beyond three years, the registered company shall maintain all original inspection reports, field notes, activity forms, and notices of completion for the duration of the guarantee period and for one year after the guarantee expires.
- (g) For purposes of this section, "control service agreement" means an agreement, including extended warranties, to have a licensee conduct over a period of time regular inspections and

-43- SB 1039

other activities related to the control or eradication of wood 1 2 destroying pests and organisms. Under a control service agreement 3 a registered company shall refer to the original report and contract 4 in a manner as to identify them clearly, and the report shall be assumed to be a true report of conditions as originally issued, 6 except it may be modified after a control service inspection. A 7 registered company is not required to issue a report as outlined in 8 paragraphs (1) to (11), inclusive, of subdivision (b) after each control service inspection. If after control service inspection, no 10 modification of the original report is made in writing, then it will 11 be assumed that conditions are as originally reported. A control 12 service contract shall state specifically the particular wood 13 destroying pests or organisms and the portions of the buildings or 14 structures covered by the contract. 15

(h) A registered company or licensee may enter into and maintain a control service agreement provided the following requirements are met:

16 17

18

19

20

21

22

23

2425

26

27

28

29

30

31

32

33

34

35

36

37

38

- (1) The control service agreement shall be in writing, signed by both parties, and shall specifically include the following:
- (A) The wood destroying pests and organisms covered by the control service agreement.
- (B) Any wood destroying pest or organism that is not covered must be specifically listed.
- (C) The type and manner of treatment to be used to correct the infestations or infections.
- (D) The structures or buildings, or portions thereof, covered by the agreement, including a statement specifying whether the coverage for purposes of periodic inspections is limited or full. Any exclusions from those described in the original report must be specifically listed.
 - (E) A reference to the original inspection report.
- (F) The frequency of the inspections to be provided, the fee to be charged for each renewal, and the duration of the agreement.
- (G) Whether the fee includes structural repairs.
- (H) If the services provided are guaranteed, and, if so, the terms of the guarantee.
- (I) A statement that all corrections of infestations or infections covered by the control service agreement shall be completed within six months of discovery, unless otherwise agreed to in writing by both parties.

SB 1039 — 44—

(2) The original inspection report, the control service agreement, and completion report shall be maintained for three years after the cancellation of the control service agreement.

- (3) Inspections made pursuant to a control service agreement shall be conducted by a Branch 3 licensee. Section 8506.1 does not modify this provision.
- (4) A full inspection of the property covered by the control service agreement shall be conducted and a report filed pursuant to subdivision (b) at least once every three years from the date that the agreement was entered into, unless the consumer cancels the contract within three years from the date the agreement was entered into.
- (5) Under a control service agreement, a written report shall be required for the correction of any infestation or infection unless all of the following conditions are met:
 - (A) The infestation or infection has been previously reported.
- (B) The infestation or infection is covered by the control service agreement.
- (C) There is no additional charge for correcting the infestation or infection.
- (D) Correction of the infestation or infection takes place within 45 days of its discovery.
- (E) Correction of the infestation or infection does not include fumigation.
- (6) All notice requirements pursuant to Section 8538 shall apply to all pesticide treatments conducted under control service agreements.
- (i) All work recommended by a registered company, where an estimate or bid for making repairs was given with the original inspection report, or thereafter, shall be recorded on this report or a separate work agreement and shall specify a price for each recommendation. This information shall be provided to the person requesting the inspection, and shall be retained by the registered company with the inspection report copy for three years.

SEC. 5.

- 36 SEC. 32. Section 8518 of the Business and Professions Code 37 is amended to read:
- 38 8518. (a) When a registered company completes work under 39 a contract, it shall prepare, on a form prescribed by the board, a 40 notice of work completed and not completed, and shall furnish

45 SB 1039

that notice to the owner of the property or the owner's agent within 10 business days after completing the work. The notice shall include a statement of the cost of the completed work and estimated cost of work not completed.

- (b) The address of each property inspected or upon which work was completed shall be reported on a form prescribed by the board and shall be filed with the board no later than 10 business days after completed work.
- (c) A filing fee shall be assessed pursuant to Section 8674 for every property upon which work is completed.
- (d) Failure of a registered company to report and file with the board the address of any property upon which work was completed pursuant to subdivision (b) of Section 8516 or this section is grounds for disciplinary action and shall subject the registered company to a fine of not more than two thousand five hundred dollars (\$2,500).
- (e) The registered company shall retain for three years all original notices of work completed, work not completed, and activity forms.
- (f) Notices of work completed and not completed shall be made available for inspection and reproduction to the executive officer of the board or his or her duly authorized representative during business hours. Original notices of work completed or not completed or copies thereof shall be submitted to the board upon request within two business days.
- (g) This section shall only apply to work relating to wood destroying pests or organisms.

SEC. 6.

- SEC. 33. Section 8555 of the Business and Professions Code is amended to read:
 - 8555. This chapter does not apply to:
- (a) Public utilities operating under the regulations of the Public Utilities Commission, except to work performed upon property of the utilities not subject to the jurisdiction of the Public Utilities Commission or work done by the utility for hire.
- (b) Persons engaged only in agricultural pest control work under permit or license by the Department of Pesticide Regulation or a county agricultural commissioner.

— 46 — **SB 1039**

1

2

3

4

5

6 7

8

10

11 12

13

14 15

16 17

18

19

21

22

23

24 25

26

27

28

29

30

31

32

33 34

35

36

37

38 39

40

(c) Pest control performed by persons upon property that they own, lease lease, or rent, except that the persons shall be subject to the limitations imposed by Article 3 of this chapter.

- (d) Governmental agencies, state, federal, city, or county officials, and their employees while officially engaged.
- (e) Authorized representatives of an educational institution or state or federal agency engaged in research or study of pest control, or engaged in investigation or preparation for expert opinion or testimony. A professional engaging in research, investigation, or preparation for expert opinion or testimony on his or her own behalf shall comply with the requirements of this chapter.
- (f) Certified architects and registered civil engineers, acting solely within their professional capacity, except that they shall be subject to the limitations imposed by Article 3 of this chapter.
- (g) Persons engaged in the live capture and removal or exclusion of bees or wasps from a structure without the use of pesticides, provided those persons maintain insurance coverage as described in Section 8692.
- 20 SEC. 34. Section 1348.8 of the Health and Safety Code is repealed.
 - 1348.8. (a) A health care service plan that provides, operates, or contracts for telephone medical advice services to its enrollees and subscribers shall do all of the following:
 - (1) Ensure that the in-state or out-of-state telephone medical advice service is registered pursuant to Chapter 15 (commencing with Section 4999) of Division 2 of the Business and Professions Code.
 - (2) Ensure that the staff providing telephone medical advice services for the in-state or out-of-state telephone medical advice service are licensed as follows:
 - (A) For full service health care service plans, the staff hold a valid California license as a registered nurse or a valid license in the state within which they provide telephone medical advice services as a physician and surgeon or physician assistant, and are operating in compliance with the laws governing their respective scopes of practice.
 - (B) (i) For specialized health care service plans providing, operating, or contracting with a telephone medical advice service in California, the staff shall be appropriately licensed, registered,

47 SB 1039

or certified as a dentist pursuant to Chapter 4 (commencing with Section 1600) of Division 2 of the Business and Professions Code, as a dental hygienist pursuant to Article 7 (commencing with Section 1740) of Chapter 4 of Division 2 of the Business and Professions Code, as a physician and surgeon pursuant to Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code or the Osteopathic Initiative Act, as a registered nurse pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code, as a psychologist pursuant to Chapter 6.6 (commencing with Section 2900) of Division 2 of the Business and Professions Code, as an optometrist pursuant to Chapter 7 (commencing with Section 3000) of Division 2 of the Business and Professions Code, as a marriage and family therapist pursuant to Chapter 13 (commencing with Section 4980) of Division 2 of the Business and Professions Code. as a licensed clinical social worker pursuant to Chapter 14 (commencing with Section 4991) of Division 2 of the Business and Professions Code, as a professional clinical counselor pursuant to Chapter 16 (commencing with Section 4999.10) of Division 2 of the Business and Professions Code, or as a chiropractor pursuant to the Chiropractic Initiative Act, and operating in compliance with the laws governing their respective scopes of practice.

(ii) For specialized health care service plans providing, operating, or contracting with an out-of-state telephone medical advice service, the staff shall be health care professionals, as identified in clause (i), who are licensed, registered, or certified in the state within which they are providing the telephone medical advice services and are operating in compliance with the laws governing their respective scopes of practice. All registered nurses providing telephone medical advice services to both in-state and out-of-state business entities registered pursuant to this chapter shall be licensed pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code.

- (3) Ensure that every full service health care service plan provides for a physician and surgeon who is available on an on-call basis at all times the service is advertised to be available to enrollees and subscribers.
- (4) Ensure that staff members handling enrollee or subscriber ealls, who are not licensed, certified, or registered as required by paragraph (2), do not provide telephone medical advice. Those

SB 1039 — 48 —

staff members may ask questions on behalf of a staff member who is licensed, certified, or registered as required by paragraph (2), in order to help ascertain the condition of an enrollee or subscriber so that the enrollee or subscriber can be referred to licensed staff. However, under no circumstances shall those staff members use the answers to those questions in an attempt to assess, evaluate, advise, or make any decision regarding the condition of an enrollee or subscriber or determine when an enrollee or subscriber needs to be seen by a licensed medical professional.

- (5) Ensure that no staff member uses a title or designation when speaking to an enrollee or subscriber that may cause a reasonable person to believe that the staff member is a licensed, certified, or registered professional described in Section 4999.2 of the Business and Professions Code unless the staff member is a licensed, certified, or registered professional.
- (6) Ensure that the in-state or out-of-state telephone medical advice service designates an agent for service of process in California and files this designation with the director.
- (7) Requires that the in-state or out-of-state telephone medical advice service makes and maintains records for a period of five years after the telephone medical advice services are provided, including, but not limited to, oral or written transcripts of all medical advice conversations with the health care service plan's enrollees or subscribers in California and copies of all complaints. If the records of telephone medical advice services are kept out of state, the health care service plan shall, upon the request of the director, provide the records to the director within 10 days of the request.
- (8) Ensure that the telephone medical advice services are provided consistent with good professional practice.
- (b) The director shall forward to the Department of Consumer Affairs, within 30 days of the end of each calendar quarter, data regarding complaints filed with the department concerning telephone medical advice services.
- (c) For purposes of this section, "telephone medical advice" means a telephonic communication between a patient and a health care professional in which the health care professional's primary function is to provide to the patient a telephonic response to the patient's questions regarding his or her or a family member's medical care or treatment. "Telephone medical advice" includes

-49 - SB 1039

assessment, evaluation, or advice provided to patients or their family members.

- SEC. 35. Section 10279 of the Insurance Code is repealed.
- 10279. (a) Every disability insurer that provides group or individual policies of disability, or both, that provides, operates, or contracts for, telephone medical advice services to its insureds shall do all of the following:
- (1) Ensure that the in-state or out-of-state telephone medical advice service is registered pursuant to Chapter 15 (commencing with Section 4999) of Division 2 of the Business and Professions Code.
- (2) Ensure that the staff providing telephone medical advice services for the in-state or out-of-state telephone medical advice service hold a valid California license as a registered nurse or a valid license in the state within which they provide telephone medical advice services as a physician and surgeon or physician assistant and are operating consistent with the laws governing their respective scopes of practice.
- (3) Ensure that a physician and surgeon is available on an on-eall basis at all times the service is advertised to be available to enrollees and subscribers.
- (4) Ensure that the in-state or out-of-state telephone medical advice service designates an agent for service of process in California and files this designation with the commissioner.
- (5) Require that the in-state or out-of-state telephone medical advice service makes and maintains records for a period of five years after the telephone medical advice services are provided, including, but not limited to, oral or written transcripts of all medical advice conversations with the disability insurer's insureds in California and copies of all complaints. If the records of telephone medical advice services are kept out of state, the insurer shall, upon the request of the director, provide the records to the director within 10 days of the request.
- (6) Ensure that the telephone medical advice services are provided consistent with good professional practice.
- (b) The commissioner shall forward to the Department of Consumer Affairs, within 30 days of the end of each calendar quarter, data regarding complaints filed with the department concerning telephone medical advice services.

SB 1039 — 50 —

1 SEC. 7.

2 SEC. 36. No reimbursement is required by this act pursuant to

Section 6 of Article XIIIB of the California Constitution because

- 4 the only costs that may be incurred by a local agency or school
- 5 district will be incurred because this act creates a new crime or
- 6 infraction, eliminates a crime or infraction, or changes the penalty
- 7 for a crime or infraction, within the meaning of Section 17556 of
- 8 the Government Code, or changes the definition of a crime within
- 9 the meaning of Section 6 of Article XIIIB of the California
- 10 Constitution.